

PREFACE

- 1 This Report has been prepared for submission to the Governor under Article 151 of the Constitution of India.
- 2 Chapter I deals with the findings of performance audits in Narmada, Water Resources, Water Supply and Kalpsar; Health and Family Welfare and Science and Technology Departments. Chapter II deals with findings of transaction audit in Panchayats, Rural Housing and Rural Development; Education; Narmada, Water Resources, Water Supply and Kalpsar; Roads and Buildings; Agriculture and Co-operation (Fisheries); Health and Family Welfare; Labour and Employment; Home and Revenue Departments. Chapter III deals with the integrated audit of Higher and Technical Education wings of the Education Department.
- 3 Reports containing (a) observations arising out of audit of Statutory Corporations, Boards and Government Companies, (b) observations on revenue receipts of the State Government and (c) observations on the finances of the State Government are being presented separately.
- 4 The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 2009-10 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports. Matters relating to the period subsequent to 2009-10 have also been included, wherever necessary.

OVERVIEW

This Report contains three chapters containing five reviews including one Information Technology Audit review and 14 paragraphs based on audit of certain selected programmes, schemes, activities and transactions of the Government.

The audit has been conducted in accordance with the Auditing Standards prescribed for the Indian Audit and Accounts Department. The specific audit methodology adopted for audit of programmes and schemes has been mentioned in the reviews. The audit conclusions have been drawn and the recommendations made taking into consideration the views of the Government, wherever received.

Audit comments on the performance of the Government in implementation of some programmes and schemes are given below:

1. Salinity Ingress Prevention Programme

The progress of implementation of the Salinity Ingress Prevention Programme in the State was slow. As a result, an increase in the area affected by salinity ingress was noticed. Despite recommendations by High Level Committees (HLCs) appointed by the Government, no groundwater legislation was enacted to restrict and regulate the withdrawal of groundwater. Works of Bandharas and Spreading Channels could not be completed due to non-acquisition of land. Tidal Regulators were not functioning and Bandharas and Spreading Channels were found to have been constructed in upstream areas in deviation of the recommendations of the HLCs. The pace of execution of works for construction of Check Dams, Recharge Tanks, Nala Plugs etc., was not satisfactory. Impact of salinity ingress was observed on agriculture produce and groundwater quality.

The HLCs recommended (1978-1984) completion of all structures within seven years, but only 41 *per cent* of structural works was completed as of March 2010. The pace of completion of construction work was very slow in Madhavpur-Malia and Malia-Lakhpat reaches where only 26 and 29 *per cent* of the works were completed respectively as of March 2010. To avoid lapse of a Twelfth Finance Commission grant, ₹50.37 crore was withdrawn and deposited with other offices/divisions. Gates of the Rukmavati Tidal Regulator were not functioning despite incurring expenditure of ₹50.28 lakh on its repairs/maintenance. Twenty-two Bandharas were constructed away from the mouths of rivers. In seven cases, infructuous expenditure of ₹ 43.11 crore was noticed due to incomplete works for want of required land. Expenditure of ₹1.92 crore on the Wandh Bandhara proved wasteful due to location of a mega power plant in the upstream area of the Bandhara. No High Level Review and Monitoring Committee was constituted. Evaluation and impact analysis of structural works was not carried out even after issuance of a direction by the Government.

(Paragraph 1.1)

2. Chiranjeevi Yojana

The State could not achieve the intended goal of bringing down its Maternal Mortality Rate (MMR) and Infant Mortality Rate (IMR) from 3.89:1000 and 57:1000 respectively in 2005-06 to 1:1000 and 30:1000 respectively by March 2010 despite

launching (2005-06) the Chiranjeevi Yojana. In 40 *per cent* (93 out of 231) talukas of the State, no Empanelled Private Practitioners had joined the Yojana even in the fifth year after its launch. Entitled beneficiaries under the scheme (Below Poverty Line (BPL) expectant mothers and eligible Above Poverty Line (APL) expectant mothers) were not provided/short provided transport charges in a number of instances. Chief District Health Officers had not established a system for cross-checking of BPL claims furnished by Empanelled Private Practitioners under the Yojana, in the absence of which, there was a risk of processing of bogus and fraudulent claims.

Release of funds without assessing requirements resulted in blockage of ₹48.62 crore. In the six test-checked districts, ₹27.93 crore was lying unspent as of 31 March 2010. Utilization certificates of ₹22.27 crore were pending from Chief District Health Officers as of 31 March 2010.

(Paragraph 1.2)

3. Procurement of Medicines, Drugs and Equipment

The procurement of medicines, drugs and equipment by the Health and Family Welfare Department was made through the Central Medical Stores Organization (CMSO), Gandhinagar. Failure to fix rate contracts for medicines in the formulary list forced the hospitals to purchase essential medicines locally. Orthopaedic implants were procured from unlicensed suppliers/manufacturers. Pre-despatch testing was not followed and the system of testing samples was deficient. Cases of irregularities in procurement and poor utilisation of equipment were noticed. Comprehensive maintenance contracts were awarded for machinery and equipment already under such contracts. Equipment remained unutilized due to non-supply of consumables.

The CMSO failed to supply medicines and surgicals in the quantities indented by the hospitals. The percentage of short supply against the items indented during 2007-10 ranged between 23 and 85 in respect of tablets, between 32 and 69 in respect of injections, between 20 and 56 in respect of surgical goods and between 44 and 86 in respect of instruments. Laboratory test results of samples of drugs and medicines were delayed by more than six months, making the testing process ineffective.

(Paragraph 1.3)

4. IT Audit of Integrated Workflow and Document Management System (IWDMS)

As a step forward in implementation of e-Governance, the Government entered into an agreement in March 2005 with Tata Consultancy Services (TCS) to develop an application system named Integrated Workflow and Document Management System for efficient management of workflow of documents and files to bring effectiveness and transparency in Government administration. IT audit of this system revealed that out of the total of 304 Department Specific Applications, User Requirement Specification (URS) for 65 applications were not prepared while for 177 applications, URS were prepared but approval of users was not obtained. System Requirement Specifications and the System Design Document were not prepared by TCS. Out of 304 User Acceptance Specification Reports prepared, 43 reports had signatures without the designations of the officials who had approved the same. The duties of

‘Developer’, ‘Implementing Agency’, ‘System Administrator’ as well as ‘Database Administrator’ were carried out by TCS, which gave them unlimited rights and access to the application/system.

(Paragraph 1.4)

5. Audit of Transactions

Audit of transactions in various departments of the Government and their field offices revealed cases of loss, infructuous and wasteful expenditure, unfruitful expenditure, blockage of funds and other irregularities aggregating ₹26.39 crore as mentioned below:

- A case of misappropriation/fraudulent payment of ₹ 18 lakh due to non-adherence to the prescribed procedures in implementation of the Gujarat State Rural Employment Guarantee Scheme based on the provisions of National Rural Employment Guarantee Act was noticed.

(Paragraph 2.1.1)

- Infructuous /wasteful expenditure and overpayment of ₹8.42 crore was noticed in the Education Department (₹4.36 crore), Narmada, Water Resources, Water Supply and Kalpsar Department (₹ 90 lakh), Panchayats, Rural Housing and Rural Development Department (₹1.31 crore) and Roads and Buildings Department (₹1.85 crore).

(Paragraph 2.2.1 to 2.2.5)

- Avoidable/excess/unfruitful expenditure of ₹9.28 crore was noticed in the Narmada, Water Resources, Water Supply and Kalpsar Department (₹2.72 crore) and Roads and Buildings Department (₹6.56 crore).

(Paragraphs 2.3.1 to 2.3.4)

- Idle investment/idle establishment/blockage of funds of ₹7.64 crore was noticed in the Agriculture and Co-operation Department (₹4.57 crore), and Health and Family Welfare Department (₹3.07 crore) due to idling of a Nursing School building because of non-adherence to Indian Nursing Council specifications.

(Paragraphs 2.4.1 to 2.4.2)

- Short recovery of Labour Welfare Cess amounting to ₹ 87 lakh was noticed in the Education Department and the Labour and Employment Department.

(Paragraph 2.5.1)

6. Integrated audit of Higher and Technical Education wings of the Education Department

The department took up programmes on *ad hoc* basis without preparing Activity Plans which led to savings of up to 100 *per cent* of allocations besides non-establishment of a Teachers’ Training University. Overpayment of grants of ₹ 1.24 crore was not adjusted while releasing subsequent grants. A Knowledge Consortium and a Knowledge Corporation were not activated due to lack of planning. The Digital English Language Laboratory (DELL) project, created at a cost of ₹ 18.12 crore, was not fully utilized and failed to achieve its objective of promotion of the English language through Information and Communication Technology. The benefits of e-libraries could not be passed on to the students. Cases of non-disbursement / delay in disbursement of scholarships were noticed. The teacher-student ratio was 1:57 in Higher Education as

against 1:30 prescribed for undergraduate courses and 1:10 for post-graduate courses by the University Grants Commission. Thirty-five colleges of technical education did not have access to free e-journals and e-books under the Indian National Digital Library in Engineering Sciences and Technology programme. The system of internal control was inadequate leading to inadequate monitoring of expenditure, improper maintenance of cash books and delayed credit of receipts to Government accounts. Delays in finalisation of retirement benefits and non-settlement of provident fund amounts were also noticed. Seven out of 10 universities had not submitted their accounts for periods ranging from three to 15 years.

(Paragraph 3.1)

CHAPTER I

PERFORMANCE AUDITS

NARMADA, WATER RESOURCES, WATER SUPPLY AND KALPSAR DEPARTMENT

1.1 Salinity Ingress Prevention Programme

Highlights

The progress of implementation of the Salinity Ingress Prevention Programme in the State was slow. As a result, an increase in areas affected by salinity ingress was noticed. Funds received as grants from the Twelfth Finance Commission were transferred to other non-executing divisions and shown as expenditure to avoid lapse of grants on expiry of the time limit. Despite recommendations by High Level Committees (HLCs) appointed by the Government, no groundwater legislation was enacted to restrict and regulate the withdrawal of groundwater. Works of Bandharas¹ and Spreading Channels² could not be completed due to non-acquisition of land. Tidal Regulators³ were not functioning and Bandharas and Spreading Channels were constructed in upstream areas in deviation of the recommendations of the HLCs. The execution of works for construction of Check Dams, Recharge Tanks, Nala Plugs etc., were not satisfactory. Adverse impact of salinity was observed on agricultural produce, groundwater quality and health of the coastal community. No High Level Review and Monitoring Committee was appointed and evaluation of the socio-economic impact and benefits from construction of these structures was not carried out.

The HLCs recommended (1978-1984) completion of works within seven years but only 41 per cent of the works were completed as of March 2010. The pace of completion of construction work was very slow in Madhavpur-Malia and Malia-Lakhpat reaches, where only 26 and 29 per cent of the works were completed respectively as of March 2010.

(Paragraph 1.1.6)

To avoid lapse of Twelfth Finance Commission grants, ₹50.37 crore was withdrawn and shown to have been spent though the amount had been deposited with non-executing divisions.

(Paragraph 1.1.7.1)

¹ A solid non-gated wall with crest level above high tide level.

² Construction of narrow channels near the coastal line connecting two reservoirs.

³ Structure with gates on large river to stop tidal ingress into the river bed.

Groundwater legislation to restrict and regulate the withdrawal of groundwater was not enacted by the Government even though it was recommended by the High Level Committees.

(Paragraph 1.1.8.1)

Gates of the Rukmavati Tidal Regulator were not functioning despite incurring expenditure of ₹ 50.28 lakh on repairs and maintenance.

(Paragraph 1.1.9.2)

Twenty-two Bandharas were constructed away from the mouths of the rivers.

(Paragraphs 1.1.9.4)

In seven cases, infructuous expenditure of ₹ 43.11 crore was noticed due to works remaining incomplete for want of required land.

(Paragraphs 1.1.9.6 and 1.1.10.2)

Expenditure of ₹ 1.92 crore on the Wandh Bandhara proved wasteful due to location of a mega power plant in the upstream area of the Bandhara.

(Paragraph 1.1.9.7)

No High Level Review and Monitoring Committee was constituted and evaluation of the socio-economic impact of structural works was not carried out even after issuance of a direction by the Government.

(Paragraphs 1.1.13 and 1.1.13.2)

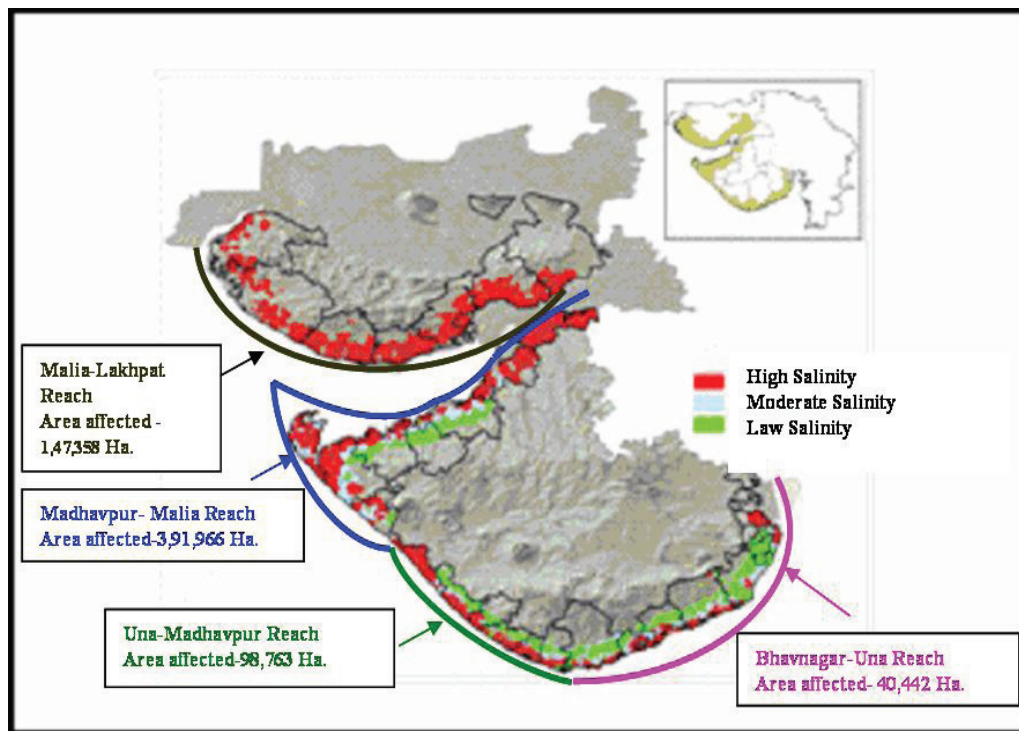
1.1.1 Introduction

The State of Gujarat has the longest coastline of 1600 km, which is about one third of the total coastline of India. Of this, Saurashtra and Kachchh districts have a 1125 km coastal belt from Bhavnagar to Lakhpatt. Due to heavy withdrawal of groundwater and very meagre recharge sources (only rainfall), ingress of sea water has converted the available groundwater resources into a saline belt, rendering cultivable land useless and the water in the wells saline and unsuitable for irrigation and drinking purposes. The phenomenon of salinity ingress has affected 779 villages as of 1976, covering a population of 13.30 lakh and an area of 10.65 lakh hectares. The Government of Gujarat (Government) appointed (1976 and 1978) High Level Committees (HLC) to suggest measures for prevention of ingress of salinity and measures to remedy damages that had already occurred. The HLCs had recommended commissioning of a yearly study to monitor the areas that had been affected by salinity ingress. The last such yearly exercise was carried out in 2007-08⁴ and as per the report following this exercise, there had been an overall increase of 15 per cent in salinity ingress

⁴ By Groundwater Division for the Una-Madhavpur Reach and by GWRDC for other three Reaches.

area, involving an additional affected area of 88,947 hectares when compared with the base data for the period 1977 to 1984. Details of the increase/decrease in the four reaches are given in para 1.1.6.1.

Map 1 –Areas affected by salinity ingress in four coastal reaches



(Source: Superintending Engineer, Salinity Ingress Prevention Circle, Rajkot)

1.1.2 Organizational set up

The Secretary, Water Resources (WR) and the Special Secretary (WR) under the Narmada, Water Resources, Water Supply and Kalpsar Department (department) at the Government level are responsible for planning, implementation and monitoring of the Salinity Ingress Prevention Programme (SIPP) in the State. They are assisted by the Chief Engineer and Additional Secretary (CE and AS), Saurashtra, CE and AS, Panchayat (for Kachchh region) and the Managing Director, Gujarat Water Resources Development Corporation (GWRDC), Gandhinagar for implementation of SIPP. There are two⁵ Superintending Engineers (SEs) heading circle offices specific to SIPP and nine⁶ Executive Engineers (EE) working as heads of divisional offices below the two SEs.

1.1.3 Audit Objectives

The audit objectives were to assess whether

- proper planning was done for implementation of SIPP in the State,

⁵ (i) Kachchh Irrigation Circle, Bhuj and (ii) Salinity Ingress Prevention Circle, Rajkot

⁶ (i) Salinity Control Division, Bhavnagar, (ii) Salinity Control Division, Bhuj, (iii) Kachchh Irrigation Division, Bhuj, (iv) Water Resources and Investigation Division, Bhuj, (v) Kachchh Irrigation Construction Division, Bhuj, (vi) Salinity Control Division, Jamnagar, (vii) Salinity Control Division, Porbandar, (viii) Salinity Control Division, Rajkot, and (ix) Groundwater Division, Rajkot

- adequate funds were provided and these were utilized economically, efficiently and effectively,
- schemes were undertaken as per the recommendations of the HLCs and implemented in adherence to the rules and regulations in force,
- a system of monitoring and evaluation was present.

1.1.4 Audit criteria

The implementation of SIPP was assessed against the following criteria keeping in view the audit objectives:

- Remedial measures suggested in the reports of HLCs - I and II.
- Budget proposals, allocation of funds and expenditure statements.
- Conditions and stipulations specified in administrative approvals, technical sanctions and Rules and Guidelines issued by the Government.
- Monitoring and evaluation reports.

1.1.5 Scope of audit and audit methodology

The performance audit aimed to assess the process of planning, implementation and monitoring of various works that were recommended by the HLCs. The impact of salinity ingress was also assessed on the basis of data and information provided by the Government. Records for the period from 2005-10 of schemes under SIPP were test-checked between November 2009 and May 2010 in the Secretariat of the department, two circle offices and eight divisions⁷.

The performance audit was carried out keeping in view construction works and other such measures that were recommended by the two HLCs. Physical evidence was obtained in the shape of replies to audit queries, copies of documents, maps, photographs etc. An Entry Conference and an Exit Conference were held in February 2010 and July 2010 respectively with the Secretary of the department and other officials.

Audit findings

Planning

1.1.6 Delay in implementation of schemes under SIPP

Between 1976 and 1981, the Government demarcated the areas affected by salinity in the four coastal reaches of the State. However, HLC-I limited its report to only the Una-Madhavpur Reach comprising 160 km of coastal length. The report of HLC-I was accepted by the Government in 1978. HLC-II, which was appointed by the Government in 1978, gave its reports in the years 1983 and 1984 pertaining to three coastal reaches i.e. the Bhavnagar-Una Reach comprising 180 km of coastal length, the Madhavpur-Malia Reach

⁷ All the divisions mentioned in footnote 6 were test-checked except for Groundwater Division, Rajkot.

comprising 425 km of coastal length and the Malia-Lakhpat Reach comprising 360 km of coastal length. The Government accepted the report of HLC-II relating to the Bhavnagar-Una Reach in 1984 and the reports of the Madhavpur-Malia Reach and the Malia-Lakhpat Reach in 1992.

Despite passage of 18 to 32 years since acceptance of reports of the HLCs, only 41 per cent of works were completed.

The HLCs had recommended completion of various schemes for SIPP on a high priority basis within seven years of the acceptance of the reports. The HLCs recommendation were specific to locations and also included execution of works of Tidal Regulators, Bandharas, Check Dams⁸, Recharge Tanks⁹, Recharge Wells¹⁰ and construction of Spreading Channels.

Although the Government had accepted the reports of the HLCs, including their recommendation for construction of these works on a high priority basis, the progress of construction of the works was found to be very slow. As of March 2010, out of a total of 3357 works that were recommended by both the HLCs, only 1374 works (41 per cent) were completed.

Of the four reaches, the completion of works was very good in the Una-Madhavpur Reach, where out of 299 works recommended by HLC, 293 (98 per cent) were completed. However, in the Bhavnagar-Una Reach, out of 817 works, 359 works (44 per cent) were completed in the Madhavpur-Malia Reach, out of 1271 works, 332 works (26 per cent) were completed and in the Malia-Lakhpat Reach, out of 970 works, 281 works (29 per cent) were completed as of March 2010.

The works suggested by the HLCs and their status as of March 2010 are given in Table – 1.

Table - 1 : Physical progress of various components suggested by the HLCs

Sr. No.	Works suggested by HLCs and accepted by Government (1978-1992)	No. of works to be taken up	No. of works completed (March 2010)	Percentage of completed work
1	Tidal Regulators	53	11	21
2	Bandharas	127	64	50
3	Check Dams	1575	885	56
4	Recharge Tanks	122	17	14
5	Recharge Wells	1480	397	27
6	Spreading Channels	526 (km)	100 (km)	19
	Total¹¹	3357	1374	41

(Source: Information provided by the department)

The table shows that except for Bandharas and Check Dams, the physical progress of other works was very poor. As against the original cost of ₹ 789.12¹² crore estimated by the HLCs, a total expenditure of ₹ 772.04 crore had been incurred (up to March 2010) with estimated expenditure for the remaining works as per the last revised estimate (1992-2005) being ₹ 2093.16 crore. This shows that with the delay in implementation of the recommended works, the cost of the projects had escalated by 263 per cent.

⁸ Structures constructed in the beds of rivers to store monsoon flow.

⁹ Recharge tanks: structures constructed in low depression areas for diverting surplus water.

¹⁰ Recharge wells: structures with three to four metres diameter filled with rubble and sand.

¹¹ Excluding Spreading channels.

¹² Original estimate of HLC-I was ₹ 64.00 crore and HLC-II was ₹ 725.12 crore.

In reply, the Secretary, WR stated (May 2010) that the lengthy procedure of acquisition of forest land and private land, delays in finalization of designs due to unfavorable site conditions, shortage of technical staff and non-availability of funds in the initial periods resulted in delays in the progress of SIPP.

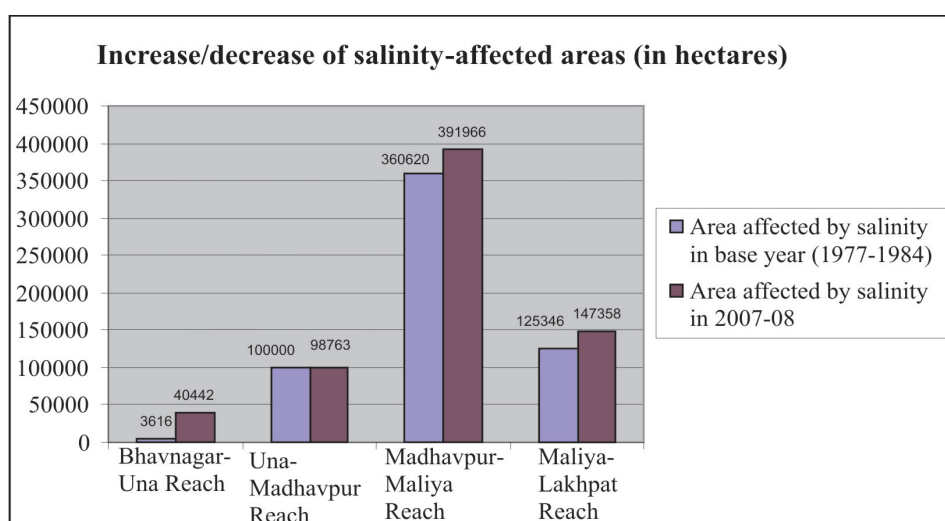
The Government, having accepted the recommendations, had failed to complete land acquisition procedures/finalise designs in advance and mobilize the necessary financial resources for the completion of these works despite the passage of 18 to 32 years from the acceptance of these two reports. As highlighted by the HLCs, the delays in completion of these works had consequences including the risk of increase in salinity-affected area. This aspect was reviewed in audit and it was noticed that among other reasons, non-timely construction of structures as was recommended by HLCs did contribute to increase in areas affected by the ingress of salinity (15 per cent). The details are given in the following paragraph:

1.1.6.1 Increase of salinity-affected areas

The HLCs in their reports had also recommended constant monitoring of groundwater conditions and water quality along with the extent and degree of salinity in groundwater, on the basis of which the areas that had been assessed to be affected by salinity were computed. The Groundwater Division, Rajkot and the Gujarat Water Resources Development Corporation, Gandhinagar had conducted (2007-08) studies which had reported changes in groundwater levels and groundwater quality after analyzing pre and post-monsoon water samples drawn from observation wells located along the coastal line of all the four reaches of the Saurashtra and Kachchh regions.

Details of changes in the areas affected by salinity ingress are as reflected in Chart 1.

Chart 1



(Source: Data compiled from reports of groundwater studies conducted by the Groundwater Division, Rajkot and the Gujarat Water Resources Development Corporation, Gandhinagar)

Areas affected by salinity ingress ion had increased by 88947 hectares.

As may be seen from the above chart, there was increase in the area affected by salinity ingress ion in the Bhavnagar-Una Reach by 36,826 hectares, the Madhavpur-Malia Reach by 31,346 hectares, and the Lakhpat-Malia Reach by 22,012 hectares. Only in the Una-Madhavpur Reach, there was a marginal decline of 1,237 hectares.

In reply, the Secretary attributed (May 2010) the increase in salinity-affected areas to excessive drawal of groundwater by farmers as the technology and means of pumping had improved stating that increased drawal of water led to realization of better value of agricultural products.

The reply is not acceptable as the primary structures (Bandharas, Tidal Regulators, Spreading Channels, Check Dams, Recharge Wells) which were recommended to be built by the HLCs and accepted by the Government for prevention of salinity ingress ion, had not been constructed fully.

Financial Management

1.1.7 Financial management

The budget provisions and expenditure incurred during 2005-2010 were as given in Table - 2.

Table - 2 : Details of budget provision and expenditure incurred (2005-10).

Year	Budget Provision			Expenditure			Excess (+)/ Saving (-) in Plan (percentage)
	Non-Plan	Plan	Total	Non-Plan	Plan	Total	
2005-06	0.25	55.98	56.23	0.42	18.37	18.79	(-)37.44 (67)
2006-07	1.00	66.98	67.98	1.03	58.19	59.22	(-)8.76 (13)
2007-08	0.90	156.45	157.35	0.62	94.38	95.00	(-)62.35 (40)
2008-09	0.77	135.80	136.57	0.79	102.56	103.35	(-)33.22 (24)
2009-10	0.73	93.22	93.95	0.82	122.56	123.38	(+)29.43 (31)
Total	3.65	508.43	512.08	3.68	396.06	399.74¹³	(-) 112.34 (22)

(Source: Data provided by the department)

There was an overall saving of ₹112.34 crore (22 per cent) against the budget provisions during the period. The Secretary attributed (May 2010) the savings in the period 2005-09 to non-commencement of works because of difficult location of sites and heavy rain. He further stated that more funds were demanded during the year 2009-10 to utilize the grants sanctioned by the Twelfth Finance Commission before expiry of its time limit (March 2010). The reply is not acceptable as the aspect of difficult locations should have been considered at the time of planning of these works.

¹³ Included expenditure of ₹ 198.52 crore from Twelfth Finance Commission and ₹ 135.64 crore from NABARD project

1.1.7.1 Diversion of funds

Four divisions
diverted
Twelfth Finance
Commission grants
of ₹50.37 crore.

As per provisions contained in Rule 193 (2) of the Gujarat Treasury Rules, money should not be drawn unless it is required for immediate disbursement. In disregard of these rules, EEs of four divisions had, during the period September 2009 to March 2010, deposited a total amount of ₹50.37 crore meant for 19 works financed through Twelfth Finance Commission grants. Drawal of funds without immediate requirement and depositing them with other non-executing divisions, reflected adversely on the system of financial management. Out of these 19 works, two works were at the tender stage while in the case of eight works, the expenditure incurred was less than 50 *per cent* of the tendered cost as of March 2010 as detailed in **Appendix-I**.

As per the condition of the Government of India (GOI), the last instalment of ₹20 crore was to be released only after submission of a completion certificate by the State Government indicating that the approved works had been completed in all respects, to be signed by the executing agencies and countersigned by the Finance Department. It was noticed (May 2010) that for receiving grants of the Twelfth Finance Commission, the completion certificates for all works were submitted to GOI on 16 March 2010, confirming that all the works were completed at an expenditure of ₹196.98 crore. Accordingly, GOI had released the last instalment of ₹16.98 crore on 23 March 2010.

Further, utilisation certificates showing that all the works had been completed and 100 *per cent* achievement of financial targets were submitted to GOI on 23 April 2010. The fact remains that in respect of 19 works, which had not been completed, unutilized funds of ₹50.37 crore were shown to have been utilized, which was a misrepresentation of facts to GOI.

1.1.7.2 Works sanctioned under NABARD loan project

As provided in the General Terms and Conditions of Schedule-I, condition no. 6(vi) of the sanction letter of October 2005 of NABARD, the State Government was to incorporate a clause in the tender document relating to works to be taken-up with the assistance of NABARD stating that the contractor/firms would be responsible for the defect liability period preferably for three years and in no case less than two years after the projects were commissioned/ completed.

Scrutiny of records of all the four divisions¹⁴ of Kachchh revealed that in the cases of 21 Bandhara works completed with NABARD assistance as of March 2010, the divisions had made provision of only one year for defect liabilities in each work. The divisions had also released security deposits after one year of completion of 15 works as detailed in **Appendix-II**. This resulted in deviation of the agreed terms of NABARD assistance and undue favour to the executing agencies.

The EEs stated (May 2010) that the divisions had not received the sanction letter of NABARD or the letter after finalization of tender documents and the defect liabilities for period of one year were kept as provided in the B-2 agreement.

¹⁴ (1) KICD, Bhuj – Three Bandharas, (2) KID, Bhuj – Five Bandharas, (3) SCD, Bhuj – Six Bandharas and (4) WRID, Bhuj – Seven Bandharas.

1.1.7.3 Undue favour to an agency by accepting bank guarantee for shorter period

As per provisions contained in Para 208(i) of Gujarat Public Works Manual Volume-I, an agency should submit a bank guarantee of five *per cent* of the estimated cost in lieu of a performance bond before receiving a work order. The validity of the guarantee should be beyond one year from the stipulated date of completion in the case of works costing ₹50 lakh and above.

Scrutiny of records of EE, SCD, Porbandar revealed (March 2010) that bank guarantees for ₹1.66 crore were received by the division for periods which were shorter than the stipulated period. The periods which were short were computed to be between one year (two cases)¹⁵ and two years (one case)¹⁶.

Implementation of the scheme

1.1.8 Management techniques

1.1.8.1 Legislation to restrict and regulate drawal of groundwater not enacted despite recommendation of HLCs

As stated earlier, to prevent and regulate the drawal of groundwater, particularly in areas where adequate provision for recharging of groundwater was not in existence, the HLCs had recommended a legislation to restrict the drawal of groundwater. It was envisaged that the legislation would regulate digging of new wells and installation of pumps in the existing wells and the owners of the wells would have to obtain licences specifying the limits to the drawal of groundwater on an annual basis. It was, however, seen in audit that neither had the aforesaid legislation been enacted by the Government nor had any effective mechanism been devised to regulate the drawal of groundwater.

The State Government could not finalise groundwater legislation to control withdrawal of groundwater.

The Secretary stated (November 2009) that the draft bill for groundwater conservation and management had been prepared (October 2007) by GWRDC and was under consideration of the Government. Despite the acceptance of the recommendation of HLCs by the Government, concrete action had not been taken, as a result of which, the drawal of groundwater remained unregulated, paving the way for ingress of salinity in the affected areas.

1.1.8.2 Non-availability of periodic data of groundwater recharge and withdrawal for three reaches

As mentioned in the HLCs' reports, GOI guidelines stipulated safe pumping of groundwater withdrawal up to 60 to 70 *per cent* of the net recharge. The data on the quantum of withdrawal and quantum of recharge analyzed by the HLCs revealed that 100 *per cent* pumping was being done in salinity-affected areas. The

¹⁵ (1) Ogee Spill in Vadodara Zala TR – Bank Guarantee of ₹4.18 lakh received for period up to 19-03-2009 instead of 24-02-2010; (2) Kindri Creek-Karli Creek SC – Bank Guarantee of ₹63.39 lakh received for period up to 12-03-2006 instead of 10-03-2007.

¹⁶ (1) Pachhatar-Kolikhada SC – Bank Guarantee of ₹98.88 lakh received for period up to 12-09-2010 instead of 14-09-2012.

HLCs recommended periodic comparison of the rate of increase of withdrawal and natural recharge in the affected areas and examination of the final picture that may emerge as a result of implementation of SIPP. Scrutiny revealed that no data regarding recharge and withdrawal of groundwater for three reaches were available with GWRDC, in the absence of which, the formulation and planning of interventional measures were adversely affected. The Groundwater Division, Rajkot had, however, collected the data for the Una-Madhavpur Reach pertaining to 2008.

1.1.9 Salinity control techniques

1.1.9.1 Tidal Regulators

The HLCs recommended the construction of Tidal Regulators (TR) to stop the ingress of sea water. The top portion of the gates were to be kept above the maximum tide level to prevent entry of tide water into the land and the gates were to be opened during floods to allow the discharge of excessive flood water to prevent submergence of the land areas in the upstream.

The HLCs had specified the construction of 53 TRs, against which only 11 had been constructed as of March 2010. Among various construction works such as Bandharas, Check Dams, Recharge Tanks/Wells and Spreading Channels, the pace of construction was the worst in the case of TRs, particularly in the Bhavnagar-Una Reach where eight TRs were recommended for construction but none had been constructed. In the case of the Malia-Lakhpat Reach where 21 TRs had been recommended, only one had been constructed as of March 2010.

The department stated (July 2010) that due to problems in smooth operation of gates, it was decided not to construct TRs. Audit scrutiny revealed that the quality of the TRs was not up to the mark and there were frequent problems in the functioning of the gates installed in TRs as discussed in the next paragraph.

1.1.9.2 Non-functioning of Rukmavati Tidal Regulator

A mention was made in Para No. 4.19.8.5 of the CAG's Audit Report for the year ended March 1997 regarding construction of the Rukmavati TR. The civil work of Rukmavati TR was completed in July 1986 at a cost of ₹2.37 crore and the work of providing automatic tilting steel gates was completed in June 1991 at a cost of ₹74.40 lakh. Thus, the civil work of TR had remained unproductive for five years.

The gates of Rukmavati TR were not functioning even after incurring expenditure of ₹50.28 lakh on their repairs.

The Central Water Commission (CWC) had pointed out (November 2005) that the deterioration in the condition of the gates was due to corrosion from sea water and the gates were not operational as trash/bushes were getting stuck in the axles of the gates. CWC had suggested that the damaged gates should be replaced with vertical gates or alternatively, raising of the wall may be considered. Repairing of the gates was not suggested by the CWC. Audit scrutiny (March 2010) revealed that the EE, SCD, Bhuj, responsible for the functioning of the TR, had proceeded (June 2005) with award of a contract for

the work of repairing the gates at a tender cost of ₹28.31 lakh with a completion period of four months. The repair work was completed in March 2007 after a delay of 17 months at a cost of ₹50.28 lakh. The delay period was regularized by the Government in December 2007.



(Photograph showing non-functioning of Gates due to trash/bushes getting stuck in the axle)

Even after incurring expenditure of ₹50.28 lakh on repairs, functioning of the gates was not up to the requirement. Frequent operational problems were highlighted by the EE of SCD to the SE, mentioning leakages of water through the gates. Expenditure of ₹50.28 lakh on the repairs was thus largely wasteful. The department stated (July 2010) in the exit conference that construction of a wall in place of the gates as suggested by the CWC was under consideration.

1.1.9.3 Bandharas

The HLCs had suggested the construction of 127 Bandharas to deal with the problem of salinity ingress. However, it was observed during audit that only 64 Bandharas had been constructed as of March 2010. In the Bhavnagar-Una Reach and the Madhavpur-Malia Reach, the progress of construction of Bandharas was only 24 *per cent* and eight *per cent* respectively against 100 *per cent* achievement noticed in the other two reaches. Scrutiny of work of construction of some of the Bandharas revealed non-completion of work and problems in acquisition of land as discussed in the succeeding paragraphs.

1.1.9.4 Construction of Bandharas away from the mouth of the rivers

As mentioned in Chapter-11 of the HLC-II (1978) report, there were 55 rivers (major and minor) which were draining in the Maliya-Lakhpat reach. Due to

flat slopes of the river beds near the mouth, tidal water was entering through estuaries¹⁷ of the rivers up to two to six km into the land, as a result of which the water in the wells within and in the surrounding areas of these estuaries was saline. Therefore, the HLCs had suggested stopping of tidal ingress into the rivers by sealing the mouths of the rivers by constructing Bandharas. The height of these Bandharas was to be kept above the maximum tide level.

Twenty-two Bandharas were constructed away from the mouths of rivers at distances ranging from 0.85 to 13 km.

Scrutiny of the records of three¹⁸ divisions, however, revealed that instead of constructing Bandharas at the mouths of rivers, out of the total of 33 Bandharas constructed as of March 2010, 22 Bandharas were constructed away from the mouths of rivers and in the upstream, at locations ranging between 0.85 to 13 km inside the mouths of the rivers as detailed in **Appendix - III**. Such locations of Bandharas negated the objective of building them, as tidal water continued to intrude into the river causing salinity in the surrounding wells that were located in the vicinity.

When this was pointed out, the EEs of these divisions replied (May 2010) that the selection of sites was done after assessing aspects such as soil strata and surrounding bank areas; avoidance of sand dunes, slushy and marshy areas and minimizing land acquisition problems. The reply is not acceptable as construction of Bandharas away from the mouths of rivers defeated the purpose of prevention of tidal ingress into the lands. During the exit conference in July 2010, the Secretary agreed with the audit observation. He, however, clarified that Bandharas constructed away from the mouths of the rivers served the purpose of recharge of groundwater. The fact, however, remains that the objective of construction of Bandharas at the mouths of the rivers to stop tidal water remained unachieved.

1.1.9.5 Construction of additional Bandharas on same rivers

The department accorded (January 2010) administrative approval to Layja - 2 Bandhara on Kharod river and Changdai Bandhara on Sai river at costs of ₹9.99 crore and ₹2.70 crore respectively even though in the upstream of these rivers, Mota Layja Bandhara and Modkuba Bandhara respectively had been previously constructed in July 2007.

Audit scrutiny revealed that the Mota Layja Bandhara and Modkuba Bandhara constructed earlier were nine km inside from the mouth of river. As such, the expenditure of ₹8.35 crore incurred on construction of the Mota Layja Bandhara (₹4.82 crore) and Modkuba Bandharas (₹3.53 crore) was infructuous and wasteful since additional Bandharas had to be proposed on the same river.

The EE, Salinity Control Division (SCD), Bhuj stated (May 2010) that the existing Bandharas were not falling in the catchment area of the proposed new Bandharas as the sites of Layja -2 Bandhara and Changdai Bandhara were 6.5 km and five km away from the existing the Mota Layja Bandhara and Modkuba

¹⁷ Partly enclosed coastal bodies of water with one or more rivers or streams flowing into them, and with free connection to the open sea.

¹⁸ (1) Kachhch Irrigation Construction Division, Bhuj - five Bandharas, (2) Kachhch Irrigation Division, Bhuj - eight Bandharas and (3) Salinity Control Division, Bhuj - nine Bandharas.

Bandhara respectively and this would not adversely affect the performance of the proposed Bandharas.

The fact that additional Bandharas on the same rivers was proposed points towards the ineffectiveness of performance of the Bandharas that had been constructed earlier. The HLCs had recommended only one Bandhara each at the mouth of these two rivers. Further, the proposed second Bandharas were also not located at the mouths of the rivers and were inside at a distance of 2.5 (Layja-2) and four km (Changdai) from the mouths. Consequently, adverse implications in terms of inflow of saline tide into the surrounding areas with the attendant risk of causing salinity in the wells located in the surrounding existed.

1.1.9.6 Unfruitful expenditure due to non-acquisition of land

As provided in a Government circular dated 7 June 1996, read with para 232 of the Gujarat Public Works Department Manual Volume- I, tender notices are to be issued only after acquisition of minimum 75 per cent of the land that is required for execution of proposed works. Further, 100 per cent land should be acquired before issuing of work orders or the arrangement of land acquisition should be such that the works may be completed as per the time schedule.

Expenditure of ₹11.59 crore incurred on three Bandharas rendered infructuous due to non-acquisition of land.

It was, however, noticed (April 2010) that in the three cases discussed below, work orders were issued before acquisition of the required land, in anticipation of completion of the procedure for acquisition of land. Subsequent non-acquisition of the proposed land led to non-completion of the works and infructuous expenditure.

(a) The land required for the work of the Vira Bandhara at Lerakh River at Malia-Lakhpat Reach was 26.78 hectares of private land and 8.63 hectares of Government land. Though no land was acquired, the EE, Kachchh Irrigation Construction Division (KICD), Bhuj awarded (February 2007) the work of construction of the Bandhara at the tendered cost of ₹5.53 crore with a time limit of completion as 18 months. Due to non-acquisition of the private land, the work of the left bank earthen bund between chainage 1445 to 1745 metres could not be completed. The contractor executed works to the extent of ₹4.15 crore, leaving incomplete work valuing ₹32.69 lakh as of September 2009. Due to incomplete work of the weir, the storage capacity of the Bandhara was also reduced from 12.71 metric cubic feet (mcft) to Nil, rendering the expenditure incurred of ₹4.15 crore infructuous.

(b) The work of the Hadiyana Bandhara was awarded (March 2007) by EE, SCD, Rajkot at a tendered cost ₹6.01 crore, with a time limit of 18 months for completion. Audit scrutiny revealed (April 2010) that work valuing ₹4.17 crore was completed as of March 2010. Work of the earthen bund in chainage 3200 to 4890 metres was pending as of March 2010 due to non-acquisition of 1.68 hectares of private land as the matter was pending in court. As the work was awarded before ensuring arrangements for acquisition of land, the expenditure incurred so far remained blocked without any benefits.

(c) The work of the Lakhapar Bandhara was awarded (March 2007) by EE, Kachhch Irrigation Division (KID), Bhuj at a tendered cost of ₹3.58 crore without ensuring availability of 16.58 hectares of required land. Audit scrutiny revealed that work of the left side earthen bund from chainage 75 to (-) 290 metres was completed, leaving a gap in the chainage between 327.30 and 75 metres due to non-acquisition of private land. The total expenditure incurred (September 2008) was ₹3.27 crore and the contractor was relieved (April 2009) from the work as the matter of land acquisition was pending in court.

Thus, commencement of works before acquiring land resulted in delays in completion of works besides non-achievement of the targeted benefits of the scheme.

1.1.9.7 Wasteful expenditure on Wandh Bandhara

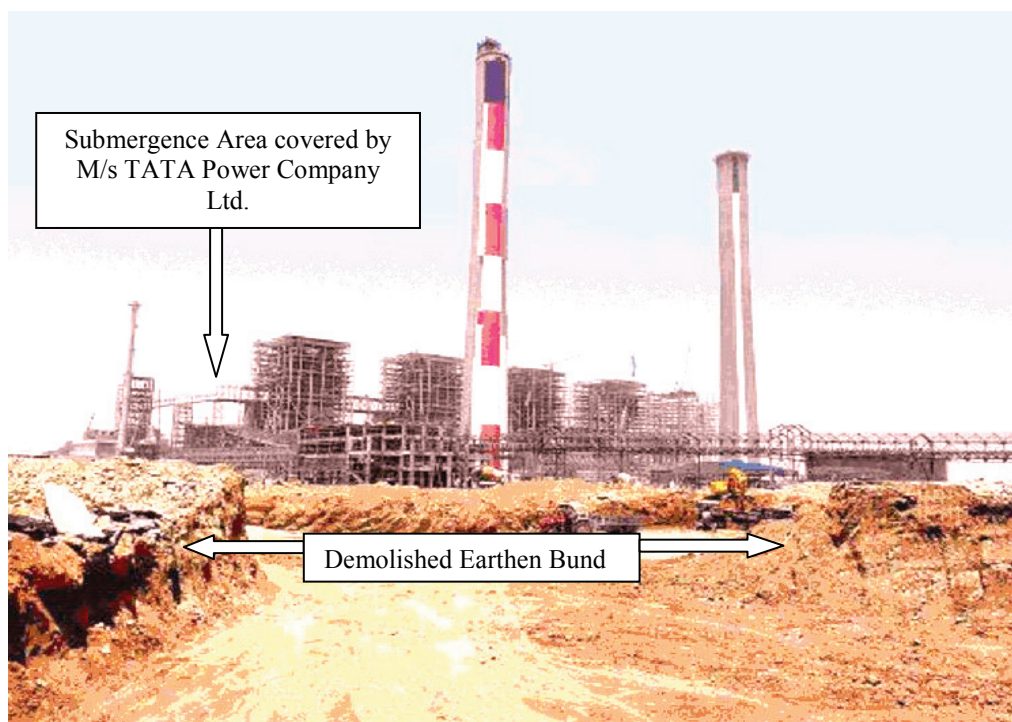
The work of construction of the Wandh Bandhara was awarded (March 2007) by EE, WRI Division, Bhuj to an agency and was completed (March 2008) at a cost of ₹1.92 crore.

Audit scrutiny revealed that instead of constructing the Bandhara on Khari River as suggested by the HCL, the Wandh Bandhara was constructed on its tributary i.e. Vonkla. The work was initiated (March 2007) without taking any action for acquisition of the required 31 hectares of Government land (Survey Number 180 of village Vandh) for earthen bunds and submergence area. Only in July 2007, a proposal for acquisition of land was submitted to the Deputy Collector, Bhuj by the Division.

However, the Government had transferred (July 2005) the entire land (442 hectares) of Survey Number 180 to M/s Mundra Port for development of a Special Economic Zone. On an application (January 2007) by M/s TATA Power Company Ltd., Mumbai (M/s TATA) for setting up a 4000 MW Power Project, the Government transferred (September 2007) 133.30 hectares of Government land out of Survey Number 180 to M/s TATA after taking it back from M/s Mundra Port.

Expenditure of ₹1.92 crore on Wandh Bandhara construction on the land proved wasteful as the land had already been allotted to M/s TATA Power Company Ltd.

During the process of transfer of land, M/s TATA had pointed out (June 2007) that the ongoing Bandhara construction work would interfere with the work in their main plant area and sought intervention for its stoppage. No decision was on record in respect of this plea of M/s TATA. In May 2009, the Deputy EE of this Division reported to the EE that the constructed left bank earthen bund between chainage 150 and 300 m had been demolished.



(Photograph showing location of the plant and the demolished earthen bund)

The department proceeded to award the contract for construction of this Bandhara without assessing the availability of land. Even after it came to their notice that the land for the submergence areas and the earthen bund had been transferred, the construction work continued, rendering the entire expenditure of ₹1.92 crore wasteful.

In reply, the EE stated (May 2010) that due to non-availability of a suitable site on the main river, the Bandhara was constructed on its tributary. During the exit conference, the Secretary stated (July 2010) that though their proposal for land acquisition was pending with the revenue authorities, the land had been transferred to M/s TATA by the revenue authorities, without consultation with the department.

1.1.10 Recharge techniques

1.1.10.1 Spreading Channels

Scrutiny of works pertaining to Spreading Channels revealed the following:

1.1.10.2 Spreading Channel construction works

Only 19 per cent of Spreading Channel works was completed.

(a) Out of 526 km of SCs recommended by HLCs, only 100 km had been completed (March 2010). Due to the absence of links between reservoirs through the construction of SCs, sea water continued to intrude into surrounding areas of completed structures i.e. Bandharas and Tidal Regulators. Therefore, the aim of reducing salinity ingression could not be fully achieved in these areas. Out of the four reaches, in the Bhavnagar-Una Reach and the Malia-Lakhpat Reach, as against recommendations for construction of 60 km

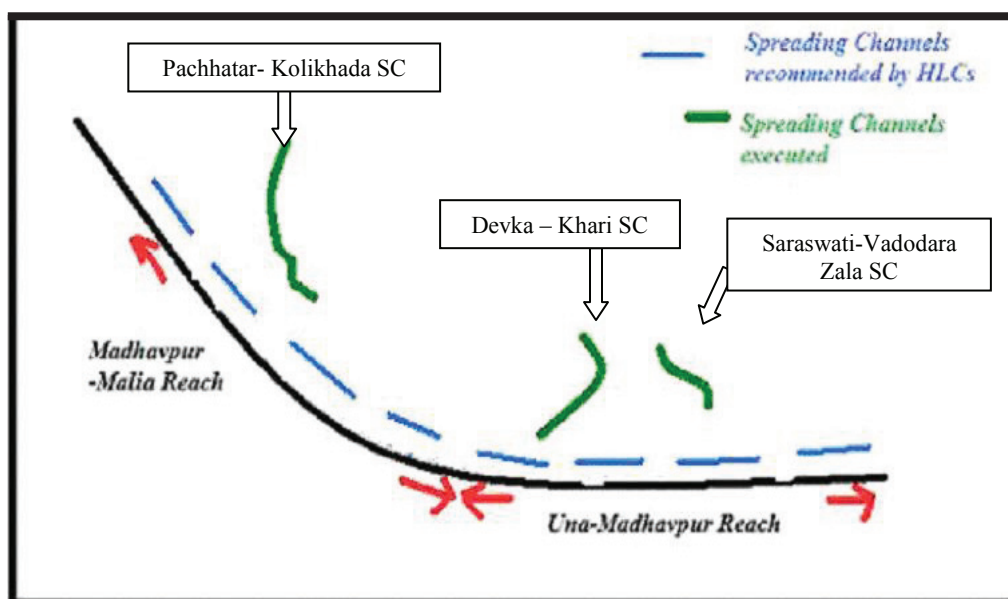
and 166 km of SCs respectively, there was no construction as of March 2010. In the Una-Madhavpur Reach, the entire recommended length of 60 km of SC had been constructed.

The Secretary stated (May 2010) that due to shortage of funds and non-availability of sufficient technical manpower, the work of the SCs could not be taken up simultaneously. The reply is not acceptable as there were savings of ₹ 112.34 crore during 2005-10. On this being pointed out during the exit conference (July 2010), the Secretary stated that SC works would be taken up and completed expeditiously.

Three Spreading Channels were executed in upstream areas contrary to the recommendation by the HLCs.

(b) The HLCs had specified the locations of the SCs, which were required to be constructed near to the coastline connecting the reservoirs. By means of SCs, barriers of sweet water are formed which push back seawater intrusion by their hydrostatic heads. The locations of SCs were specified by the HLCs in maps, attached with their reports which showed that they were to be located parallel to the coastline. It was seen that contrary to the recommendation of the HLCs, three¹⁹ SCs were constructed which were not near the coastline but were in fact perpendicular or inclined at an obtuse angle or at a curve from the coastline. Thus, construction of SCs did not fulfill the objective of prevention of ingress of saline water. The locations of the three SCs constructed are reflected in the diagram below:

Map 2 Showing upstream locations of three Spreading Channels



(Source: Map furnished by the EE, SCD, Porbandar)

When reasons for construction of SCs contrary to the provisions were called for, the EE stated (May 2010) that the surrounding landholders would be benefited through these works which were based on the HLCs recommendation. In the exit conference the Secretary stated (July 2010) that the SCs were constructed after taking into account the geomorphologic structure of land so as to ensure percolation of water into the ground reservoir. The reply is not acceptable as the

¹⁹ (i) Saraswati -Vadodara Zala SC with three km length completed in November 2009 at a cost of ₹48.25 lakh, (ii) Devka – Khari SC with 4.92 km length work in progress with expenditure of ₹46.03 lakh as of March 2010 and (iii) Pachhatar – Kolikhada SC with length of 23.19 km work in progress with expenditure of ₹9.69 crore.

primary objective of construction of SCs to create barriers near the coastline to prevent ingress of saline water was not achieved.

(c) As provided in a Government Circular of July 1996, read with para 232 of the GPWD Manual Volume- I, a tender notice is to be issued only after acquisition of 75 per cent of the land for execution of work. Further, cent per cent land should be acquired in time so that work can be completed within the time schedule.

Scrutiny of records of EE, SCD, Porbandar and EE, SCD, Rajkot revealed that four spreading channel works (details in **Appendix-IV**) were commenced without proper planning/feasibility studies to ascertain the availability of the required land, on which a total expenditure of ₹31.52 crore was incurred up to March 2010. As a result, the works remained incomplete on expiry of their time schedule due to non-acquisition of land.

The commencement of works before acquisition of land was in contravention of Government instructions and resulted in non-completion of entire lengths of SCs, as a result of which water could not flow from one reservoir to other. The envisaged objective of joining two reservoirs could not be achieved even after delays ranging from one year to eight years. Non-completion of the works resulted in blocking of Government money besides non-achievement of the primary objective of creating barriers to prevent the inflow of saline sea water.

1.1.10.3 Noli-Netravati Spreading Channel

The work of Noli-Netravati Spreading Channel had remained incomplete despite passage of 16 years since its commencement.

The department accorded (October 1994) administrative approval for the construction work of the Noli-Netravati SC linking Sil Bandhara and Sardagram Bandhara. The work was estimated to cost ₹5.53 crore. The length of the SC was 15.99 km and the work was to be executed in phases. Though the work of construction commenced in 1994, as of March 2010 only 15.81 km of the SC had been completed, after incurring expenditure of ₹6.36 crore. There were missing links at two locations comprising gaps in the construction of SC by 110 metres and 62 metres. Construction works in these two missing links was not completed (June 2008) on account of court cases pertaining to land acquisition at chainage 11200 to 11310 metres and chainage 9660 to 9722 metres. Availability of 100 per cent of land was not ensured ignoring the Government instructions of July 1996. Consequently, expenditure of ₹6.36 crore remained blocked for two years without obtaining the envisaged benefit of achieving transfer of water between two Bandharas. Despite the passage of more than 16 years after commencement of the work, it had not been completed. As a result, in the absence of water in the constructed channels, the objective of preventing of salinity also remained unachieved.

1.1.10.4 Progress of other components

The HLCs had recommended (1978 and 1984) the construction of check dams²⁰, recharge tanks²¹ and recharge wells²²; afforestation along the tidal zones; gully

²⁰ Structures constructed in beds of rivers to store the monsoon flow.

²¹ Structures constructed in low depression areas where surplus water can be diverted.

²² Wells of three to four metres diameter in beds of rivers to be filled with rubble and sand filter at the top.

and nala plugging²³ at the dispersal of tributaries and coastal land reclamation²⁴. The pace of construction of various items of work recommended by the HLCs, as of March 2010 was very poor. As against 122 recharge tanks recommended, only 17 (14 *per cent*) were constructed, whilst against 1480 recharge wells recommended, only 389 (26 *per cent*) were constructed. Against 43,700 hectares of afforestation works recommended, only 3818 (nine *per cent*) hectares was completed and only 4487 (seven *per cent*) gully/nala plugging was done out of 64,400 that was recommended.

Non-completion of these works in time posed attendant risks of increase in areas affected by ingress of salinity.

1.1.11 Impact of salinity ingress on livelihoods and environment

Salinity ingress had a socio-economic and environmental impact which led to a decline in natural resources as well as in quality of lives of the people in the affected areas. The Coastal Salinity Prevention Cell, Ahmedabad (CSPC) constituted by the State Government in December 2004, carried out a baseline study in 2007-08 mainly to assess impact of ingress of salinity in the day to day life, occupation and health of the inhabitants of these areas covering 1165 villages of seven²⁵ districts of Saurashtra and Kachchh region. Details showing district-wise and taluka-wise villages located at various distances from the sea coast for each of the four reaches are given in **Appendix-V**. Increasing salinity led to decreasing crop yields, the non-availability of safe drinking water, poor health status etc. as discussed in the succeeding paragraphs.

1.1.11.1 Crop productivity in saline soil

The HLCs recommended (1978-1984) effective changes in the cropping pattern and suggested that the farmers should be educated to go in for crops requiring less water and having salt tolerance. The HLCs further suggested that Gujarat Agriculture University should undertake a detailed research programme to develop location-specific agro-technology and cropping patterns and the results of the research should be transferred to the farmers by establishing trial-cum demonstration farms in different areas. The department did not have any data on the cropping patterns being adopted prior or subsequent to HLCs' reports.

Decrease in crop yield was noticed in saline areas.

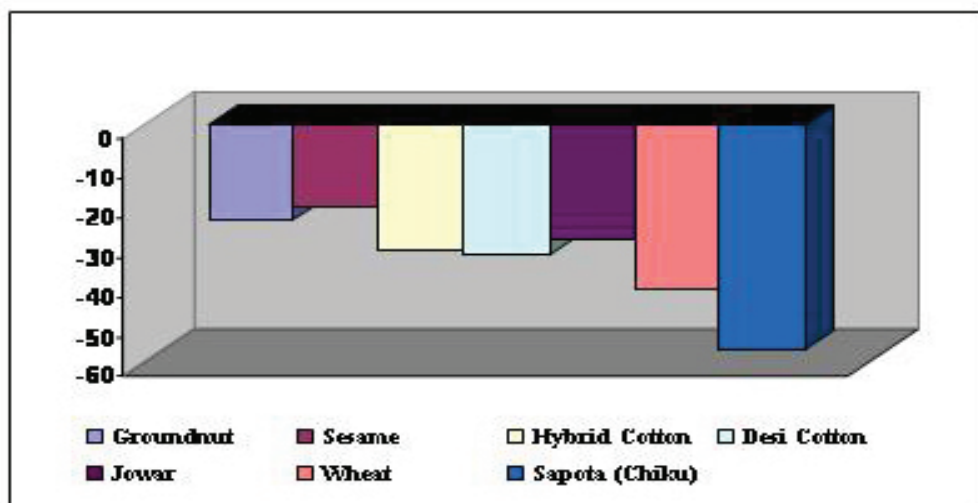
Salinity of the soil adversely affects crop productivity. Reduction in the main crop yields in saline soil as compared to non-saline soil is shown in Chart 2 below.

²³ Structure to arrest flood water at small tributaries of rivers.

²⁴ Construction of bunds along the sea coast to stop tidal ingress into saline land and leaching salts with application of sweet water.

²⁵ (1) Amreli - 88 villages, (2) Bhavnagar - 188 villages, (3) Jamnagar - 240 villages, (4) Junagadh - 291 villages, (5) Kachchh - 251 villages, (6) Porbandar - 61 villages and (7) Rajkot - 46 villages.

Chart 2 - Chart showing reduction of crop productivity in saline areas as compared to non-saline areas (percentage)



(Source: Data collected from CSPC, Ahmedabad)

The Secretary stated (May 2010) that the Government did not have any direct control over the crops being sown by the farmers and that they chose their crops and followed their own practices of agriculture considering economic aspects. The fact remains that little had been done in respect of the recommendations of the HLCs to create awareness and disseminate knowledge towards modification in cropping patterns in salinity-affected areas.

1.1.11.2 Impact of salinity on groundwater

The results of a groundwater quality analysis carried out by GWRDC in 2007 and the Groundwater Division, Rajkot by collecting water samples from 886²⁶ observation wells located on coastal areas showed unsafe water quality in a majority of the areas as shown in Table – 4.

Table - 4 : Results of water samples collected from coastal areas

Water Quality Zones	Range of Total Dissolved Solids values (parts per million)	Number of samples	Percentage
Fresh water zone	< 2000	359	41
Low salinity zone	2000 to 4000	270	30
Medium salinity zone	4000 to 6000	118	13
High salinity zone	> 6000	139	16

(Source: Data provided by GWRDC and Groundwater Division, Rajkot)

Scrutiny of results revealed that 27, 19, 15 and 10 samples taken from Porbandar, Mangrol, Okha and Mandvi Talukas respectively were falling under

²⁶ (1) Amreli – 35, (2) Bhavnagar – 96, (3) Jamnagar – 237, (4) Junagadh – 297, (5) Kachchh – 138, (6) Porbandar – 68 and (7) Rajkot -15.

the high salinity zone. Similarly, 12, 11 and 10 samples taken from Veraval, Abadasa and Mahuva talukas respectively were falling under the medium salinity zone.

Salinity ingress had affected the quality of groundwater resource of the entire coastline. The baseline study showed that out of 1165 villages, 540 villages had drinking water problems such as no source, inadequate source of water availability and poor quality of water.

1.1.11.3 Impact of salinity on health

Inhabitants of coastal areas were affected by kidney stones, fluorosis, gastric problems etc due to drinking of saline water.

Inhabitants of coastal areas often have poor health, mainly due to lack of potable drinking water in the coastal district of Amreli, Jamnagar and Kachchh. Non-availability of potable water forced people to drink saline water which can cause water-borne and other diseases like kidney stones, gastric problems etc. A baseline study carried out (2007-08) in 1165 villages by CSPC indicated that 890, 753 and 337 villages reported high number of cases of kidney stones, gastric problems and fluorosis respectively as shown in Table - 5.

Table - 5 : Villages affected by various diseases at various distances from sea coast

Diseases type	Total No. of villages facing health problems	Distance of affected villages from sea coast		
		< 5 km	5 to 10 km	> 10 km
Kidney stones	890	347	236	307
Fluorosis	337	151	87	99
Gastric problems	753	269	207	277

(Source : Compiled from data provided by CSPC, Ahmedabad)

Cases of kidney stones in saline areas affected four *per cent* of the population as compared to two *per cent* in non-saline areas. The study report pointed out that the cases of fluorosis were more in the villages of Amreli, Jamnagar and Kachchh districts.

Other points of interest

1.1.12 Non-recovery of Labour Welfare Cess

Building and other construction workers are one of the largest and most vulnerable segments of unorganized labour. Government of India enacted (August 1996) the Buildings and other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996 for constitution of Welfare Boards in each State to undertake social security schemes for such workers. GOI also enacted the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act). To augment the resources of the Board, Section 3 of the Cess Act provides for levy and collection of labour welfare cess at the rate of not less than one *per cent* of the cost of construction incurred by an employer.

Accordingly, the State Government framed (August 2003) the Building and other Construction Workers (Regulation of Employment and Conditions of

Service) Rules, 2003 and constituted (December 2004) a Gujarat Building and Other Construction Workers Welfare Board (Board). The Board resolved to collect cess with effect from 18 December 2004. In January 2005, Government made it mandatory for all its departments, Public Sector Undertakings (PSUs) and local authorities to collect and pay the cess as per the Cess Act. It appointed all Heads of Departments of Government and PSUs as cess collectors to effect recovery of the cess.

Labour Welfare Cess of ₹1.66 crore was not recovered.

Audit scrutiny revealed (February to April 2010) that four²⁷ divisions had taken up (March 2006 to December 2008) construction works of 44 Bandharas and one work of Protective Wall and incurred an expenditure of ₹166.06 crore upto March 2010. However, one *per cent* Labour Welfare Cess had not been recovered from the agencies, which worked out to ₹1.66 crore as detailed in **Appendix-VI**.

The divisions stated (April-May 2010) that the instructions regarding provision of Labour Welfare Cess were received subsequent to the issue of tender copies. Therefore, provision of Labour Welfare Cess was not made in the agreement. The reply is not acceptable as the Government had made it mandatory (January 2005) to collect one *per cent* Labour Welfare Cess and the draft tender papers of these works were approved subsequent to this date.

Monitoring and Evaluation

1.1.13 High Level Review and Monitoring Committee

The HLCs recommended that a special committee of experts may be appointed to monitor this most important project and proposed the appointment of a High Level Review and Monitoring Committee with one of the two Superintending Engineers as a Member Secretary. The Committee was to comprise experts from disciplines like irrigation, agriculture, forest, soil conservation, groundwater, public health, planning and finance.

Multi-disciplinary Review and Monitoring Committee was not appointed by Government though recommended by HLCs.

It was seen during audit that no High Level Review or Monitoring Committee was appointed by the Government. In reply, the Secretary stated (May 2010) that the primary focus of the Government was to undertake various works suggested by HLC-I and HLC-II. The Secretary further stated that monitoring of the Una-Madhavpur coastal reach was being carried out by the Geologist-I, Groundwater Division, Rajkot while for the three other reaches, the monitoring work was being carried out by GWRDC.

The reply is not acceptable as the HLCs had recommended a multi-disciplinary Review and Monitoring Committee involving experts from different streams. Entrusting the work of monitoring to a geologist or to GWRDC would not yield the benefits of obtaining inputs of experts from various disciplines.

²⁷ (i) KICD, Bhuj, (ii) KID, Bhuj, (iii) SCD, Bhuj and (iv) WRID, Bhuj.

1.1.13.1 Non-implementation of recommendations of the evaluation reports

The HLCs had suggested constant monitoring of groundwater conditions and water quality. It was, however, seen that for the Malia-Lakhpur Reach, only one report for the year 2007 had been prepared and published by GWRDC. In respect of the other reaches, reports had been prepared for the Bhavnagar-Una Reach and the Madhavpur-Malia Reach upto 2007 and for the Una-Madhavpur Reach upto 2008. During test check it was found that evaluation reports were not available with any division and no action had been taken on the recommendations envisaging that the recharge of groundwater from external surface water sources may be increased and a groundwater development plan may be prepared for the region under which the user industry should pay for the development of this precious resource in proportion to their usages.

The Secretary stated (July 2010) in the exit conference that the evaluation reports were delayed due to constraint of technical staff. He, however, agreed to act upon the recommendation given in the evaluation reports.

1.1.13.2 Socio-economic impact

In the meeting held (October 2000) by the CE and AS of the department, it was decided to carry out the evaluation of various works undertaken under the SIPP scheme. Accordingly, the SE, SIPC, Rajkot forwarded (May 2001) a proposal received from Saurashtra University costing ₹4.95 lakh for evaluation of the Una-Madhavpur area to the Government. However, concrete action was not taken on the proposal to go ahead with the work of evaluation through this University. The SE, SIPC, Rajkot again submitted (August 2002) a proposal for preparation of an evaluation report by the Indian Institute of Management, Ahmedabad as per the direction of the Government received in this regard in August 2002. The Institute submitted (January 2003) its proposal with an estimated cost of ₹16.80 lakh for the Saurashtra Region. No further action was taken by the Government in this regard to proceed with the work. A study report for the Meghal River Basin was entrusted (May 2008) by the Government to the Mahatma Gandhi Labour Institute (MGLI), Ahmedabad. Further, a proposal for evaluation of the socio-economic impact of four structures constructed in Junagadh District was submitted (August 2008) by the Coastal Salinity Prevention Cell (CSPC) and an MOU was signed (March 2009) between CSPC and EE, SCD, Bhavnagar with the stipulated period of completion being August 2009. However, the final report had not been prepared by the MGLI and CSPC as of March 2010.

Formulation of plans for SIPP work was thus deprived of essential inputs that could have been obtained through the various evaluation reports.

1.1.14 Conclusion

The HLCs recommended implementation of SIPP within seven years to control and prevent salinity ingress. The progress of implementation of SIPP in the State was found to be slow. Consequently, there were increases in the areas affected by salinity ingress except in the Una-Madhavpur Reach, where the progress of completion of works was 98 per cent. Despite

recommendations by HLCs for annual monitoring of groundwater recharge and withdrawal, the required data was not available with the department. No groundwater legislation was passed to control the withdrawal of groundwater. In the Kachchh region, Bandharas were constructed inside the river instead of at the mouths of rivers, defeating the purpose of preventing tidal ingress into the surrounding areas. The mandatory requirement of acquisition of land before awarding work orders was not adhered to, resulting in non-completion of Bandharas and Spreading Channel works. Spreading Channel works were executed in upstream areas instead of in areas near the sea coast as recommended by the HLCs. Salinity ingress led to deterioration of the environment in coastal areas with adverse implications on agriculture and health. No High Level Review and Monitoring Committee had been appointed for monitoring and evaluation of various works executed under SIPP.

1.1.15 Recommendations

- Government should constitute a High Level Review and Monitoring Committee comprising experts from multiple disciplines such as irrigation, agriculture, forest, soil conservation, groundwater, etc. for effective implementation of SIPP as recommended by the High Level Committees.
- Annual groundwater recharge and withdrawal should be monitored for all reaches and to prevent unregulated extraction of groundwater, a legislation as recommended by the HLCs should be enacted,
- Surveys and investigations should be completed for all the remaining works, which should be taken up after complete acquisition of land for smooth and effective implementation of works,
- Construction of works relating to Spreading Channels should be taken up simultaneously with construction of Bandharas/Tidal Regulators so as to achieve the objective of creation of sweet water barriers. Locations of Spreading Channels should be in accordance with the accepted recommendations of HLCs.
- Efforts should be made to complete the remaining works which were recommended by HLCs to arrest further increase in areas affected by salinity ingress,

HEALTH AND FAMILY WELFARE DEPARTMENT

1.2 Chiranjeevi Yojana

Highlights

The State could not achieve the intended goal of bringing down its Maternal Mortality Rate (MMR) by March 2010 despite launching (2005-06) the Chiranjeevi Yojana, a State-specific intervention programme. In 40 per cent (93 out of 231) talukas of the State, no Empanelled Private Practitioners (EPPs) joined the Yojana even in the fifth year after its launch. The fund allotment system was not properly established and monitoring of funds/expenditure at the State level was absent. Entitled beneficiaries under the scheme (Below Poverty Line (BPL) expectant mothers and eligible Above Poverty Line (APL) expectant mothers) were not provided or short provided with transport charges in a number of instances. Chief District Health Officers had not established a system for cross-checking of BPL eligibility from revenue authorities in respect of claims furnished by EPPs under the Yojana, in the absence of which, there existed a risk of processing of bogus and fraudulent claims.

Release of funds under the programme without assessing actual requirements resulted in blockage of ₹48.62 crore in the State. In the six selected districts that were test-checked, a total amount of ₹27.93 crore was lying unspent as of 31 March 2010.

(Paragraphs 1.2.7.2 and 1.2.7.3)

Utilization certificates of ₹22.27 crore were pending from Chief District Health Officers and District Health Societies as of 31 March 2010.

(Paragraph 1.2.7.4)

In the selected districts, the Maternal Mortality Rate (MMR) ranged between 0.41 to 1.84 per 1000 whereas the Infant Mortality Rate (IMR) ranged between 11 and 50 per 1000 at the end of March 2010. The latest Sample Registration System data also showed that the State had not been able to achieve the envisaged target of one per 1000 for MMR and 30 per 1000 for IMR.

(Paragraph 1.2.8.1)

Out of 231 talukas in the State, in 93 talukas, services of EPPs were not available even after four years of implementation of the scheme. The Extended Chiranjeevi Yojana introduced in April 2008 in order to encourage participation of EPPs in 40 selected underserved talukas proved a failure as the department was able to obtain an EPP only in one such taluka.

(Paragraphs 1.2.8.3 and 1.2.8.4)

There were cases of short/non-payment of transport charges to the beneficiaries.

(Paragraphs 1.2.8.7)

1.2.1 Introduction

The ‘Chiranjeevi Yojana’ (Yojana) was launched by the Government of Gujarat in November 2005 with a view to reducing the Maternal Mortality Rate (MMR) from 3.89:1000 to 1:1000 and the Infant Mortality Rate (IMR) from 57:1000 to 30:1000 by the end of 2010. The Yojana aimed to provide free of cost deliveries to marginalized (BPL and APL) mothers by skilled private practitioners in private nursing homes and Government hospitals and to provide transport facilities to these beneficiaries.

The Yojana was launched by the State with Public Private Participation (PPP) for the first time, involving Empanelled Private Practitioners (EPPs) to supplement the ongoing Reproductive Child Health (RCH-II) programme, wherein deliveries of entitled expectant mothers were to be carried out in Government institutes such as hospitals, Community Health Centres (CHCs) Primary Health Centres (PHCs), etc. The successful implementation of the Yojana was mainly dependent on (a) the ability of the Health and Family Welfare Department (department) in identifying and registering the beneficiaries, especially in remote villages, (b) ensuring provision of adequate ante-natal care (ANC) and post-natal care (PNC) to the registered beneficiaries and (c) empanelment of adequate number of private practitioners.

1.2.2 Organisational set-up

The Principal Secretary and Commissioner, Health and Family Welfare Department (department) is in charge of implementation of the Yojana and also acts as the head of the Executive Committee of the State Health Society (SHS), a governing body headed by the Chief Minister of the State. The Yojana is implemented by the Additional Director, Family Welfare (AD) at the State level. At the district level, the Chief District Health Officers (CDHOs) implement the Yojana through District Health Societies (DHSs) and various institutions. At the block level, the Yojana is implemented by Block Health Officers (BHOs) through Public Health Centres (PHCs) and Empanelled Private Practitioners (EPPs). An organogram of the department for implementation of the Yojana is given in **Appendix-VII**.

1.2.3 Audit objectives

The broad objectives of the performance audit were to assess whether:

- (i) an effective system of planning existed for the implementation of the Yojana;
- (ii) a proper system of allocation of funds was in existence and these were utilised economically for furtherance of the objectives of the Yojana;

- (iii) the Yojana was efficiently and effectively implemented and payments made to EPPs were as per prescribed norms and regulations in force;
- (iv) a proper reporting system existed and a field monitoring system was established to ensure correctness of data with respect to the two primary indicators, viz. MMR and IMR.

1.2.4 Audit criteria

The audit criteria adopted for conducting the performance audit were

- (i) Rules and Regulations and resolutions issued by Government on the implementation of Chiranjeevi Yojana and other identical schemes;
- (ii) Orders and instructions issued while releasing funds;
- (iii) Provisions of the Budget Manual and Gujarat Treasury Rules;
- (iv) Standard terms and conditions in the Memorandum of Understanding entered into under the Yojana;
- (v) Evaluation reports of various agencies on the Yojana.

1.2.5 Scope and methodology

Records at the department and the Office of the Commissioner, Health, Medical Services and Medical Education, and the State Health Society (SHS) at Gandhinagar at the State level for the period 2006-10 were test-checked. In respect of the six districts²⁸ selected out of the total of 26 districts in the State, the records of the offices of the CDHOs and DHSs and 25 *per cent* of the offices of Block Health Officers²⁹ (BHOs) in each selected district for the period 2006-2010 were also test-checked. In each block, 250 cases of payments made to EPPs were selected spread out over four years (2006-2010) to assess that proper checks were applied as mentioned in the MoU. Entry and exit meetings were held with the Principal Secretary of the department on 15 April 2010 and 27 July 2010 respectively to obtain the views and response of the department.

1.2.6 Planning

The Yojana was planned as a special intervention programme to accelerate the reduction of IMR from 57:1000 to 30:1000 and MMR from 3.89:1000 to 1:1000 by the end of the year 2010 as against the target of achieving the reduction by the year 2012 under the Reproductive Child Health programme. For this purpose, the Yojana envisaged obtaining the services of private doctors, i.e. EPPs for ensuring increased institutional deliveries, especially in rural and remote areas. However, even after five years of launching of the Yojana, in 93 talukas (40 *per cent* of talukas in the State), EPPs could not be empanelled by the department. Even the belated attempt by the department to enrol private practitioners in 40 under-served talukas of 16 districts by launching (2008-09) the Extended Chiranjeevi Yojana (ECY) was not successful, as only two clinics

²⁸ (1) Banaskantha, (2) Dahod, (3) Kachchh, (4) Panchmahal, (5) Sabarkantha and (6) Vadodara.

²⁹ Block Health Officers: (1) Deesa and (2) Palanpur in Banaskantha; (3) Devgadbaria and (4) Zalod in Dahod; (5) Bhuj and (6) Mandvi in Kachchh; (7) Halol and (8) Santrampur in Panchmahal; (9) Himatnagar (10) Modasa and (11) Bhiloda in Sabarkantha; (12) Chhotaudepur; (13) Vadodara and (14) Dabhoi in Vadodara district.

could be established in only two districts. Thus, the aim of providing clinical care at places near expectant mothers with a view to encouraging institutional deliveries was defeated as discussed in the succeeding paragraphs.

1.2.7 Financial management

1.2.7.1 Funding Pattern

Release of funds without assessing requirement resulted in blockage of 36 per cent of grants released during the period 2006-07 to 2009-10

As stated earlier, the Yojana was launched (November 2005) to supplement the ongoing RCH programme. The department provided funds to the SHS and CDHOs under the Yojana for carrying out the programme activities. While the department was allocating the funds directly to CDHOs, the SHS was releasing the funds to DHSs for Yojana activities. Part of the funds was also provided by Project Administrators (PAs), Integrated Tribal Development Project, out of funds placed at their disposal under the Tribal Area Sub-Plan to the CDHOs of the respective districts. Since funds under the programme were provided through three different sources (SHS, CDHOs and PAs of the Tribal Development Department (TDD)), the department had no consolidated details on the actual release of funds, the expenditure incurred by the CDHOs and DHSs and the balances that remained under the programme at the end of the year. In the absence of a centralised monitoring authority and availability of complete up to date details of the funds that were released through various sources for the Yojana and the amounts that had been spent therefrom, adequate control over expenditure incurred on planned activities did not exist. This led to availability of huge unspent balances with district implementation agencies as discussed in the succeeding paragraphs. During the exit meeting (July 2010) the department agreed that information in respect of releases by TDD was not currently available but a system of quarterly financial monitoring was being introduced to ensure consolidated monitoring of funds received from various sources and their utilisation in future.

1.2.7.2 Release of grants in excess of requirement

Details of grants released by the department to SHS as well as to CDHOs and expenditure booked thereagainst during the period covered by the review were as given in Table-1.

Table-1 : Grants released and expenditure under Chiranjeevi Yojana
(₹ in crore)

Year	Grants released by department	Expenditure incurred	Excess (-)/ Savings (+)
2006-07	04.12	08.87	(-) 04.75*
2007-08	45.00	23.49	(+) 21.51
2008-09	31.06	24.00	(+) 7.06
2009-10	54.00	29.20	(+) 24.80
Total	134.18	85.56	(+) 48.62

*Excess met out of RCH-II funds

(Source: Department's records)

Of the total grants released, 36 per cent i.e. ₹48.62 crore, was not utilised as of 31 March 2010.

Of the total grants released, 36 per cent i.e. ₹48.62 crore, was not utilised as of 31 March 2010.

Additionally, during 2006-2010, the six³⁰ PAs of the Integrated Tribal Development Project in the State had released an amount of ₹5.61 crore to the respective CDHOs, out of which ₹5.11 crore was spent on the Yojana by the CDHOs and the balance of ₹ 50 lakh remained unspent with them in their Personal Ledger Accounts (PLA).

During scrutiny (February / May 2010) of records of the department, it was noticed that as against a sum of ₹ one crore shown as released in 2006-07 to CDHO, Banaskantha, only ₹12 lakh was received and accounted for. For the balance amount of ₹88 lakh, the CDHO, Banaskantha stated that no allotment order from the department had been issued, although the department had shown the entire grant of ₹ one crore as released. The department, in its reply, while admitting (July 2010) non-receipt of the grant of ₹88 lakh by the District Panchayat, Banaskantha, attributed the same to non-availability of adequate staff and vacant posts, on account of which they were unable to cope with work load and reconcile the grant of ₹88 lakh which was meant for Banaskantha. Further, during the exit meeting it was stated (July 2010) that a system of quarterly monitoring was being introduced for effective financial control, so as to regulate releases of subsequent quarterly grants.

1.2.7.3 Financial releases reported as expenditure

The department was treating the entire grants released to the CDHOs and SHS as expenditure. On scrutiny of the records of the selected districts, it was seen that balances of unspent grants were available with the CDHOs/DHSs in their accounts as detailed in Table-2.

Table-2 : Grants and expenditure in selected districts

Name of the district	2006-10		(₹ in crore)	
	Grant received	Expenditure incurred	Balance funds as at the end of respective financial year	Percentage of unutilized grants
Banaskantha	10.60	6.10	4.50	42
Dahod	12.17	7.21	4.96	41
Kachchh	5.63	1.95	3.68	65
Panchmahal	11.25	7.98	3.27	29
Sabarkantha	16.85	6.33	10.52	62
Vadodara	2.85	1.85	1.00	35
Total	59.35	31.42	27.93	47

(Source: Grant and expenditure records of respective CDHOs)

Rupees 31.31 crore was shown as spent by the department even though ₹10.71 crore was lying in the accounts of SHS as at the end of March 2010.

It may be seen from the above that there were huge savings ranging from 29 per cent (Panchmahal) to 65 per cent (Kachchh) which were not being recognised by the department as it had considered the release of grants to be expenditure incurred on the Yojana. In case of releases to SHS also, the department was considering it as expenditure even if the funds were lying in the accounts of SHS or DHSs. An amount of ₹31.31 crore was shown as spent by the department even though ₹10.71 crore was lying in the accounts of SHS as at the end of March 2010.

³⁰ PA Dahod : ₹3.36 crore, PA Mandvi : ₹0.10 crore, PA Chhotaudepur : ₹0.32 crore, PA Palanpur : ₹0.16 crore, PA Godhra : ₹0.30 crore and PA Khedbrahma : ₹1.37 crore.

Unspent balance of ₹27.93 crore at the CDHO level indicated that the requirement was not assessed realistically by the department. Releases of funds by the department without assessing the actual requirements resulted in blockage of about 50 *per cent* of the grants that had been placed at the disposal of implementing agencies. Further, releases of funds without adequate plans for their utilisation reflected adversely on the system of financial management of the Yojana. It was admitted (July 2010) by the department that as the scheme was in the initial phase, proper planning could not be done and grants were released on *ad hoc* basis, which resulted in unspent balances at the district level. Further, during the exit meeting, it was stated (July 2010) that monitoring of the release of grants and expenditure by field offices would be done on quarterly basis to ensure effective utilisation of funds in future.

1.2.7.4 Pendency in submission of utilisation certificates

Utilisation certificates (UCs) in respect of expenditure incurred from the grants received were required to be sent to the department/PAs after completion of the respective financial years by the DHSs and CDHOs. It was observed that UCs of ₹19.08 crore had been kept pending from six³¹ DHSs for onward transmission to the department. Out of the above, UCs amounting to ₹1.31 crore pertained to 2006-07, ₹7.03 crore pertained to 2007-08 and ₹6.70 crore pertained to 2008-09 and were thus pending for over one to three years.

Similarly, in respect of grants released to CDHOs by PAs of ITDP, UCs in respect of ₹3.19 crore (2007-10) from four³² CDHOs were pending (May 2010). Out of the above, ₹32 lakh pertained to 2006-07, ₹93 lakh to 2007-08 and ₹55 lakh to 2008-09 and were thus pending for periods for over one to three years.

This indicated lack of monitoring of the funds that were released by the department as well as the PAs of TDD. It was stated (July 2010) by the department, in its reply that strong instructions would be issued to all the District Panchayats to compile and submit UCs at the earliest.

1.2.8 Implementation of Yojana

1.2.8.1 Non-achievement of envisaged goals

As stated earlier, the objective of the Yojana was to reduce MMR to 1:1000 and IMR 30:1000 by the end of March 2010. The details of IMR and MMR in selected districts³³ as reported by the respective CDHOs were as shown in Table-3.

³¹ (1) Banaskantha : ₹6.10 crore, (2) Dahod : ₹0.24 crore, (3) Kachchh : ₹1.07 crore, (4) Panchmahal : ₹6.76 crore, (5) Sabarkantha : ₹3.47 crore, (6) Vadodara: ₹1.44 crore.

³² CDHOs : (1) Dahod : ₹1.40 crore, (2) Mandavi : ₹0.10 crore, (3) Sabarkantha : ₹1.37 crore and (4) Vadodara : ₹0.32 crore.

³³ Information in respect of Sabarkantha district was not being reported and hence not available.

Table-3 : Status of IMR MMR in selected districts

Year	2006-07		2007-08		2008-09		2009-10	
	IMR	MMR	IMR	MMR	IMR	MMR	IMR	MMR
Banaskantha	20	.77	23	.47	20	.60	26	0.41
Dahod	22	.85	21	1.22	19	.83	50	1.72
Kachchh	10	.88	9	1.25	16	1.16	11	1.40
Panchmahal	14	.63	18	0.96	24	.80	30	1.05
Vadodara	36	2.4	34	2.1	30	1.00	37	1.84

(Source: Reports/information from CDHOs)

It may be seen from the above that the MMR ranged between 0.41 to 1.84 and IMR 11 and 50 at the end of March 2010. It may also be seen that in respect of Panchmahal District, both the IMR and MMR had been showing a continuous increasing trend (except for a slight decrease of MMR in 2008-09). Though the IMR and MMR in all the six districts showed improvement in 2008-09 compared to the earlier years, in 2009-10, the IMR/MMR had increased substantially. While all the selected districts except Banaskantha were far behind the goal envisaged for MMR, in respect of IMR, only three (Banaskantha, Kachchh and Panchmahal) of the selected districts had achieved the target.

The goal of reducing MMR/IMR could not be achieved

The details of IMR and MMR in respect of the State as a whole, though called for in audit, were not furnished by the department. On a review of the Sample Registration System³⁴ (SRS) data published for the State as a whole, it was seen that as per the latest bulletin, the IMR for Gujarat was 50³⁵ and the MMR was 1.60³⁶. Thus the target ratio of IMR of 30:1000 and MMR of 1:1000 was not achieved. The department, in its reply, attributed (July 2010) non-reduction of MMR/IMR to the expected level to social constraints and backwardness in some of the districts. It further stated that the target was set to be achieved by 2015. In the exit conference (July 2010), the department brought out that a system of on-line tracking of all births, treatment provided, doctors who had rendered medical services and such other details would be put in place, which would enable them to effectively monitor the implementation of the Yojana.

1.2.8.2 Absence of system of ensuring ante-natal and post-natal care for Yojana beneficiaries

Expectant mothers under the RCH program were provided treatment in three stages, i.e. ante-natal treatment (ANC) where anti-tetanus injections and other medicines was provided to expectant mothers during the 12-week period prior to delivery; medical care at the time of actual delivery and post-natal treatment (PNC) for one month after delivery. Public health institutes such as PHCs and

³⁴ Sample Registration System (SRS) data are published by the Registrar General of India, Ministry of Home Affairs, Government of India at interval of two years by making population survey.

³⁵ SRS bulletin for 2008 published in October 2009.

³⁶ SRS bulletin for 2004-06 published in April 2009.

SCs were recording the details of ANC and PNC treatment in registers and also in Mamta cards³⁷, which were allotted to the beneficiaries i.e. expectant mothers.

Details of ANC were missing in respect of 1478 test-checked claims.

The system allowed the option to beneficiaries to either avail of the facility of delivery at public health institutes or with EPPs under the Yojana. In the event of availing of delivery facilities with EPPs, the system of transferring Mamta cards having records of treatment already availed of by the beneficiaries did not exist. Though the Yojana has specified recording of details of the ANC that was provided to the beneficiaries at the time of availing of treatment from the EPPs, these necessary details including the ANC registration numbers were not found to have been recorded. Resultantly, in none of the 1478 claims that were preferred by EPP, these details were found to have been recorded. In fact, none of the claims contained details of ANC registration. Claims were, however, passed by the respective CDHO/BHO without recording details of ANC registration. To that extent, assurance to the effect that ANC treatment was indeed extended to all the beneficiaries could not be vouchsafed in audit. Either a system of mandatory transfer of Mamta cards or compulsory recording of ANC treatment with registration numbers needed to be considered on priority by the Government so as to ensure availing of composite treatment by the expectant mothers. It was stated (July 2010) that the point would be taken care of in future. It was further stated that it was proposed to introduce e-Mamta software through which linkage between ANC/PNC provided to the mothers and children and deliveries under various programmes would be obtained in future.

1.2.8.3 Empanelment of Private Practitioners

Under the Yojana, maternity services were to be provided by specialists i.e. gynecologists and obstetricians who were to be in possession of the minimum prescribed infrastructure³⁸ and were willing to serve as Empanelled Private Practitioners (EPPs) to eligible expectant mothers belonging to BPL/APL families at the time of their deliveries.

Year-wise details of the number of beneficiaries attended to by EPPs during 2006-10 in the State were as given in Table – 4.

Table-4 : Delivery performance by EPPs

Year	Number of EPPs enrolled	Number of deliveries	Average delivery per EPP
2006-07	742	47706	64
2007-08	865	121043	140
2008-09	867	135706	157
2009-10	721	155721	216
Total		460176	

(Source: Progress reports/statement at department/CDHOs)

³⁷ Cards utilised for recording history of events of medical treatment provided (ANC-delivery stage and PNC) for safe delivery of expectant mothers and health of newborn babies. The cards have to be retained by beneficiaries for availing of eventual medical treatment for safe health of their children.

³⁸ Separate Delivery room, operation theatre and equipment etc.

In 93 out of 231 talukas, services of EPPs were not available

The average delivery per EPP had increased from 64 in 2006-07 to 216 in 2009-10. However, the number of EPPs had actually declined from 865 in 2007-08 to 721 in 2009-10. Further, it was seen that as of 31 March 2010, services of EPPs were not available in 93 talukas of 23 districts out of a total 231 talukas in 26 districts of the State as detailed in **Appendix-VIII**. Though the Yojana was in its fifth year, roll-out to all the talukas in the State was not done. There were 183 talukas where less than five EPPs were enrolled and 146 talukas where there were less than two EPPs.

The district wise number of EPPs, number of total deliveries and deliveries per EPP for the entire state for the year 2006-07 to 2009-10 are given in the **Appendix-IX**. Concentration of EPPs was found to be highest in the developed districts of Surat (48), Vadodara (58) and Ahmedabad (106) and was much less in three prominent tribal districts of Narmada (3), Tapi (3) and Ahwa-Dangs (4). Further analysis revealed that number of deliveries per EPP was very high in the tribal districts of Patan, Dahod and Panchmahal being 413, 934 and 618 respectively when compared with deliveries per EPP in developed districts of Ahmedabad (88), Surat (106) and Vadodara (127). High number of deliveries per EPP in predominantly tribal districts underscores the need of presence of more EPPs in these districts. Even in the developed districts of Ahmedabad and Surat, the highest concentration of EPPs was in the urban areas. Thus, the enrolment of EPPs was not in proportion to the requirement of the districts and the concentration of EPPs was more in the 26 district headquarter talukas where 314 (43 *per cent*) EPPs were found to be enrolled out of the total 721 EPPs (2009-10) in the State. Concentration of EPPs in predominantly urban areas did not serve the purpose of the Yojana as in such areas, institutional health facilities such as Government hospitals were already available. During the exit conference, the department agreed (July 2010) with the audit observations and stated that it was considering a proposal to increase the incentive package to EPPs with a view to attract more EPPs.

1.2.8.4 Extended Chiranjeevi Yojana

As part of the effort to achieve the commitment of the State Government to reduce the maternal mortality rate, the 'Extended Chiranjeevi Yojana' was launched in April 2008, which envisaged payment of one-time assistance of ₹5.40 lakh to encourage private practitioners to establish private nursing homes in 40 identified under-represented talukas of 16 districts³⁹.

Even after two years of introduction of the Extended Yojana, out of these 40 talukas in the State, private practitioners came forward to register under this modified Yojana only in two talukas⁴⁰. Of the two, the clinic in Vadodara district was closed due to a fraudulent claim preferred by the EPP. Thus, the objective of roll out of the Yojana to the under-served talukas was a failure, as even after two years since its launch, enrolment of EPPs to serve in these non-represented talukas was negligible. Even in the light of the poor performance, no review of the package extended to the EPPs was undertaken nor was any

³⁹ Amreli - six, Banaskantha - one, Bharuch - three, Bhavnagar - four, Dang - one, Jamnagar - two, Junagadh - one, Kachchh - one, Narmada - two, Navsari - one, Panchmahal - two, Porbandar - two, Rajkot - two, Surat - five, Surendranagar - five and Vadodara - two.

⁴⁰ One each in Kawant (Vadodara District) and Dediapada (Narmada District).

other further remedial measure identified or implemented by the Government. The department, in its reply, stated (July 2010) that the scheme had not achieved the desired success as gynaecologists were not ready to provide services in under-served areas. It was also stated in the reply that a proposal was under consideration of the department to increase the payments of incentive package to attract more numbers of gynaecologists.

1.2.8.5 Delays in making payments to EPPs

Payments to EPPs were delayed for periods ranging from three to 14 months in Sabarkantha district.

The MoUs entered into with EPPs envisaged that they would submit monthly bills with supporting documents towards their claims of ₹1795 per delivery in their clinics or ₹659 per delivery performed in Government hospitals, as the case may be. However, the MoU did not specify the period within which the bills would be paid. On a scrutiny of the payments released to EPPs in the selected districts, it was seen that no uniform system of passing of bills existed. The powers of passing the bills and effecting payments were vested with CDHOs in the districts of Kachchh and Sabarkantha, while in the other four districts, the powers of passing the bills and payments were vested with the BHOs working under the CDHOs. Further, while in Kachchh, the bills were directly submitted by the EPPs to the CDHO, in Sabarkantha the bills were sent to BHOs who were forwarding these to the CDHO for passing and making payments. Consequently, it was seen that payment of claims amounting to ₹3.45 lakh pertaining to 10 EPPs⁴¹ were delayed for periods ranging from three to 14 months at Sabarkantha district. Although, the United Nations Population Fund Agency (UNFPA), in its evaluation review (October 2006) had brought out this lacuna in implementation of the Yojana, the delays continued. As delayed settlement of bills is one of the reasons for reluctance on the part of private practitioners to participate in the Yojana, this situation needs to be addressed for ensuring wider participation and acceptance of the Yojana by the EPPs.

1.2.8.6 Non-renewal of MoUs in time

As per the orders of the department for implementation of the Yojana, EPPs were to enter into MoUs with the health authorities. The MoUs entered into were valid from the date of entering up to 31 March of the year. A scrutiny of the MoUs entered into by EPPs in the selected districts revealed that in most of the cases, they were not renewed promptly. Out of the six districts test-checked, only in one district (Panchmahal), MoUs were being renewed promptly. In Vadodara, Sabarkantha and Kachchh districts, none of the MoUs were renewed. In Dahod district, none of the MoUs were renewed after 2007-08 and in Banaskantha district, out of 91 MoUs, only eight were renewed and that too, after a delay of three years. Though the EPPs continued to perform work under the previous arrangements, in the absence of a legally enforceable MoU, there could be difficulties in enforcing the rights and obligations of the respective parties, particularly in cases of disputes.

The need thus, arises for ensuring issuance of specific instructions and procedures evolved for ensuring timely renewal of MoUs in this regard, so

⁴¹ Delays between 1-6 months – six EPPs, 7-12 months – two EPPs and above 12 months - two EPPs.

that uniform procedures are in force across the State. The department, in the exit meeting stated (July 2010) that it proposed to issue comprehensive guidelines/operational manual laying down the various procedures/formalities to be adhered to for ensuring compliance.

1.2.8.7 Deficiencies in scrutiny of claims of EPPs

Beneficiaries were deprived of transport charges

According to instructions of the department issued in September 2006, remuneration of ₹1795⁴² / ₹659⁴³ payable to an EPP per delivery was inclusive of ₹200 payable to the mother towards transportation, ₹50 payable to the attendant accompanying her and ₹100⁴⁴ to be spent by the EPP towards the provision of diet to the mother. Irregularities noticed in test check of 3500 claims in 14 blocks of six districts⁴⁵ are discussed in the succeeding paragraphs.

(a) As per the scheme guidelines, a sum of ₹200 was to be paid by an EPP to each beneficiary towards transportation charges. While preferring a claim of ₹1795 per delivery, which included reimbursement of ₹200 paid to the beneficiary, the EPP was to enclose an acknowledgement to the effect that this amount had been received by the beneficiary. It was, however, noticed in audit that claims in respect of 108 cases of seven blocks⁴⁶ involving an amount of ₹ 22,000 for reimbursement of transportation charges were admitted without acknowledgement to the effect that payments had made to the beneficiaries. Hence, it could not be ensured that the benefits had been extended to the beneficiaries as per the objectives of the Yojana.

(b) Further, it was noticed in audit that in 794 cases of four blocks⁴⁷, transport charges of only ₹100 were paid to urban beneficiaries as per the claims submitted by EPPs instead of the ₹200 payable. Thus, the beneficiaries were not paid the full amounts they were entitled to as per the Yojana. CDHOs stated (March-May 2010) that in future, care would be taken to see that the beneficiaries received their entitled charges.

(c) All BPL expectant mothers were eligible for benefits under the Yojana. Further, the Yojana was extended from 2006-07 to APL mothers of Scheduled Caste families (income tax non-payees). EPPs were to submit copies of BPL cards as also income certificates issued by competent authorities, wherever applicable, to prove the genuineness and eligibility of the beneficiaries. In 107 cases pertaining to nine blocks⁴⁸, claims not supported by the above details were passed. Lack of insistence on submission of these mandatory details was indicative of laxity in controls. Further, in the absence of these details, the risk of bogus and fraudulent cases being admitted existed.

⁴² If the delivery was carried out by EPP in his clinic.

⁴³ If the delivery was carried out by EPP in a Government hospital.

⁴⁴ Included in ₹ 1795.00 per delivery to be made to EPP.

⁴⁵ Banaskantha-500, Dahod-500, Kachchh-500, Panchmahals-500, Sabarkantha-750 and Vadodara-750.

⁴⁶ Palanpur - eight and Deesa - six (Banaskantha District), Devgadbaria-one (Dahod District), Mandvi-14 (Kachchh District) Halol-75 (Panchmahal District), Himatnagar-two (Sabarkantha District) and Chhani-two (Vadodara District).

⁴⁷ Palanpur and Deesa (Banaskantha District), Santrampur (Panchmahal District), Himatnagar (Sabarkantha District).

⁴⁸ Deesa-one (Banaskantha District), Zalod-one (Dahod District), Bhuj-five and Mandvi-37 (Kachchh District), Himatnagar-two and Bhiloda-26 (Sabarkantha District), Chhani-three, Chhotaudepur-12 and Dabhoi -20 (Vadodara District).

1.2.9 Monitoring and Evaluation

1.2.9.1 Shortfall in convening periodical meetings

The Yojana was launched to supplement the ongoing programme of RCH-II which contemplated formation of a committee at the State level and two committees at the district level in the Governing Body and the Executive Committee. The Governing Body was the highest decision-making body at the district level and was to meet once in three months. The Executive Committee in charge of execution of the programme, was to meet quarterly. The District Programme Committee which was a sub-committee of the Executive Committee was to meet monthly and was responsible for programme management and monitoring. The position of meetings convened (2006-2010) by the Governing Body and Executive Committee at the district level during the period under review was as shown in Table – 5.

Table – 5 : Meetings held during 2006-2010

Monitoring of the Yojana could not be done due to non-convening of meetings of Governing Bodies and Executive Committees at the prescribed intervals.

CDHO	Governing Body		Executive Committee	
	No of meetings to be held	Meetings actually held	No of meetings to be held	Meetings actually held
Banaskantha	16	4	16	7
Dahod	16	4	16	5
Kachchh	16	4	16	7
Panchmahal	16	8	16	10
Sabarkantha	16	6	16	6
Vadodara	16	5	16	6

(Source: Information from the CDHOs)

It may be seen from the above that meetings of the Governing Bodies had been convened only on one to two occasions per annum instead of one meeting per quarter in the selected districts. Even the Executive Committee in charge of programme execution and monitoring had not met quarterly in any of the selected districts. The effective implementation and monitoring of the Yojana could not be done due to the non-convening of the decision-making body and the executing body at the prescribed intervals. It was stated (July 2010) by the department during exit meeting that monitoring would be strengthened for better implementation of the Yojana.

1.2.9.2 Deficiencies in the Reporting System

It was observed that reporting of physical performance of the number of deliveries under the Yojana was regularly made to the department by CDHOs but there were differences in the data (2006-10) prepared by CDHOs of six selected districts and that the data compiled and reported by the department as shown in Table – 6.

Table – 6: Reporting under the Yojana

CDHO	State compiled data (No. of deliveries under the Yojana)	District data (No. of deliveries under the Yojana)	Difference
Banaskantha	40874	40796	(+)78
Dahod	43879	44100	(-) 221
Kachchh	16533	16512	(+)21
Panchmahal	63472	64741	(-) 1269
Sabarkantha	50078	45569	(+)4509
Vadodara	17241	15770	(+)1471
Total	232077	227488	4589

(Source: Progress reports of the departments/CDHOs)

The difference between the districts' data and the data compiled at the State level was attributed to the huge clientele and different levels of reporting involved. A reliable and proper system of reporting, therefore, needed to be evolved.

No proper financial reporting system was established from the DHSs to the CDHOs and at the department level as there were three⁴⁹ funding agencies and the reports of all the three agencies were not received by the department. Consequently, the department did not have consolidated details of expenditure incurred by all the districts under the Yojana against grants allotted during 2006-10, indicating inadequate control.

1.2.9.3 Evaluation

A Report of the United Nations Population Fund (UNFPA) brought out in October 2006 on the evaluation of the implementation (2005-06) of the Yojana in five districts had brought out the following deficiencies and needs:

- lack of awareness among beneficiaries in respect of benefits such as amounts receivable towards transport charges and attendant charges under the scheme and the need for programme-related communications for building comprehensive awareness about the scheme at the potential client level;
- need for undertaking a costing exercise for the purpose of revisiting remuneration norms ;
- need for appointing an independent agency for accreditation, enrolment of EPPs, monitoring, quality control, billing and fund disbursement under the Yojana.

Further, the Director, Evaluation of the State Government who had furnished an evaluation report in August-2008, had recommended that doctors in remote areas should be encouraged by increasing their remuneration and that an awareness programme needed to be launched.

As evidenced by the observations in the preceding paragraphs of this report, the deficiencies pointed out in the UNFPA evaluation report still continued.

⁴⁹ Health and Family Welfare Department, State Health Society and Project Administrators (Tribal Development Department).

The problem of reluctance of EPPs to serve under the Yojana, particularly in remote areas, also remained unresolved.

1.2.10 Conclusion

A sound system of financial monitoring was not established by the department which resulted in blockage of funds. Release of funds without planning for expansion of the programme in the State reflected adversely on the system of financial management of the programme. Out of 231 talukas in the State, in 93 talukas, the services of EPPs were not available even after four years of implementation of the scheme. The Extended Chiranjeevi Yojana, to attract adequate EPPs in 40 unrepresented talukas, could attract only two EPPs. Scrutiny of claims of EPPs revealed that beneficiaries were not paid transport charges in many cases. The enrolment of EPPs was not up to the requirement, which was attributed to low remuneration offered and delays in passing of the claims. Chief District Health Officers had not established a system for cross-checking of BPL eligibility from revenue authorities in respect of claims furnished by EPPs under the Yojana, in the absence of which, there existed a risk of processing of bogus and fraudulent claims.

1.2.11 Recommendations

- The department should periodically obtain details of all the funds that are available under the Yojana with the district implementation authorities and link the release of the same to achievement of targets and milestones, for which a plan of activities should be drawn up.
- A uniform system of checking of claims furnished by EPPs and their processing should be evolved so as to ensure that the benefits under the scheme are passed on to the beneficiaries and bills are correctly regulated and paid in a timely manner.
- A system of check of births and eligibility of all claims under the Yojana with the records of the revenue authorities / local bodies should be evolved on priority.
- The need for launching an awareness campaign should be considered so as to educate the beneficiaries as well as medical professionals with regard to their rights, obligations and entitlements under the Yojana.
- A system which generates regular, periodic, correct and up to date information with respect to primary indicators of MMR/IMR should be established on priority basis.

HEALTH AND FAMILY WELFARE DEPARTMENT

1.3 Procurement of Medicines, Drugs and Equipment

Highlights

The Health and Family Welfare Department provides health and medical services to the public through Government hospitals and dispensaries. The procurement of medicines, drugs and equipment required by these hospitals and dispensaries for the treatment of patients is made through the Central Medical Stores Organization (CMSO), Gandhinagar, which finalizes procurement through tenders and is responsible for ensuring supplies of medicine and equipment to hospitals and dispensaries. Failure to fix rate contracts for medicines in the formulary list forced the hospitals to purchase essential medicines locally, thereby depriving them of the benefits of economies of scale and standardization. Orthopaedic implants were procured from unlicensed suppliers and manufacturers. Pre-despatch testing was not followed and the system of testing samples was deficient, resulting in the quality of drugs supplied to patients not being ensured. Cases of irregularities in procurement and poor utilisation of equipment were noticed. Award of comprehensive maintenance contracts (CMCs) for machinery and equipment, which were already under CMCs, resulted in unfruitful expenditure. Critical equipment remained unutilized due to non-supply of consumables.

While expenditure on procurement of medicines was more than the grants allotted over the period (2005-10), the expenditure on equipment was 31 per cent less than the grants that were received during this period.

(Paragraph 1.3.6)

CMSO failed to supply the quantities of medicines and surgicals indented by hospitals. The percentage of short supply against the items indented during 2007-10 ranged between 23 and 85 in respect of tablets, between 32 and 69 in respect of injections, between 20 and 56 in respect of surgical goods and between 44 and 86 in respect of instruments.

(Paragraph 1.3.7.7)

There was no pre-despatch sampling of medicines and test results of samples of drugs and medicine by laboratory were delayed by more than six months, making the testing process ineffective.

(Paragraphs 1.3.8.1 and 1.3.8.5)

Technical specifications of equipment were framed to match the equipment of individual suppliers in disregard of the procedure prescribed in the procurement manual.

(Paragraphs 1.3.9.3 and 1.3.9.4)

Awarding of contracts for maintenance of condemned and faulty equipment resulted in avoidable and wasteful expenditure.

(Paragraph 1.3.9.6)

1.3.1 Introduction

The Health and Family Welfare Department (department) of the Government provides health and medical services to the public through six hospitals⁵⁰ attached to medical colleges, 52 Government district and taluka hospitals and 275 community health centres (CHCs). Procurement of drugs, medicines and equipment is made centrally through the Central Medical Stores Organisation (CMSO), Gandhinagar, which is mandated to supply reliable and good quality drugs, medicines and equipment to field units (hospitals and CHCs) at economical rates. Funds for the medicines are placed at the disposal of four Additional Directors⁵¹ (ADs) located at Gandhinagar, working under the Commissioner, Health, Medical Services, Medical Education and Research (Commissioner). The medicines are received at the Central Store, Gandhinagar and at four Regional Stores (Amreli, Jamnagar, Patan and Surat) and are to be supplied as per the indents of the field units. In cases of purchase of equipment, indents are placed with CMSO by the respective ADs on the basis of requirements projected by the field units. Orders for supply are finalized and placed by the CMSO, while payments are made by the respective indentors directly upon receipt of the equipment.

1.3.2 Organisational set up

The Principal Secretary, Health and Family Welfare Department, was the head of the department. He was assisted by the Commissioner, who in turn was assisted by four ADs⁵². The Commissioner, Food and Drugs Control Administration (FDCA), Gandhinagar and the Director of the Central Medical Stores Organization (CMSO), Gandhinagar were the other two important functionaries associated with procurement of drugs and equipment and worked directly under the Principal Secretary of the department.

CMSO carries out its activities through its Drugs branch which processes and finalizes rate contracts for supply of medicines, its Instrument branch which receives and scrutinizes indents of equipment and finalizes acceptance of tenders, its Medicine depot which receives indents for medicines and distributes them and its Quality Assurance branch which supervises the quality of the drugs.

⁵⁰ Ahmedabad, Bhavnagar, Jamnagar, Rajkot, Surat, Vadodara.

⁵¹ In charge of Health, Medical Education, Medical Services and Family Welfare.

⁵² Additional Director, Medical Education; Additional Director, Medical Services allots 70 per cent grant and Additional Director, Medical Health and Additional Director, Family Welfare allots 80 per cent grant to CMSO.

1.3.3 Scope of audit and audit methodology

The performance audit covered a review of records for the period 2005-10 pertaining to financing, indenting, purchasing, sampling and testing of drugs and utilisation of medicines and equipment procured by the department. Records in the offices of the Principal Secretary, Health and Family Welfare Department, the Commissioner of Health, Medical Services, the Medical Education and Research (Commissioner) Gandhinagar, three⁵³ out of four ADs, the Commissioner, Food and Drugs Control Administration (FDCA), Gandhinagar, the Director of CMSO, Gandhinagar, three⁵⁴ out of six civil hospitals, five out of 25 district hospitals⁵⁵ and 25 per cent of CHCs⁵⁶, i.e. 18 CHCs in the selected districts were test-checked between November 2009 and May 2010. The hospitals and CHCs were selected on the basis of their geographical locations.

An entry conference was held on 15 April 2010 where audit objectives, methodology and criteria were discussed.

1.3.4 Audit criteria

The audit criteria adopted for conducting the performance audit were

- the State Government's guidelines on procurement of drugs/ medicines and equipment, and
- the Central Stores Purchase Organizations (CSPO) Manual

1.3.5 Audit objectives

The objectives of performance audit were to assess whether: –

- the system of procurement of medicines, drugs and equipment was economical and efficient and timely supplies were made to ensure their continued availability;
- the quality of drugs and medicines was ensured through a system of periodical sampling and laboratory testing;
- the hospitals and medical colleges were provided with good quality equipment in a timely manner through an economical and efficient system of purchase and these were utilized properly

Audit Findings

1.3.6 Financial management

Budget provision and expenditure thereagainst under medicines and equipment for the period 2005-06 to 2009-10 of the department were as given in Table-1.

⁵³ Medical Services, Health and Medical Education.

⁵⁴ Ahmedabad, Rajkot and Vadodara.

⁵⁵ Dahod, Himmatnagar, Rajkot, Surat and Surendranagar.

⁵⁶ Dahod (Fatehpura, Limdi, Sukhsar), Himmatnagar (Idar, Prantij, Bayad, Malpur), Rajkot (Padhari, Kotda-Sangani, Lোধika), Surat (Olpad, Kamrej, Bardoli, Palsana), Surendranagar (Patdi, Sayala, Muli, Halvad).

Table - 1 : Provision, expenditure and savings under medicines and equipment for the period 2005-10

Year	Provision			Expenditure			Excess (-)/ Savings(+)
	Medicines	Equipment	Total	Medicines	Equipment	Total	
2005-06	58.07	41.20	99.27	57.87	31.83	89.70	(+)9.57
2006-07	61.65	24.93	86.58	73.93	11.59	85.52	(+) 1.06
2007-08	65.97	37.16	103.13	75.71	30.40	106.11	(-)2.98
2008-09	87.71	33.33	121.04	77.20	14.62	91.82	(+)29.22
2009-10	59.74	57.33	117.07	87.71	46.06	133.77	(-)16.70
Total	333.14	193.95	527.09	372.42	134.50	506.92	(+)20.17

(Source: Information provided by Additional Directors)

As against the total provision of ₹333.14 crore in respect of medicines during 2005-10, the total expenditure was ₹372.42 crore, which was 12 *per cent* more than the budget provision. In respect of equipment, against a total provision of ₹193.95 crore, the total expenditure was ₹134.50 crore, which was 31 *per cent* less than the provision. Expenditure under medicines was more than provision in all the years except 2005-06. A review of the expenditure incurred on equipment revealed that the expenditure was not spread evenly over each year and a high proportion was incurred in the month of March, contrary to the provisions of Paragraph 109 of the Budget Manual which stipulated that Government expenditure should be evenly distributed throughout the year. Several instances of finalisation of orders for equipment in the month of March were noticed as discussed in paragraph 1.3.8.1.

1.3.6.1 Non-adherence to prescribed ratio of devolution of funds

In respect of AD (Medical Education), the ratio of grant devolution of 70:30 between CMSO and field units was not maintained

According to the prescribed (October 2005) purchase policy of the department, ADs were required to allocate grants to the CMSO and the respective field units under their jurisdiction in the ratio of 70:30 i.e. 70 *per cent* of the grants of the field units were required to be placed with the CMSO directly by the respective ADs for centralized purchase of medicines and the balance 30 *per cent* was to be released to field units for purchase of medicines to meet local requirements. Scrutiny of records in the office of the AD (Medical Education) revealed that there was excess expenditure in procurement of medicines every year except in 2008-09 and the ratio of devolution of funds was not followed as shown in Table-2.

Table-2 : Provision and expenditure, prescribed ratio of allotment and actual expenditure for Additional Director, Medical Education

Year	Provision	Expenditure	Savings(-) / Excess (+)	Percentage of savings/ excess	Prescribed allotment		Actual expenditure	
					CMSO (70)	Field units (30)	CMSO	Field units
2005-06	30.42	38.51	(+) 8.09	27	26.96	11.55	14.61 (38)	23.90 (62)
2006-07	27.28	40.88	(+) 13.60	50	28.62	12.26	15.82 (39)	25.06 (61)
2007-08	29.09	44.05	(+) 14.96	52	30.84	13.21	15.00 (34)	29.05 (66)
2008-09	52.06	41.05	(-) 11.01	21	28.74	12.31	16.78 (41)	24.27 (59)
2009-10	26.59	55.58	(+) 28.99	109	38.91	16.67	16.94 (30)	38.64 (70)
Total	165.44	220.07	(+) 54.63	33	154.07	66.00	79.15 (36)	140.92 (64)

(Source: Information provided by Additional Director (Medical Education) and CMSO)

The above table shows that excess expenditure ranged between 27 *per cent* (2005-06) and 109 *per cent* (2009-10) and the percentage of expenditure between CMSO and the field units was 36 and 64 respectively during 2005-10.

Additional Director (Medical Education) stated (June 2010) that expenditure on medicines was dependent on patients' flow and other clinical investigations and that facility of treatment could not be denied to any one.

Non-maintenance of the ratio of grants between CMSO and the field units resulted in more medicines being purchased locally at higher prices, thereby defeating the intended purpose of centralised and bulk purchasing for maintaining efficiency, economy and quality in procurement of medicines.

The aspect pertaining to differences in prices between local purchases and the CMSO system was analysed in audit. Analysis done in respect of three selected hospitals⁵⁷, showed that the local purchase price of 30 medicines that were procured locally during 2007-08 to 2009-10 were 11 to 235 *per cent* higher when compared with the same specification of medicines procured through the CMSO during same period as detailed in **Appendix-X**. During the exit meeting, while admitting (August 2010) the audit observation, the department stated that they were moving towards maintaining the ratio of 70:30.

1.3.7. System of procurement of drugs and medicines

1.3.7.1 Procurement of drugs and medicines

CMSO invited annual online indents⁵⁸ from the field units for common medicines included in the formulary list⁵⁹ up to the limit of grants of the respective field units placed at its disposal by the respective ADs. CMSO was required to enter into a Rate contract with suppliers for procurement of the medicines included in the formulary list and was to arrange for supply of these to the indentors through the Central Medical Depot at Gandhinagar and the four Regional Depots at Amreli, Jamnagar, Patan and Surat.

1.3.7.2 Non-updating of formulary list in a periodical manner

The department announced (October 2005) and issued a purchase policy for procurement of medicines and equipment by the CMSO. According to the policy, a formulary committee consisting of Director, CMSO; Additional Directors of Family Welfare and Health; representatives from Commissioner, FDCA and from medical colleges and district hospitals was to meet regularly and update the formulary list annually. The list included essential medicines, diagnostic kits and surgical items commonly used by all the hospitals/CHCs.

The department failed to regularly update the formulary list because of which, the benefits of new innovations in the medical field were not received.

⁵⁷ Ahmedabad, Rajkot and Vadodara.

⁵⁸ Upto 2008-09- Half-yearly indents and from 2009-2010 Annual indents.

⁵⁹ A list of essential medicines prepared by CMSO after inviting opinions from all stake-holders i.e. civil hospitals, medical colleges, district hospitals, etc.

Scrutiny of records at CMSO revealed that the Government constituted the formulary committee only in April 2007. The committee first met in January 2008 and then in July 2009. Up to the year 2007-08, the formulary list of 2004-05 was used for finalizing rate contracts and therefore, changes in the intervening period in the field of medicines were not factored in while ordering medicines through rate contracts. Government replied (August 2010) that the formulary committee had met in January 2008 and July 2009 to update the formulary list central purchase list of medicines. However, up to 2008-09, purchases were made on the basis of the formulary list of 2004-05 and therefore, changes in the intervening period in the field of medicines were not factored in. Non-updating the formulary list in a regular manner deprived the hospitals of new innovations in the medical field. While admitting the audit observation, in the exit meeting the department stated (August 2010) that they were proposing to convene the meeting of the formulary committee twice in a year.

1.3.7.3 Failure of CMSO to enter into rate contracts

As per the purchase policy of the department, CMSO was responsible for centralized procurement of medicines included in the formulary list. For this purpose, CMSO entered into rate contracts through issue of tenders. However, during audit, it was noticed that CMSO had not taken action for inviting tenders in respect of all items included in the formulary list. In respect of certain medicines, though tenders were called for, rate contracts were not finalized. Details of medicines for which tenders were issued by CMSO, number of medicines for which rate contracts were finalized and the number of medicines that had remained out of rate contracts are given in the Table-3.

Table-3 : Medicines included in formulary list and medicines for which rate contracts were entered into

Year	No. of medicines in the formulary list	No. of medicines for which contract was running from previous year	No. of medicines for which tenders were required to be floated	No. of medicines for which tenders were floated	No. of medicines for which tenders were not floated	No. of medicines for which rate contracts were entered into during the year	No. of medicines from the formulary list that remained out of the rate contract system	Percentage of medicines for which tenders not floated	Percentage of medicines for which rate contracts not finalized
1	2	3	4 (2-3)	5	6 (4-5)	7	8 (4-7)	9	10
2005-06	569	Nil	569	542	27	333	236	5	42
2006-07	569	142	427	293	134	229	198	31	46
2007-08	569	131	438	283	155	214	224	35	51
2008-09	554	144	410	368	42	281	129	10	32
2009-10	579	83	496	480	16	368	128	3	26

(Source: Information provided by CMSO)

CMSO failed to finalize rate contracts in respect of medicines in the formulary list, resulting in local purchase by field units at higher rates

The purchase policy (October 2005) of the department had made it mandatory that all the medicines in the formulary list should be procured through rate contracts. As against this, during 2005-06 to 2009-10, 26 per cent (2009-10) to 51 per cent (2007-08) of the medicines in the list were not sourced through the rate contract system. Resultantly, these had to be procured at higher rates as mentioned in Para 1.3.6.1 and the benefits of centralized procurement in terms of standardization of quality and economies of scale could not be achieved. Out

of the above, three *per cent* (2009-10) to 35 *per cent* (2007-08) of medicines in the formulary list were not even included in the tenders floated, indicating the failure of CMSO to take steps to procure medicines through the rate contract system. Government replied (August 2010) that this was due to offers not received, offers being technically disqualified and commercially unviable offers. The fact remains that in the case of 26 to 51 *per cent* medicines, rate contracts could not be carried out forcing hospitals to go in for local purchases or medicines remaining out of stock. A few instances where rate contracts could not be entered into by CMSO on account of lapses are discussed in the succeeding paragraphs. During the exit meeting, while admitting (August 2010) the audit observation, the department stated that they were proposing to introduce a stock monitoring system so as to ensure that essential medicines were indented in time and there were no stock-outs.

1.3.7.4 Non-finalisation of rate contract due to incorrect tender specifications

Contrary to DGCI instructions, CMSO inserted the WHO-GMP certificate condition for purchase of sutures and catguts which led to non-finalization of tender, forcing field units to go in for local purchases.

The Drug Controller General of India (DCGI) had clarified (March 2004) that the World Health Organization (WHO) Good Manufacturing Practice (GMP)⁶⁰ was required only for items to be exported and not for home consumption. DCGI had further instructed (March 2004) the Drug Controllers of all the States, that for the domestic market, procurement agencies should refrain from insisting upon WHO-GMP certificates from the manufacturers situated in India. The Supreme Court of India also gave a decision (January 2005) that this certificate was not required for local purchase. Commissioner, FDCA Gujarat clarified (February 2006) to CMSO that there was no need to insert the condition of WHO-GMP certification in local tenders. In spite of this, the Director, CMSO, while inviting (October 2005) tenders for entering into rate contract for supply of 112 different types of sutures⁶¹ and catguts⁶², specified that the suppliers/manufacturers should provide WHO-GMP certificates. As no response was received from the suppliers, this tender could not be finalised. In reply to Audit, the Government stated (August 2010) that it had taken a policy decision (April 2000) that all life-saving medicines should be procured from suppliers who had WHO-GMP certificates. The DGCI and FDCA's instructions were contrary to this, so they were ignored. The reply is not acceptable as the policy was against the court's decision. Thus, due to inclusion of an unnecessary provision in the tender, rate contracts could not be finalised for the above life-saving items during 2005-08. The entire quantity had to be procured from the limited grant of 30 *per cent* available with the field units and purchases were made locally, wherein the WHO-GMP certificate was not insisted upon, thus negating the stated reason for not entering into rate contract.

⁶⁰ WHO-GMP certificate is given by FDCA certifying that the standard set of guidelines prescribed by WHO was followed by drug manufacturing units in respect of medicines under international trade.

⁶¹ Suture: Thread used for stitch or stitches made when sewing up a wound.

⁶² Catgut is a type of cord that is prepared from the [natural fibre](#) in the walls of animal [intestines](#), widely used in [surgical](#) settings.

1.3.7.5 Non-finalisation of rate contract due to failure to finalise standard tender specifications for diagnostic kits and reagents

Non-finalization of specifications for kits and reagents essential for clinical analysis of patients' samples resulted in their non-procurement, leading to discontinuation of various tests at Civil Hospital, Rajkot.

The laboratories in the hospitals attached to medical colleges require diagnostic kits and reagents for carrying out various investigations/ examinations/tests on patients' blood, urine, serum, sputum etc. Kits and reagents for this purpose were included in the formulary list and thus, were required to be procured by CMSO centrally through the rate contract system. Records at CMSO for the period 2005-06 to 2009-10, revealed that rate contracts were not entered into for these most of the items included in the list. In the absence of rate contracts, hospitals had to purchase these items locally. Thus the failure to enter into rate contracts for diagnostic kits and reagents resulted in non-maintenance of standards and uniformity in procurement of kits. Besides, economy in purchases also could not be ensured.

Out of three civil hospitals test-checked there were shortage of diagnostic kits and reagents at Rajkot as shown in Table-4 below which led to discontinuation of tests for periods detailed below:

Table-4 : Tests which could not carried out for want of kits and reagents

Name of kit/ reagent	Type of test	Average tests per month	Period of non-supply	Departments reply
Alkaline Phosphate	Colorimetric test method using blood serum and Chemical kits	650	01-08-07 to 23-09-08 15-12-09 to March 2010	Test was discontinued during short supply period and from 30-01-2010 due to non-supply of kits.
Acid Phosphate	--do--	0	15-12-08 to March 2010	Test stopped since 2007
CK-MB	--do--	80	21-08-08 to 13-04-09 to 1-06-09	Test discontinued during short supply period
Cholesterol kit	--do--	360	16-10-07 to March 2010	Test discontinued during short supply period
LDH test kit	--do--	02	2-09-07 to March 2010	Test stopped in 2008 after stock was used completely
SGOT test kit	--do--	00	20-06-07 to March 2010	Test stopped since 2007 after stock was used completely
HDL Cholesterol kit	--do--	04	31-08-08 to March 2010	Test stopped from August 2008 pending receipt of stock.

(Source: Stock register of bio-chemistry department)

Similarly, out of five district hospitals test checked, at District Hospital, Dahod due to non-availability of kits for pregnancy tests during 2005-06 to 2008-09, the tests could not be carried out. Also, due to non-availability of kits, cholesterol tests (August and September 2009), glucose blood sugar tests (February to September 2009) and total protein tests (November 2009 to January 2010) could not be carried out during the periods of non-availability. Government replied (August 2010) that due to non-availability of general specifications and offers not being received from suppliers for diagnostic kits and reagents, rate contracts could not be finalized. The reply is not acceptable since CMSO, as a central procuring agency, should have evolved a procedure for timely procurement of laboratory chemicals. Despite the inclusion of these

diagnostic kits in the formulary list in 2004-05, no rate contract could be finalized by the CMSO even till March 2010. In the absence of the same, purchases had to be made locally by the hospitals, leading to erratic supply and shortages and consequent denial of testing services at the hospitals to patients.

1.3.7.6 Purchase of orthopaedic implants from unlicensed suppliers and manufacturers

Orthopaedic implants to the tune of ₹8.37 crore were purchased from unlicensed suppliers.

Government of India, declared (October 2005) orthopaedic implants as drugs under the provisions of the Drugs and Cosmetics Act, 1940. The manufacture, sale or distribution thereof required licences from the Drug Controller appointed under the Drugs and Cosmetics Rules, 1945. During scrutiny of records at civil hospitals, Ahmedabad, Vadodara, Rajkot, Surat and Jamnagar, it was noticed that these hospitals purchased orthopaedic-implants to the tune of ₹8.37⁶³ crore from 23 unlicensed local suppliers and manufacturers⁶⁴ during the period October 2005 to March 2009, in contravention of GOI directions.

In response to an audit query, Commissioner, FDCA, referred (May 2010) the matter to the Assistant Commissioner, Central Licensing and Approval Authority (CLAA) stating that 14 companies had filed civil applications in the High Court against this order and the matter was pending with the court. In the absence of any stay order by the High Court on the implementation of the GOI notification, purchases from these unlicensed manufacturers were contrary to the provisions of the law. Purchases from unlicensed local suppliers had the attendant risk of the quality and standard not being maintained with adverse consequences on the health of the patients. During the exit meeting, department while accepting (August 2010) the audit observation, stated that FDCA had been instructed to identify more manufacturers for issuance of licences and to explore the possibility of utilisation of licensed manufacturers from other States.

1.3.7.7 Short supply of medicines by CMSO

There were short supply and non-supply of medicines indented by field units

Based on the indents and availability of medicines covered under the rate contracts of the respective years, the Director, CMSO purchased medicines and supplied these to the indenting units. Scrutiny of records of indents and supply of medicines at CMSO revealed that there were wide gaps between the number of items indented and supplied for the period of 2007-10 as detailed in **Appendix-XI.**

Analysis revealed that there were huge gaps between the quantum of demanded and supplied items. The percentage of short supply to the total number of items indented ranged between 23 and 85 in respect of tablets, 32 and 69 in respect of injections, 20 and 56 in respect of surgical items (which were considered critical and life-saving) and 44 and 86 in respect of instruments. Similarly, the percentage of items where there was no supply to the total number of items indented was between four and 16 in respect of

⁶³ Ahmedabad (₹551 lakh), Jamnagar (₹88 lakh), Rajkot (₹118 lakh), Surat, (₹2 lakh) and Vadodara (₹78 lakh).

⁶⁴ Civil Hospitals - Ahmedabad (9), Jamnagar (4), Rajkot (6), Surat (1), Vadodara (3)

tablets, eight and 13 in respect of injections, 38 and 52 in respect of surgical items and six and 42 in respect of instruments. Consequently, the share of local purchases exceeded the prescribed share of 30 *per cent* of the total grants of the hospitals. Further, stock-outs due to non-supply of medicines indented by the hospitals would have had a direct bearing on the patients who would have been forced to purchase medicines from the market, thus defeating the objective of providing medical facilities to them free of cost.

1.3.7.8 Non-maintenance of minimum stock of medicines at CMSO

As stated earlier, CMSO purchases medicines/drugs/kits on the basis of indents and supplies them to indenting units as per their grants. It supplies stocks monthly to big hospitals, quarterly to district hospitals and six-monthly to CHCs. As per the guidelines (2001) for the working of CMSO, the Director, CMSO was required to fix minimum and reorder levels of medicines to ensure uninterrupted supplies to the field units. No such minimum and re-order levels had been fixed for any of the medicines. Scrutiny of stock registers at CMSO for the period 2005-10 revealed that various medicines including life-saving and essential drugs were not in stock for long periods. Illustrative cases of certain essential medicines being out of stock as recorded from the register of medicine depot are given in **Appendix-XII**. Government stated (August 2010) that CMSO had adopted the policy of demand-based purchase and due to constraints like lack of grant, changes in indented quantity of medicines and non-availability of rate contracts, medicines could not be procured. However, it was the responsibility of CMSO to maintain adequate stock for prompt supply of medicines to the field units. In the absence of the medicines, the hospitals would have had to procure them locally at higher cost or they would have had critical medicines out of stock forcing patients to source them from the market, defeating the objective of free medical treatment. During the exit meeting, while admitting (August 2010) the audit observation, the department stated that they were proposing to introduce a stock monitoring system so as ensure that essential medicines remained in stock all the time in the hospitals.

1.3.8 Testing of samples and substandard medicines

1.3.8.1 No pre-despatch testing of samples

Mandatory tender condition of pre-despatch sampling was not implemented.

Review of tender conditions for purchases of medicines revealed that before despatch of medicines to field units, testing of samples of the medicines supplied against the rate contracts was to be done. To meet the expenses on account of testing charges, one *per cent* of the total value of medicines supplied by suppliers was being deducted towards testing charges. Samples were to be drawn by an authorized person⁶⁵ nominated by the Director, CMSO and tested at a laboratory approved and licensed by the Commissioner, FDCA. From the records of the store for the period 2005-10, it was seen that pre-sampling of materials received in store before sending them to indenting units was not being done. Despite non-drawal of samples for free despatch testing, one *per cent* deductions towards testing charges were being effected from the bills of the suppliers. CMSO stated (May 2010), that the Drug Testing

⁶⁵ Senior Drug Inspector.

Laboratory, Vadodara was the only laboratory to conduct tests and it did not have the capacity to handle approximately 5000 to 6000 batches purchased by CMSO every year. Further, it took three to six months to give sample results and the samples could not be quarantined for such long periods as issues of shelf life of the medicines were involved. Government further stated (August 2010) that it had decided (July 2010) to start pre-despatch sample testing and CMSO had initiated action in this regard.

In this regard, a case of supply (February 2009) and issue without pre-despatch testing of Ampicilin Sodium Injection⁶⁶ 500 mg and Benzyl Penicillin⁶⁷ IP procured at a total cost of ₹7.52 lakh and supplied during February 2009 by M/s Injectcare Parenterals Pvt. Ltd. was noticed, wherein, subsequently, the supplier had informed CMSO in March 2009 in respect of Ampicilin Sodium Injection and in August 2009 in respect of Benzyl Penicillin not to use the same as the vials were not labelled correctly. However, as these medicines had already been supplied in March 2009 to 114 hospitals/CHCs, they had to be called back. As in the meanwhile, 36,466 vials had already been consumed, CMSO could return (November 2009) only 90,460 vials of Benzyl Penicillin and 1,17,774 vials of Ampicillin. Thus, due to non-conduct of pre-despatch testing, incorrect injections had been issued and also partially consumed and utilised on the patients. CMSO replied (May 2010) that due to the incorrect use of the above no adverse reaction had been reported. The fact remains that incorrect medicines were administered to the patients.

1.3.8.2 Inadequate sampling of medicines by FDCA

There was a three to 85 per cent shortfall in sampling of medicines by FDCA.

Under the Food and Drug Control Act, Drug Inspectors were required to collect samples of medicines from the central depot as well as from the hospitals and send them to the drug testing laboratory for analysis. Scrutiny of records of FDCA revealed wide gaps between the targets fixed for drawal of samples and the actual samples drawn as detailed in Table-5.

Table-5: Sampling targets, actual samples taken and shortfall in sampling by FDCA

Year	Strength of Drug Inspectors/ Sr. Drug Inspectors ⁶⁸	Samples to be taken as per norm of six sample per month	Samples drawn	Shortfall	Percentage of shortfall
2005-06	38	2736	769	1967	72
2006-07	37	2664	2584	80	3
2007-08	37	2665	396	2269	85
2008-09	44	3168	2270	898	28
2009-10	45	3240	2204	1036	32

(Source: Information provided by Commissioner FDCA)

Shortfalls in sampling ranged between three *per cent* in 2006-07 and 85 *per cent* in 2007-08. Commissioner, FDCA attributed the shortfall to acute

⁶⁶ 1.38,700 vials.

⁶⁷ 106000 vials.

⁶⁸ Drug inspector (DI) / Sr. Drug Inspector (SDI) who was at headquarters was not supposed to draw samples.

shortage of field staff and added that as against the requirement of 399 field inspectors for drawal of samples, only 126 posts were sanctioned, of which only 53 posts were filled up. He added further that during 2005-06 and 2007-08 sampling was discontinued for eight and 10 months respectively due to huge pendency of samples for analysis at the drug testing laboratory in Vadodara. As the targets had been fixed based on the actual strength of SDI/DI, the reply of the Commissioner that the shortage was due to shortage of field staff is not tenable.

1.3.8.3 Outstanding recovery on account of supply of sub-standard medicines amounting to ₹1.04 crore

As per tender conditions for purchases, if any stores supplied against the acceptance of tenders /rate contract are found to be not of standard quality on inspection and/or analysis by the competent authority, the supplier shall be liable to replace the entire quantities of the relevant batches within four weeks of declaration of the medicines as substandard after testing or make full payment of the entire consignment against particular invoices, irrespective of the fact that part or full quantity (batch) of the stores supplied may have been consumed.

Rupees 1.04 crore towards non-replacement of medicines declared substandard, were not recovered from suppliers.

During scrutiny of records maintained at CMSO, it was noticed that an amount of ₹1.04⁶⁹ crore (**Appendix-XIII**) was to be recovered from 65 rate contract holders for the period ranging between 1995 and 2010 towards supply of sub-standard medicines, which showed that there was no effective mechanism for recovery. This also resulted in undue favours to the rate contract holders.

In reply, Director, CMSO stated (May 2010), that recoveries for batches of sub-standard medicines which were not replaced were done by forfeiting earnest money deposits and security deposits. Recoveries were also made through raising revenue demands through Collectors. The reply is not acceptable as an amount of ₹1.04 crore was still pending for recovery after adjustment of the deposits.

1.3.8.4 Substandard samples of medicines

Inspectors of FDCA as well as CMSO take random samples of medicines procured by CMSO and send them for analysis to the drug testing laboratory at Vadodara. Table - 6 below shows the number of samples taken and analysed during the period 2005-10.

Table-6 - Details of samples of medicines taken and their test results

Sr. No.	Year	Samples taken	Samples declared sub-standard	Percentage of sub-standard samples over total samples
1	2005-06	895	138	15
2	2006-07	1089	137	13
3	2007-08	677	77	11
4	2008-09	621	102	16
5	2009-10	771	111	14
	Total	4053	565	14

(Source: Information provided by the Commissioner FDCA)

⁶⁹ More than 10 years: ₹ 6,56,426, More than five years : ₹ 29,28,008, between one and five years : ₹45,78,883 and less than one year : ₹ 22,57,172.

Analysis of the table shows that the percentage of samples declared substandard ranged between 11 and 15. Inordinate delay in analysing samples and giving of results by the drug testing laboratory, led to consumption of sub-standard medicines before their being declared so as discussed in Paragraph 1.3.8.5 below.

1.3.8.5 Late receipt of test reports of medicine samples

Test reports of samples of medicines were received more than one year after sampling.

Although CMSO guidelines⁷⁰ for procurement of medicines and equipment provided for testing of samples of drugs by the Drug Testing Laboratory, Vadodara, no time limit for submission of test results had been prescribed. Samples of drugs procured by CMSO were taken by the Drug Inspectors at CMSO as well as the concerned district hospitals and sent for testing to the Drug Testing Laboratory, Vadodara. Scrutiny of records at Rajkot, Surat, Vadodara and Ahmedabad civil hospitals revealed that test reports of sampled drugs were received very late and in many cases after one year of sampling, leading to consumption of drugs before receipt of report (illustrative list in **Appendix - XIV**). This made the testing process ineffective and defeated the very purpose of testing the samples. Commissioner, FDCA stated (June 2010) that due to shortage of staff at the Drug Testing Laboratory, there was a pendency of results. As testing of medicines was essential, urgent steps needed to be taken to ensure prompt testing of samples before the medicines were administered to the patients. Despite specific provision for testing of samples collected by drug inspectors, control remained ineffective for want of adequate infrastructure for testing. During the exit meeting, while admitting (August 2010) the audit observation, the department confirmed that a system of pre-despatch sampling had been introduced with effect from 1 August 2010.

1.3.9 Purchase of equipment

Indents for purchase of equipment are placed by the respective ADs as per projections of requirements made by the field units. Orders for supply are finalized and placed by CMSO while payments are made by the respective indentors. For the purchase of equipment, separate budget provisions are made for each wing⁷¹ of the department. Specifications of equipment are prepared by a Committee⁷² appointed by the respective ADs and submitted to the Director, CMSO along with the necessary administrative approvals. CMSO invites tenders for procurement of the equipment and after technical scrutiny by the technical committee of indenting units, the purchase procedure is finalized and Acceptance of Tenders issued to the successful tenderers. Supply of equipment is made directly to the indenting units and payments are made by the indentors.

1.3.9.1 Rush of tender procedure in the month of March in cases of procurement of equipment

Rule 109 of the Budget Manual stipulates that expenditure should be uniformly spread over the whole year and rush of expenditure during the last

⁷⁰ Issued in 2001 by State Vigilance Commission.

⁷¹ Medical Education, Medical Health, Medical Services and Family Welfare.

⁷² Committee of Additional Director, one indenting officer and three specialists from other hospitals.

quarter and particularly during the month of March should be avoided as due to rush of expenditure, there were chances of irregularities being committed. The Central Stores Purchase Organisation manual prescribes that indents for the purchase of equipment should reach CMSO latest by September of the respective financial year in which the purchase is to be made, along with necessary administrative and budgetary sanctions. The prescribed time schedule from the acceptance of indent to the issuance of purchase orders is 16 weeks⁷³. Records of CMSO and at the offices of the ADs revealed that there was no system of submission of indents in time and requirements were sent for individual purchases instead of in a consolidated manner. Such indents were sent at different intervals even up to March, leaving no time for CMSO to properly scrutinize and complete the tender process. During the course of audit at CMSO it was noticed that the quantum of tenders, being finalized was comparatively high during the month of March than during the rest of the year, as detailed in Table-7.

Table-7 - Total tenders finalized during the year

Year	Total Acceptance of Tenders finalized during the year	Acceptance of Tenders finalized during March	Acceptance of Tenders finalized on 31 March	Percentage of Acceptance of Tenders finalized in March	Percentage of Acceptance of Tenders finalized on 31 March over AT done in March
2005-06	114	72	16	63	22
2006-07	122	107	8	88	7
2007-08	95	54	8	57	15
2008-09	57	52	22	91	42
2009-10	122	89	53	73	60

(Source : Statement prepared from the Acceptance of Tender register of CMSO)

Fifty seven to 91 per cent of tenders for equipment were finalized in the month of March leading to rush of expenditure and deficiencies in technical scrutiny

Acceptance of Tenders finalized in the month of March ranged between 57 per cent (2007-08) and 91 per cent (2008-09) of the total Acceptance of Tenders finalized during the whole year. Acceptance of Tenders finalized on the last working day of March ranged between seven per cent (2006-07) and 60 per cent (2009-10) of Acceptance of Tenders that were finalized during the month. CMSO stated (May 2010) that this was due to non-receipt of indents in time from the indenting officers, late receipt of administrative sanction from the Government and non-availability of purchase committee officials in the months of January and February. The reply is not acceptable as finalizing tenders in March and on 31 March would leave inadequate/no time for proper scrutiny of tenders, resulting in likely selection of inferior quality equipment.

⁷³ Two weeks for screening of indent, three weeks for issue of enquiry, three to four weeks for receipt of tenders, one week for preliminary scrutiny of tenders, two weeks for scrutiny by indenting officers, two weeks for CSPO for final scrutiny, one week for issue of acceptance letter to firms and receive confirmation and one week for issue of final Acceptance of Tenders.

1.3.9.2 Irregularities in purchase of Tele-Radiology System

Tele-radiology systems purchased at a cost of ₹8.72 crore during the year 2005-06 were not functional at three hospitals and were partially utilized at three hospitals.

Based on an indent received (January 2006) from the AD (Medical Education) for requirement of six tele-radiology systems for six hospitals⁷⁴ attached with medical colleges, Director, CMSO procured (March 2006) the equipment at a cost of ₹8.72 crore. The tele-radiology system comprised two sub-systems - Computerized Radiography (CR) system (three systems for each hospital) to convert X-ray images into digital images and Picture Archival and Transmission System (PATS) to transmit X-Ray images as well as digitized images of Computerized Tomography (CT), Medical Resonance (MR), Ultra Sonography (USG) and Colour Doppler to various clinical departments and to store these images in the data base for future clinical and research purposes.

During scrutiny of tender files, irregularities in the purchase procedure as well as in the specifications were noticed as detailed below.

- Under basic requirements of the proposed system, it was stated in the tender that an open system for multi-vendor modalities was required whereas the selected system was a closed system i.e. with single vendor capability, forcing users to purchase consumables such as X-ray films and cassettes only from original equipment manufacturers, which created a monopoly supply situation. This was against the tender stipulation.
- The terms and conditions required the bidders to submit certificates conforming to the Health Insurance Portability and Accountability Act (HIPPA)⁷⁵. HIPPA was a US Government Act passed in 1996 to cover health plans, health care providers and health clearing houses. Insistence of this requirement excluded local vendors from the bidding process.
- Specifications required that the cameras should have the ability to print at least two different sizes commonly used (not indicated in specification) of images to allow flexibility in usage. Hospitals mostly used 8"x10" and 10"x12" size films but the cameras had the ability to support only 11"x14" and 11"x17" images. Larger size films proved very costly (around ₹100 per film) compared to smaller size films (₹10 to 25 per film.).
- Though PATS was an Information Technology (IT) product, no IT expert was involved in formation of specifications although one of the Secretariat Purchase Committee members had suggested (March 2006) that Gujarat Informatics Limited (GIL) should be involved in the process. Further, an evaluation team member had also pointed out that they were radiologists and the system was an IT one, with which they were not familiar.

⁷⁴ Ahmedabad, Bhavnagar, Jamnagar, Rajkot, Surat and Vadodara.

⁷⁵ HIPPA is a United State of America's Act passed in 1996 for quality assurance in health care system in the field of health system in the United States.

- The information generated from PATS was to be utilized by the clinical departments but representatives of the latter were not included in the specification forming committee.

The tele-radiology systems were supplied and installed between March and November 2006 in various hospitals. On scrutiny of the records of the selected hospitals and information collected from others, it was found that the system was not in use (May 2010) at the Rajkot, Bhavnagar and Vadodara hospitals while only the X-Ray module was utilized at the Ahmedabad, Jamnagar and Surat hospitals, even after four years of its purchase. The Civil Hospital, Bhavnagar stated (June 2010) that as no trained person was available to operate the system and as existing clinicians were not accustomed to the PATS system, the equipment was not used. At Rajkot, the system could not be made operational due to non-completion of civil work at the time of delivery of the system and upon its completion, the supplier failed to provide demonstration services. At Vadodara, it was stated (April 2010) that the system was working during its warranty period of one year after installation and subsequently developed problems. The company failed to rectify the problems though an annual maintenance contract was entered into and the system was out of order since November 2008. Government stated (August 2010) that the specifications were scrutinized and finalized by the expert committee appointed by the AD (Medical Education). The reply, however, did not assign reasons for the deficiencies in the purchases. Thus, procurement of equipment at a huge cost of ₹8.72 crore without adequate infrastructure and assessment of acceptability with the medical staff resulted in the system remaining unutilized/not being fully utilized.

1.3.9.3 Irregularities in preparation of specifications

The Central Store Purchase Organization (CSPO) Manual prescribes that indentors should give general detailed specifications of stores required by them. The specifications should be of general nature and not for specific brands. Indenting officers should declare in a checklist that the specifications were general in nature. If any branded equipment is required, the indenting officers should get approvals from the Government. During scrutiny of tender records at CMSO, it was found that this basic and most important condition of purchase procedure was not being adhered to by the indenting officers and specifications prepared by the indentors were customized to favour particular suppliers. Scrutiny of the number of single offers/single technically qualified offers revealed that out of 510 tenders finalized (2005-10) by CMSO, there were 89 single offers (₹9.91 crore) and 106 single technically qualified offers (₹28.45 crore). Thus, the total number of single/technically qualified offers was 195 (38 per cent) out of 510 which amounted to 37 per cent (₹38.36 crore) of the total value of ₹104.15 crore of all the tenders finalized for equipment (Year-wise details are given in **Appendix-XV**). The high percentage of tenders finalized on single offer was indicative of tender specifications not being general in nature. Cases in tender specifications favouring a particular party were noticed as discussed in the following paragraphs. During exit meeting, while admitting (August 2010)

the audit observation, the department stated that a market survey cell was being created to identify suppliers of equipment.

1.3.9.4 Specifications of specular microscope prepared to suit a particular supplier

Specifications of specular microscope were prepared to suit a particular supplier.

CMSO invited tenders for the purchase of a specular microscope in December 2008. Two suppliers participated in the tender process, namely M/s BioMedix Optotechnik and Devices Pvt. Ltd and M/s Mehra Eyetech. In the technical evaluation, the product of M/s Eyetech was rejected as it did not meet the specifications required by the indenter and the tender was awarded (March 2008) to M/s Bio-Medix Optotechnic, valuing US \$ 27,946 plus taxes of ₹140,312. Scrutiny of records revealed that the specifications required by the indenter (Civil Hospital, Ahmedabad) were custom-made to suit only one supplier i.e. M/s BioMedix Optotechnic and Devices Pvt. Ltd. The specifications matched word for word, the brochure provided by the successful bidder. In reply, Government stated (August 2010) that the equipment was purchased under Pradhan Mantri Swasthya Suraksha Yojna (PMSSY) and the specifications were finalized by Ministry of Health and Family Welfare, Government of India in April 2008. The reply was contrary to the facts, as the tender was finalized in March 2008. Further, the specifications were found to be the same as contained in the brochure of the selected model. This was also proved by the fact that only two suppliers participated in tender and one was technically disqualified. Consequently, as there was only one supplier, purchase at competitive prices could not be ensured. Preparation of specifications to suit a particular supplier was contrary to the purchase procedure.

1.3.9.5 Non-adherence to Atomic Energy Regulatory Boards (AERB) in purchase of CT scan machines

Five CT Scan machines purchased during 2003-04 to 2004-05 were not compliant to mandatory AERB norms.

As per the Atomic Energy and Regulatory Board (AERB) regulations, any radiology equipment should be registered with them and should adhere to safety norms prescribed for radioactive equipment. During scrutiny of tender procedures for purchase of CT scan machines for General Hospitals, Gandhinagar, Godhara, Junagadh and Himmatnagar, it was found that CMSO did not incorporate the condition of mandatory AERB certificates in the tender. The tender was finalized (March 2004) and awarded⁷⁶ to M/s. Blue Star Limited. Subsequently, one more machine was purchased⁷⁷ (2004-05) from the same company for General Hospital, Surendranagar. Government appointed (November 2008), an agency (MNE Technologies Private Limited), to check quality assurance compliance of radiology equipments and AERB norms. Accordingly, the authorized agency during its inspection, noticed (December 2009) that the machine was not complying with the safety norms and KVp⁷⁸ exposure was found to be more than the tolerance limit. Similar violations of AERB norms were also noticed in respect of the CT scan machine installed at Himmatnagar. Further, as the technical specifications of the balance three CT scan machines were the same, these machines would also be non-compliant

⁷⁶ US \$ 218830 per machine.

⁷⁷ US \$ 197489.

⁷⁸ Peak Kilo voltage applied on X-ray tube.

to AERB norms. In reply to an audit observation, CMSO stated (May 2010) that compliance to AERB norms was mandatory and the technical committee rejected any offer which was not compliant to AERB norms. The reply is not acceptable as the selected machine did not conform to radiation safety norms. Non-insertion of the mandatory safety provisions as per AERB norms in the tender resulted in supply of machines with higher exposure to radioactivity, which would affect the patients.

1.3.9.6 Unfruitful expenditure on Comprehensive Maintenance Contract of equipment supplied under ORET

Equipment covered under Comprehensive Maintenance Contracts were either non-functional or the contracts were awarded before installation, thus rendering the expenditure wasteful.

Mention was made in paragraph 3.10 of the Comptroller and Auditor General's Audit Report, 2000 regarding the ill-conceived Oriented Development Related Export Transactions (ORET) Project launched for upgradation of hospitals for promotion of health care. Further scrutiny of records relating to utilization and maintenance of equipment procured under the project revealed irregularities and avoidable payment to M/s Philips Electronics India Limited (PEIL) for comprehensive maintenance contracts (CMCs) of equipment⁷⁹ for Radiology and Urology departments, which were not in use as discussed below:

At the time of awarding the CMC to PEIL for the period 2005-06, a technical committee member stated (January 2006) that as the CT scan machines were very old and remained out of order frequently, CMC was not required for them. However, this advice was ignored and CMCs for five machines⁸⁰ at the rate of ₹18 lakh per CMC period was awarded.

- At Civil Hospital, Ahmedabad, a CT scan machine covered under the ORET project was purchased in 1999, but was shifted to Bhuj after earthquake. However, it was stated that it was not installed but sent back to Ahmedabad. The machine was installed in December 2003 at the trauma centre. The machine was under CMC for the period 2005-06 to 2007-08 at the CMC value of ₹18 lakh per year. Records showed that the machine was never used for its intended purpose as PEIL failed to repair it despite repeated attempts. In spite of this, CMC for the machine was entered into during the period up to 2007-08 and the machine was condemned in 2009. This resulted in a wasteful expenditure of ₹54 lakh on the CMC of the above machine for the period of CMC⁸¹.
- CT scan machines had one laser camera each and even though a CMC was entered into for CT scan machines including laser cameras, a separate CMC for laser cameras was observed to have been awarded during 1 May 2007 to 30 April 2008 at a total cost of ₹8.40 lakh for

⁷⁹ Tomo Scan EG C.T. scanner, Easy Diagnost with Digital Spot imaging X ray machine (EDDSI), Easy Diagnost with floor column X ray machine< multi-radiology System 300 MA X ray machine (MRS), BV-25 Gold C-arm image intensifier, SD 250 ultrasound with probes, SD 360 ultrasound with probes, SD 100 ultrasound with probes, Urodiagnost multiradiography floor column system, Litho Diagnost ME litho tripsy, UPS, Automatic film processor, Laser Camera HQ T 969 kodak.

⁸⁰ Ahmedabad, Bhavnagar, Rajkot, Surat and Vadodara.

⁸¹ 1 October 2004 to 30 November 2005; 2 February 2006 to 1 February 2007; 1 May 2007 to 30 April 2008.

five laser cameras⁸²(one each) for five CT scan machines and subsequently for the period 1 September 2008 to 31 August 2009 at a cost of ₹1.24 lakh per camera. Payment of ₹ 48.20 lakh, thus, was wasteful and avoidable as CMC for CT scan machine including laser camera was in force during the above period.

- At District Hospital, Dahod, an Easy Diagnostic Floor Column machine was installed in September 2009. CMC for the above machine was, however, in force for the period 2005-06 to 2009-10⁸³ i.e. before installation, involving avoidable payment of ₹40 lakh. Similarly, a Multi-Radiography System (MRS) though installed only in January 2009, was under CMC even before its installation and an amount of ₹11 lakh was paid for the period 2004-09. CMC charges of ₹51 lakh became infructuous for the period for which machines were not installed.

During the exit meeting, the department agreed (August 2010) with the audit observation and stated that while renewing the CMCs, it would be ensured that the equipment was in working condition and was in use.

1.3.10 Non-utilization of equipment

1.3.10.1 Poor Performance of Fully Automatic Random Access Biochemistry Analyzer

Additional Director, Medical Education purchased (March 2006) fully automatic random access biochemistry analysers for six medical colleges of the State at a total cost of ₹96 lakh. During the check of records at the Rajkot and Vadodara medical colleges, it was noticed that halogen lamps and probes went out of order many times. Equipment went out of order 13 times at Jamnagar and Rajkot respectively and at Vadodara 14 times since installation⁸⁴. There was inconsistency in the results reported at Vadodra and Jamnagar. Hospitals accepted the failure of the equipment. Civil Hospital, Vadodara stated (April 2010) that due to frequent breakdowns, there was more use of consumables. This was indicative of inadequate technical evaluation before purchase of the equipment which resulted in the equipment not being optimally utilized.

1.3.10.2 Non-utilization of equipment due to non-supply of consumables

Scrutiny of records at Civil Hospital, Rajkot revealed that a Polymerase Chain Reaction (PCR) machine was purchased (March 2006) for the Microbiology Department at a cost of ₹21.91 lakh. The machine was to be utilized for detection of genetic material of microbes for conducting tests for detection of diseases like dengue, chikungunya etc. Scrutiny showed that the machine was not utilized up to 2008-09 due to non-purchase of consumables like filter tips, PCR tube, DNA isolation kit, Viral RNA isolation kit, reverse transcription kit etc. The Head

⁸² Ahmedabad, Bhavnagar, Jamnagar, Rajkot and Surat.

⁸³ 1 October 2004 to 30 September 2005; 2 February 2006 to 1 February 2007; 1 May 2007 to 30 April 2008 and 1 September 2008 to 31 August 2009.

⁸⁴ Jamnagar - March 2007, Rajkot - February 2007 and Vadodara - December 2006.

of Department, Microbiology replied (March 2010) that consumables were not supplied by the Superintendent, Civil Hospital, Rajkot though indents were made regularly. Thus the equipment remained idle for four years due to non-supply of consumables and despite availability of facilities for detection of epidemic diseases, patients were forced to get the required tests done elsewhere.

1.3.11 Internal control mechanism

Performance audit revealed deficiencies in the internal control mechanism of the department. Additional Director (Medical Education) failed to control the excess expenditure over prescribed ratio by the hospitals under his jurisdiction. There was no system to ensure implementation of risk purchase clause and recovery of amounts in case of default by the supplier of medicines. There was no control over timely submission of indents for purchase of equipment to CMSO which led to rush of tender and finalization in the month of March. Analysis of technical specifications of equipment prepared by technical committees revealed that the control of Additional Directors was not adequate to avoid cases of tailored specifications to suit specific vendors. Cases of issue of comprehensive maintenance contracts in respect of equipment which were not in use indicated lack of adequate internal control.

1.3.12 Conclusion

Expenditure on procurement of medicines was more than the grants allotted over the years. Though expenditure on medicines was more than the grants in four out of five years under review, the expenditure on procurement of equipment was less than the allocation in all the years. The ratio of allocation of 70 per cent grant to CMSO for centralized purchase of medicine was not adhered to by AD (Medical Education). Expenditure incurred on procurement of equipment was high during the month of March and particularly on 31 March. CMSO failed to enter into rate contracts for most of the items included in the formulary list. Non-supply of adequate quantities of medicine to field units resulted in procurement at higher prices locally. Due to shortfalls in sampling of medicines and absence of pre-despatch testing, the standard and quality of medicines issued to patients could not be ensured. The mechanism to ensure implementation of risk purchase and recovery of amounts due to non-supply and supply of substandard medicines was not effective. There were irregularities in preparation of technical specifications for procurement of equipment which led to favouring individual suppliers. Award of comprehensive maintenance contracts for equipment, which were not in operation, resulted in avoidable payment. Equipment procured to provide better health care facilities to patients remained unutilized, either due to non-procurement of consumables / accessory or non-availability of adequate manpower.

1.3.13 Recommendations:

- The Formulary committee to update the list of essential drugs should meet regularly and the formulary list of medicines should be updated every year as mandated.

- In order to ensure procurement of common drugs/medicines in bulk at economical rates, rate contracts should be entered into for all the items included in the purchase list.
- A system of pre-despatch sampling and prompt receipt of results of sample analyses should be evolved to ensure that the patients are administered standard and good quality medicines.
- The time limit for submission of indents for procurement of equipment should be strictly adhered to in order to ensure timely purchase, adequate scrutiny of technical specifications and avoidance of expenditure at the fag end of the year.
- Stringent checks at the CMSO level should be applied on preparation of technical specifications of equipment to ensure that the specifications are general and not intended to favour any particular brand or model.

SCIENCE AND TECHNOLOGY DEPARTMENT

1.4 IT Audit of Integrated Workflow and Document Management System (IWDMS)

Highlights

As a step forward in implementation of e-Governance, the Government entered into (March 2005) an agreement with Tata Consultancy Services (TCS) to develop an application system named Integrated Workflow and Document Management System for efficient management of workflow and documents and files to bring effectiveness and transparency in Government administration. Some of the significant points noticed in the IT Audit of this system were as follows:

Out of the total of 304 Department Specific applications, User Requirement Specifications (URS) for 65 applications were not prepared while for 177 applications, URS were prepared but approval of the users was not obtained.

(Paragraph 1.4.10.1)

System Requirement Specifications (SRS) and System Design Document were not prepared by the Service Provider and hence it was not possible to judge the extent to which user requirements, if any, were met.

(Paragraph 1.4.10.2)

Out of 304 User Acceptance Specification Reports prepared, 43 reports had only signatures without designations of the officials who had approved the same and in three cases, there was no signature or designation.

(Paragraph 1.4.10.3)

The duties of ‘Developer’, ‘Implementing Agency’, ‘System Administrator’ as well as ‘Database Administrator’ were being carried out by the vendor developer (TCS), thus holding unlimited rights to the application/ system.

(Paragraph 1.4.10.4)

Property Rights of the Source Code and Intellectual Property Rights pertaining to the application were given to the vendor which violated the standard procedures laid down for computerization in Government departments.

(Paragraph 1.4.10.5)

Though standard forms were not used for the contract agreement, prior approvals of the Legal and Finance Departments for its drafting were not obtained as required under the General Financial Rules.

(Paragraph 1.4.11.1)

1.4.1 Introduction

The Secretariat departments formulate policies, procedures and guidelines for functioning of the State Government and monitor their implementation. They receive applications, petitions, grievances and representations from individuals and organizations. All establishment matters relating to employees of the departments situated all over the State are also dealt with by Secretariat departments.

The work at the Secretariats involves immense flow of information in the form of files from one officer to another. In the process of seeking concurrence/opinions, approvals and/or comments, files are sent across to different departments in respect of legal, finance and administrative matters.

1.4.2 Organizational set-up

The application enables movement of information across and within departments of the Secretariat. This involves workflow integration of the State Secretariat at all the levels from Deputy Section Officer, Section Officer, Under Secretary, Deputy Secretary, Joint Secretary/Additional Secretary, Secretary/Principal Secretary/ Additional Chief Secretary, Chief Secretary and the Minister/Chief Minister.

1.4.3 Objectives of the application

The Government as a part of its e-Governance Policy have implemented the Integrated Workflow and Document Management System (IWDMS) from 1 April 2007 with the objectives of efficient and transparent administration; efficient monitoring and control; effective internal information exchange; building a knowledge base, enabling a robust decision support system and a structured work environment in the Secretariat as well as collaborative work environment and effective policymaking.

1.4.4 The application and financial outlay

The application is a web-based solution developed by Tata Consultancy Services (TCS) by using Java 2/E in front end, Oracle in Back-end with as “Unix” based application as well as Database Servers at a total cost of ₹7.81 crore including ₹ 2.52 crore as cost of implementation, warranty support and maintenance for 36 months.

1.4.5 Network connectivity

As this is a web-based application, the network back-bone of the Gujarat State Wide Area Network (GSWAN) is used for the same. Though the application is web-based, it is accessed through GSWAN only, so that only the official users of GSWAN can access the application.

1.4.6 Audit objectives

The audit objectives were to assess whether:

- system development was in accordance with the best practices in IT industry.
- the system achieved its stated objectives such as efficient monitoring and control, effective internal information exchange and was a robust decision support system.
- documentation of the system was exhaustive/adequate to ensure continuity/enhancement of the software and enable easy maintenance.
- procurement of the system was done in an equitable manner in accordance with the Rules/Regulations.

1.4.7 Audit criteria

The implementation of the Integrated Workflow and Document Management System (IWDMS) was assessed against the following criteria:

- Rules/Regulations governing procurement.
- System Development followed the accepted stages of System Development Life Cycle (SDLC) i.e. feasibility (Technical/Financial) studies, preparation of User Requirement Specifications (URS), System Requirement Specifications (SRS), System Design Document (SDD) and testing of the software developed.
- Documentation of the System i.e. URS/SRS/ Source Code/ SDD/ Operation/User and System Administration Manuals and System Generated Monitoring Reports.
- System/Database Administration and System Security.

1.4.8 Scope of audit

Twenty five departments⁸⁵ of the Secretariat, the Chief Minister's Office and the Chief Secretary's Office have implemented the application from 01 April 2007. The IT Audit covered the progress of implementation in all the 25 departments for the period from 2007-08 to 2009-10. During the audit, the tendering process, system development process and its implementation as well as security of the application was assessed. The audit was conducted between January and April 2010.

1.4.9 Methodology

The data was in the form of scanned images (All dak as well as files) and notings and drafts were in the text format. Hence, review of the documentation of the application developed, implementation and usage were reviewed in audit.

Audit findings

1.4.10 Procurement of the system

1.4.10.1 Defects in documentation

The IWDMS application consists of three parts i.e. Core applications for all the departments (14), Common applications, which can be used by all the departments (49) and Department Specific applications, which are specific to the needs of a department (304). Review of Department Specific applications revealed certain deficiencies which are discussed below:

Complete documentation of the application was not done.

Out of the total 304 Department Specific applications, URS for 65 applications were not prepared and that for 177 applications were prepared but not approved by the users. No System Requirement Specifications and System Design Document were prepared and produced to Audit. Out of 304 User Acceptance Specification Reports (UASR), three UASR were not approved by the users, 64 UASR were approved by the users in the absence of URS, 167 UASR were approved by the user without approval of URS (details in **Appendix-XVI**). As such, acceptance of the applications in the absence of URS (64) and without approved URS (167) by users was not justified.

⁸⁵ (1) General Administration Department, (2) Home Department, (3) Sports, Youth Services and Cultural Activities Department, (4) Information and Broadcasting Department, (5) Legal Department, (6) Legislative and Parliamentary Affairs Department, (7) Finance Department, (8) Agriculture and Co-operation Department, (9) Industries and Mines Department, (10) Energy and Petrochemical Department, (11) Labour and Employment Department, (12) Social Justice and Empowerment Department, (13) Education Department, (14) Science and Technology Department, (15) Health and Family Welfare Department, (16) Panchayats, Rural Housing and Rural Development Department, (17) Tribal Development Department, (18) Women and Child Development Department, (19) Narmada and Water Resources Department, (20) Ports and Fisheries Department, (21) Revenue Department, (22) Road and Building Department, (23) Food and Civil Supplies Department, (24) Forests and Environment Department and (25) Urban Development and Urban Housing Department.

1.4.10.2 Non-observance of the prescribed procedures in the development of the application

The application software development process as prescribed by the Government was not followed

As provided in Government Resolutions (GR) dated 28 April 2000 and dated 15 May 2001, the Service Provider (SP) was to be asked to conduct a detailed study and prepare the URS document and submit it to the department for their approval. On approval of URS, the SP was to conduct a detailed study and prepare the SRS document and submit it to the department for their approval. On approval of SRS, the SP was to go ahead with preparation of SDD, which would become the basic guide map for the department and used for periodic review of the assigned IT project.

Further, it also provided that the software developed by the SP should be submitted in the form of SDD with test plans.

Gujarat Informatics Limited (GIL), being the nodal agency and IT consultant of the Government as well as the Department of Science and Technology (DST) did not incorporate these provisions in the contract agreement signed with the SP by mentioning these procedures in “Clause-6- Deliverables”.

Therefore, the procedures laid down by the Government were not followed by the SP as they were not incorporated in the agreement with them by the Government and the URS, SRS and SDD were not prepared by the SP.

Absence of these documents can adversely affect future maintenance, business continuity and version control of the software developed, which can result in monopoly of the SP and indefinite future liability on the part of the Government.

When the matter was reported (June 2010), the Government stated (August 2010) that it had procured a ready-tested framework to minimize the risk of failure. Accordingly, a Gap Analysis document for all the applications was prepared and approved by the Core and Common Applications Committee (committee) appointed by the State Government in 2005, to make the best use of what was already implemented by other Governments and use it as base line after identifying the gaps with reference to the requirement. Further, it was also stated that any agency could maintain the application for any future change based on the above report. Based on this, there was no requirement of SRS/SDD.

However, as the Gap Analysis approved by the committee did not cover the complete requirements of the users and in the absence of SRS/SDD the system cannot be maintained for future changes by any other agency other than TCS.

1.4.10.3 Non-authentication of the User Acceptance Specification Reports

None of the URS as well as UASR had concurrence/ approval of GIL/ DST.

(i) According to Para-4 of Annexure-C of the Contract Agreement, the responsibility for issuing acceptance letters for Department Specific applications developed by the SP lay with the Secretaries of the concerned departments. Contrary to the above, it was observed that the UASRs were authenticated by authorities mentioned below:

Authenticated by	No. of UASR
Deputy Section Officer	11
Section Officer	49
Under Secretary	42
Personal Secretary	6
Deputy Secretary	39
Joint Secretary	3
Additional Secretary	1
Officer on Special Duty	7
RIC and Secretary	12
Principal Secretary	1
Deputy Director (Statistics)	3
Assistant Executive Engineer	6
Deputy Executive Engineer	2
Superintending Engineer	3
Dy. Collector	28
Accounts Officer/GRF-DM Cell	3
Relief Commissioner	1
Commissioner of Mid-day-Meal	16
Industries Commissioner	25
No designation (only signature)	43
No signature /No designation	3
Total	304

As mentioned above, maximum number of applications was accepted by Section Officers (49) and Under Secretaries (42).

(ii) In none of the abovementioned URS as well as UASRs was there concurrence/approval of GIL/DST, which was the owner of the application software. This resulted in splitting of Common applications as mentioned in Para 1.4.12 and 1.4.13 of this report. When the matter was reported (June 2010), the Government stated (August 2010) that GIL/DST approval was not required. The reply is not acceptable as the Project Implementation and Co-ordination Committee constituted vide the Science and Technology Department's Government Resolution dated 5 May 2005, comprising three senior members of GIL and two senior members of DST including the Additional Secretary (Science and Technology) as Chairman was responsible for reviewing all the deliverables from TCS and making suitable recommendations. However, the Government also stated that all the departments would be requested to take a re-look at their applications within the specific time limit in perception of their usage and necessary changes would be undertaken by TCS on no cost basis.

1.4.10.4 Unlimited access rights with TCS

Sole rights of the application with the vendor developer .

According to the best IT practices, each of the duties relating to 'Developer', 'Implementing Agency', 'System Administrator', 'Database Administrator' should be given to a separate entity, so as to make the system fully secured and dependable and reduce the risk of manipulation of the system.

However, TCS had unlimited access to the system since they were effectively carrying out the functions of System Administrator and Database Administrator etc.

The application system was developed by TCS and the Implementing agency of the application was also TCS. The user rights were granted by TCS on recommendations of the Science and Technology Department. The roles of ‘System Administrator’ and ‘Database Administrator’ were also performed by TCS. There was no formal password policy for grant as well resetting of the users’ passwords.

Due to this, the risks to the application system are as under:

The IWDMS application is used by all the administrative departments of Secretariat and also by the CM’s office and the CS’ office. No encryption technique is in use to protect the confidentiality of communication between these officers.

The database server contains information relating to all the administrative departments as well as the CM’s office and the CS’ office. This information/data may have secret and confidential matters also.

Being System Administrator and also the Administrator of the database server, these data can easily be accessed by TCS.

It was also observed that there was no recorded evidence of security vetting of TCS personnel having full administrative rights.

When the matter was reported (June 2010) the Government, *inter alia*, agreed (August 2010) to have their own officers for System Administration and Database Administration for implementation of the IT system.

1.4.10.5 Property Rights of the Source Code and Intellectual Property Rights of the application given to vendor against the IT procedure of the Government

Violation of the provisions of the Standard Procedures to be followed for computerization

(a) According to Para 10 of Chapter-2 of the Standard Procedures to be followed for Computerization Volume - I (June 2004), full and comprehensive Intellectual Property Rights (IPR) of all the application software developed by all the Service Providers shall rest with Gujarat Informatics Limited, the nodal agency for computerization of the Government.

However, Clause-14 of the Agreement stated :

“The Client (i.e. Government of Gujarat (GOG)) shall not be entitled to claim any right, title, interest including all types of IPR therein except as expressly granted to it by TCS under this Clause.”

“TCS shall, on receipt of full payment of all moneys due under this Agreement to TCS, grant to the Client in respect of the software and deliverables a non-exclusive, non-transferable, limited user license in India to use the software and the deliverables supplied hereunder”.

Further, it was also mentioned in the clause, “Subject to above (conditions ‘a’ to ‘e’), the client and TCS would have joint IPR on the modified/ customized portion of the solution, which was specific to the client”.

Clause-41 of the Agreement stated that the Source Code of the base framework would be the exclusive property of TCS. The Source Code relating to the modified/customized portion of the Government would be the joint property of the Government and TCS. This was against the Standard Procedure to be followed for computerization in the Government.

However, it was noticed that there was no such provision in the contract agreement. The only provision in clause-14 of the agreement was that if the client so desired, it would divest itself of its share of the IPR only to TCS and not to any other third party. Such sale of IPR was to be decided based on mutually agreeable terms.

(b) It was observed that a similar application was being developed by TCS for Bihar Government wherein TCS had not consulted the Government of Gujarat for their permission and/or concurrence to utilize the software developed for Gujarat by customizing it for Bihar Government.

As such, the Joint IPR and Joint Property Rights of the Source Code as mentioned in the agreement were not enforced.

When the matter was reported (June 2010), the Government stated (August 2010) that after completion of the project, re-use of Gujarat-based components, if any, would be identified. The fact remains that there was no prior consultation with Gujarat Government by TCS before use of the software elsewhere.

1.4.11.1 Procedural lapses in drawing up of contract agreement

➤ Non-observance of Gujarat Financial Rules in drafting of the contract agreement

Prior approvals of Legal and Finance departments were not obtained in drafting the contract

As provided in Note-3 (iii) below Rule 15(2) of the Gujarat Financial Rules (GFR), where standard forms of contracts are not used, prior approvals of the Legal and Finance Departments are required to be obtained in drafting the contracts and before they are finally entered into.

There was an agreement dated 28 March 2005 with TCS for development of an Integrated Workflow and Document Management System (IWDMS) application where standard forms of agreement were not used and therefore, the approvals of the Legal and Finance Departments were necessary for drafting the contract agreement, which was not obtained by the department. As a result, the clauses were noticed in the contract agreement, which also involved indefinite future liability on the part of the Government.

When the matter was reported (June 2010), the Government stated (August 2010) that the department had taken the approval (February 2005) of Secretary, Department of Science and Technology to take legal opinion from an external attorney for the contract. Further, it was also stated that the Principal Secretary (Expenditure) of the Finance Department was appointed (September 2004) as Chairman of a committee formed by the Government for negotiation of the price, other terms and conditions for deployment of technical manpower, responsibilities of both the sides and other relevant issues for implementation

of the project. The inputs of the external attorney and the Principal Secretary (Expenditure), Finance Department, as Chairman of the committee were considered for drafting of the contract agreement.

However, the fact remains that the codal provisions of GFR were not observed by the department.

1.4.11.2 Change of clause in the agreement for Payment Terms

It was provided in Para D(b) of the Science and Technology Department's Resolution dated 30 July 2004 that all organizations should follow the payment schedule for release of payment to vendors as given below:

Schedule of payments was not as per the Government instructions

- (i) 25 per cent on acceptance of System Requirement Specification (SRS) and System Design Document (SDD),
- (ii) 35 per cent on successful installation of software on User's Platform and generation of test reports as well as submission of the System Manual and Users' Manual (Operational Manual) in three sets,
- (iii) 25 per cent on account of users' training and implementation of software with successful completion of first parallel run,
- (iv) 15 per cent on successful completion of two months' implementation report.

Further, it was also provided vide Para (D)(d) of the Government Resolution ibid that the Committee could make appropriate changes in the payment schedules, on a case to case basis. The reasons for the changes were to be recorded in the minutes of the meetings of the committee.

However, it was observed that the payment schedule provided in Clause-16 of the Agreement was as under:

1. On signing the Agreement	₹52,90,000
2. On delivery of customized solution	₹2,11,60,000
3. Completion of Installation and Training	₹1,85,15,000
4. Date of "Go-Live"	₹79,35,000

Thus, ₹52.90 lakh i.e. 10 per cent of the total amount was paid to TCS immediately on signing of the contract whereas the first payment of ₹1.32 crore (25 per cent of the contract value) should have been payable on acceptance of SRS and SDD as per the provision cited above. Thus, the contractor received an undue benefit.

Though the 'Payment Schedule' mentioned in the Agreement was not in accordance with that provided in the GR quoted above, no reasons were recorded in the minutes of the meeting for the changes made as required under the provisions of the GR.

When the matter was reported (June 2010), the Government furnished (August 2010) copy of addendum of March 2006 to the agreement for changes in the payment schedule of the contract agreement. However, reasons for deviation from the provisions of GR were not recorded in writing.

1.4.12 Splitting of Common applications

Unnecessary splitting of applications.

As per the list of “Common applications”, there were total 49 applications, out of which 12 applications were developed as “Budget applications”. It was noticed that the applications developed for following Groups “I” to “IV” were connected with each other in their respective group. Among these applications, only one was the Main application for each group and the rest were its “utility” or “query” or “report”. Out of the 12 Budget applications, 11 applications were also included in the department specific applications of the Finance Department, resulting in duplication of Common applications with those of Department Specific applications.

Title of the application	
I.	Leave and L.T.C.
1	Leave Processing and MIS
2	Earned leave encashment/LTC encashment
3	Processing of L.T.C. request
II.	Service Book
1	Maintenance of Nomination Details
2	Service Book
III.	Management of Assets
1	Asset Request
2	Procurement of Asset and Vehicle
3	Maintenance of Asset and Vehicle
4	Asset and Vehicle Discard
IV.	Public Account Committee
1	Processing of Public Accounts Committee
2	Processing of Audit Paras

When the matter was reported (June 2010), the Government stated (August 2010) that the applications, though similar in nature, were different applications as the fields were different, work-flow and logic of approvals were different and access controls were different.

It was, however, noted that the rules and procedures for sanction and processing of Leave, LTC cases were common for all the Government departments. Therefore, three applications in Group-I above created confusion and also duplication. Likewise, in Group-II above, nomination details of an employee were a part of the Service Book. This was a common factor for all the departments and all the members of the staff. Thus, there was unnecessary duplication of Common applications. Same was the case with Group-III and Group-IV above. During the exit conference, the department stated that this would be reviewed.

1.4.13 Department Specific applications

Common applications treated as Department Specific applications and also duplication among them.

On scrutiny of the list of ‘Department Specific applications’, it was noticed that some of the applications which were developed for a specific department as “Department Specific application” were not department-specific but could be used by all the departments and therefore, should have been included in the list of ‘Common applications’. Further, some of the information captured in ‘Department Specific applications’ was also captured in ‘Common applications’, so that there was duplication of “data entry” and “application”.

When the matter was reported (June 2010), the Government agreed (August 2010) to include the department-specific applications which could be used by all the departments in the list of common applications.

There were 48 applications (**Appendix-XVII**) which were not department-specific as they were meant for administrative functions.

There were 41 department-specific applications (**Appendix-XVII**) which were common in nature and were already included in the list of “Common applications”. The data relating to these applications was already present in “Common applications” e.g. Court Case, GPF, Leave, Service Book, Budget etc. Hence, there was duplication of data entry as well as application.

1.4.14 Observations on IWDMS application

On a review of the application system, the following points were noticed:

Defects in the application software

(a) The application did not allow “Copy” and “Paste” of the required portion of the scanned image of the letters received. This resulted in the cumbersome work of retyping of the text for its reproduction in the “Notes” or “Drafts” in the communications submitted to higher authorities for their approval.

(b) No user of any department had powers to add “New Subject” pertaining to his department. For this, he was required to send an online “Service Request” to the SP.

In response to the service request, the SP would add the proposed new subject in the “List of Subjects”. Till then, the user had to wait and keep the Tappal⁸⁶ ‘pending’.

(c) In ‘Common applications’, a new file was opened for every transaction processed and the previous correspondence/papers on the subject were not available on the screen.

For example : In the Leave Processing module, on every occasion of leave, a new file was opened and previous leave applications (requests for leave) were not available in the system to the leave sanctioning authority. As such, the leave sanctioning authority did not know through the module as to how frequently leave was availed by an employee to enable him to take a proper decision.

(d) There was no provision for correcting the mistakes made in ‘File Creation’ and ‘Add Tappal’ functions of the application.

For example: When a tappal was received, it was scanned and sent to the concerned branch/official. If this tappal pertained to an existing file or document in the system, it was attached to the relevant file or document by the concerned official/branch. If this tappal, was attached to a non-relevant existing file or document by mistake, there was no provision in the application to correct the mistake.

⁸⁶ Tappal : Inward / outward letters.

(e) All the employees of Secretariat were given access rights to the IWDMS application. This also included the Class-IV employees of the Secretariat, who were given 'User IDs' to enable them to submit their applications for leave, various advances etc. Submission of such applications on IWDMS was made compulsory and access rights to Class-IV employees were given. It was noticed that the Class-IV employees of the Secretariat were expected to submit their application for leave, advances etc. through the system. However, they were neither given training to use computers nor provided with computers. They were allotted "User IDs" and "passwords". There were chances of misuse of their "User IDs" and "passwords" as they were totally dependent on other members of the staff for computer access as well as operation.

(f) As far as financial matters were concerned, it was observed that the necessary amendments in the relevant provisions of Gujarat Financial Rules and Gujarat Treasury Rules were not carried out.

For example : To apply and accept applications in e-form on IWDMS for festival advance, food grain advance, fan advance, house building advance, motor cycle advance loan or part-final withdrawal from provident fund etc. leave application, its sanction and duty resume report on expiry of leave etc. in e-form on IWDMS were not implemented. As such, these subjects remain uncovered under the relevant rules to this extent.

When the matter was reported (June 2010), the Government agreed (August 2010) to take suitable necessary action in view of the audit observations for the points from (a) to (d). As regards point at (e) the Government remained silent on the issue of possible misuse of User ID as well as passwords of Class IV employees. As far as point (f) was concerned, the Government stated that physical files were also processed simultaneously in this regard and therefore, the amendments in the relevant provisions are not necessary.

As regards implementation of the department-specific application, the General Administrative Department (ARTD) stated (August 2010) that department-specific applications developed for them were not used by them as TCS did not provide them training, guidance and/or demonstrations of the application. DST needs to issue necessary instructions to departments to take a relook at department-specific applications, if necessary, in consultation with TCS and provide training, wherever necessary.

1.4.15 Budget applications in IWDMS application

**Repetition of
Budget Modules in
IFMS and IWDMS**

As far as Budget applications included in "Common applications" were concerned the following points were noticed:

(a) There was a Budget Module in the Integrated Finance Management System (IFMS) also. The IFMS application was a web-based application which was in an advanced stage of development for the Finance Department by TCS.

(b) The initiation, processing and finalization process of the budget in IWDMS and Integrated Finance Management System (IFMS) applications were the same. Hence, the 'Budget Module or application' should have been in one application only i.e. either in IWDMS or in IFMS. Its existence in the IFMS

application would be more relevant. This would also reduce the duplication of the 'Modules' as well as reduce the burden on IWDMS resulting in faster working of the IWDMS application.

DST, which was responsible for maintaining consistency and monitoring of the development process of the application software through GIL, may examine the matter and issue suitable guidelines.

When the matter was reported (June 2010), the Government stated (August 2010) that the budget was not a part of the IFMS project and that the data pertaining to the budget available in IWDMS would be made available in IFMS for release of grants and tracking of expenditure against them.

The reply is not acceptable as the presence of the Budget Module was more relevant to IFMS which was a financial system rather than IWDMS which was a work flow and document management system.

1.4.16 Security audit of IWDMS application

**Security audit
not conducted
periodically by
TCS**

As provided in Clause 4 (j) of the agreement, security audit of IWDMS application was to be carried out by TCS at predefined intervals. Further, it was also provided in Annexure-A to the contract agreement under 'TCS Responsibilities' that TCS was to prepare a design of a Security Model and implement the same for the entire IWDMS application system.

When the matter was reported (June 2010), the Government stated (August 2010) that the security audit was conducted in July 2008.

Thus, the audit was conducted only once during the three years of IWDMS operation and the fact remains that it was not conducted regularly at predefined intervals. During the exit conference, the department stated that yearly security audit would be done in future.

1.4.17 Testing of back-ups of IWDMS at off site server

A "Disaster Recovery" (DR) server was maintained at an off-site location for taking back-ups of the application.

However, the workability of the off-site server was tested only twice, first when the off-site server was configured and secondly when a network problem occurred. Hence, no periodical testing was conducted to ensure that the off-site server was capable of restoring the data whenever required.

1.4.18 Testing of software by Electronic and Quality Development Centre, Gandhinagar

The Science and Technology Department advised (March 2006) all the Government departments/HODs/organisations/agencies who appointed Total Service Providers (TSPs) to develop specific application software should get that application tested at Electronic and Quality Development Centre (EQDC), Gandhinagar at TSP's cost. Such testing of IWDMS application software by EQDC, Gandhinagar was not got done by the Service Provider.

When the matter was reported (June 2010), the Government agreed (August 2010) to ask TCS to get the application tested by EQDC and submit the report.

1.4.19 Conclusion

Government did not follow the provision of GFRs in drafting of the contract agreement and standard procedures for computerization in connection with property rights of the Source Code and IPR of the application. Provisions made for the development of application software were also not followed. A proper technical evaluation of the applications by the Committee appointed for the purpose was not done before acceptance/payment to the vendor. This resulted in duplication or splitting of Common applications as well as Department-specific applications. There were unlimited access rights with TCS. The workability of the back-ups were not tested.

1.4.20 Recommendations

- User System Testing of the developed software may be got done at Electronic and Quality Development Centre, Gandhinagar.
- Adequate training in maintenance of software may be provided to the staff so as to reduce dependency on the vendor and ensure Government's full control over the IT systems.
- Complete documentation of the application developed may be prepared for easy future maintenance of the system.
- Back-ups may be got regularly tested, so that they work whenever needed.
- Security audit of the system may be conducted regularly at pre-defined intervals.
- Need for the usage of encryption techniques may be considered for secret and confidential matters.

CHAPTER II

AUDIT OF TRANSACTIONS

2.1 Fraudulent drawal/misappropriation/embezzlement/losses

PANCHAYATS, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT

2.1.1 Misappropriation of ₹ 18 lakh

Failure to observe the checks prescribed in the scheme guidelines resulted in fraudulent payment of ₹ 18 lakh.

The National Rural Employment Guarantee Act (NREGA), 2005 was enacted by the Union Government with a view to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members were willing to do unskilled manual work. Based on the provisions of NREGA, the Gujarat State Rural Employment Guarantee Scheme (SREGS) was launched in August 2006. The District Programme Coordinators (DPC) were responsible for ensuring administrative and technical approvals, release and utilisation of funds, ensuring 100 per cent monitoring of works, muster roll verification and submission of Monthly Progress Registers.

Scrutiny of records of DPC, Dahod revealed (March 2010) that the Sarpanch of Nana Sarnaiya village was reported to have constructed (May-June 2008 and January-February 2009) a community well without obtaining the administrative approval of the DPC. Payment of ₹ 8,92,237 for the work had been made (October 2009) which was supported by 50 paid muster rolls. It was found by the Deputy District Programme Coordinator that these muster rolls had not been issued by NREGA Branch, DRDA, Dahod. Subsequent verification on 24 November 2009 of the stock of muster rolls by the DPC, revealed that 1000 muster roll forms were missing and the abovementioned 50 paid muster rolls were part of the missing muster rolls. Further, in respect of another payment of ₹ 9,25,128 made (September 2009) for the work, it was noticed that payments had been made to 1080 persons through credit to bank accounts but the names shown in the muster rolls were different from the names shown in the bank payment sheet for credit to the accounts. Both the vouchers had been pre-audited (June-July 2009) by M/s. Pipara and Company, Chartered Accountants. An FIR was filed (5 March 2010) with the police by the Additional DPC, NREGA, Dahod against 16 officials¹.

¹ (1) Taluka Development Officer, (2) Additional Assistant Engineer, (3) Technical Assistant, (4) Ex-MIA Coordinator, (5) Ex-MIS Coordinator, (6) Junior Clerk, (7) Assistant Accountant, (8) Auditor who had done pre-audit, (9) Manager, Bank of Baroda (Sukhsar), (10) Talati-cum-Mantri, Nana Sarnaiya, (11) Sarpanch, Nana Sarnaiya, (12) Talati-cum-Mantri, Moti Nadukan, (13) Sarpanch, Moti Nadukan, (14) Talati-cum-Mantri, Javesi, (15) Sarpanch, Javesi, (16) Sub-Post Master, Post Office, Fatepura.

In this connection, it is observed that the misappropriation became possible due to non-adherence to the procedures laid down and lack of monitoring as provided in the operational guidelines. Payments had been permitted to be made in respect of work for which administrative approval had not been accorded. Further, the transparency procedure in payment of wages prescribed in the guidelines² to prevent payment to ghost workers and for non-existent projects (Para 12.3.1 of Guidelines) had not been followed. Theft of 1000 muster rolls remained undetected for over five months which indicated that safe custody of muster rolls was not ensured and periodical physical verification was not done. Thus, due to non-adherence to the prescribed procedures, lack of adequate internal control measures and inadequate monitoring, misappropriation of a sum of ₹ 18,17,365 became possible.

The Assistant Commissioner (Rural Development) denied (June 2010) that the misappropriation was due to non-adherence to the prescribed procedure and due to lack of internal control measures. It was stated that meetings at district and taluka level were regularly conducted to review and monitor the effective implementation of the NREGA scheme, training programmes and workshops were also conducted. The reply is not acceptable as it is silent on the specific instances of non-adherence to procedures prescribed in the guidelines, as pointed out in the para *viz.* release of funds by DPC for works without administrative approval and technical sanction, non-ensuring of 100 per cent monitoring of works resulting in transparency procedures in payments not being followed as well as not conducting of periodical physical verification.

The matter was reported to Government in April 2010 and reminder issued on 11 June 2010. Reply has not been received (August 2010).

2.2 Infructuous/wasteful expenditure and overpayment

EDUCATION DEPARTMENT

2.2.1 Wasteful expenditure on setting up of District Computer Training Centres

Out of 25 District Computer Training Centres, 16 were not operational in the absence of qualified teachers/instructors even after the lapse of three years, resulting in wasteful expenditure of ₹ 4.36 crore.

Under the Action Plan (December 2004) for Computer Education and Computer Training for School Children (CECTSC) under the Eleventh Finance Commission, computer centres were proposed to be set up in 25 districts of the State by March 2005 at an aggregate expenditure of ₹10.75 crore. The unit cost of each centre was estimated at ₹ 43 lakh (Appendix - XVIII). A provision of ₹10.75 crore was made by the Finance Commission for Gujarat under 'Upgradation of Standard of Computer Education'. The Action Plan envisaged

² Payment in public place, names of recipients and amount to be read out loud and list to be put up in public place before being read out loud.

that in each of the 25 centres, 1,040 students from urban areas and 208 students from rural areas would be trained every year. At this time another centrally sponsored scheme of Information and Communication Technology in Schools ('ICT @ Schools') was launched in December 2004. These identical schemes were launched simultaneously for the same targeted beneficiaries.

The Government sanctioned (November 2004) ₹10.75 crore for setting up the computer centres in the districts to the Commissioner of Mid-Day Meals and Schools, Gandhinagar, who was made responsible for implementation of the programme. Out of ₹10.75 crore, an amount of ₹7.14 crore was placed with Gujarat Informatics Limited (GIL) in January and March 2005 for procurement of hardware and software. The balance amount of ₹3.61 crore was placed (January 2005) with the District Collectors for creation of infrastructure.

Scrutiny (March 2010) of the records of the Commissioner revealed that ₹5.03 crore was spent for purchase of hardware/software and ₹1.78 crore was spent for setting up the computer training centres in the 25 districts. However, the computers were received at the centres between January 2005 and July 2006, as of March 2010, out of the 25 centres, 16³ centres could not start functioning. No student was trained in these centres against an assigned annual target of 19,968 students at 1,248 students per centre. In respect of the balance nine centres⁴, 4,992 students per centre were to be trained during June 2006 to March 2010. In all, only 3,805 students (8.46 *per cent*) were trained by these centres during the period as against 44,928 students targeted to be trained.

It was observed in audit that non-functioning of the 16 centres established after incurring expenditure of ₹4.36⁵ crore was mainly due to non-appointment of instructors/teachers because of non-availability of qualified staff⁶ as per the norms fixed by Government of Gujarat with fixed meagre remuneration of ₹4000 per month. Further, under the centrally sponsored scheme of 'ICT @ Schools' launched in December 2004, it was envisaged that individual schools would be provided with computers and other peripherals including internet and the students could undergo training in their respective schools. Thus, this appeared to be a case of duplication of schemes for the same targeted beneficiaries. This aspect was not evaluated and assessed before incurring the expenditure on setting up the District Computer Training Centres under the CECTSC scheme.

On this being pointed out (May 2010), Government replied (August 2010) that the qualifications initially fixed were very high and that these had been revised in March 2009. It was also admitted that despite periodic instructions by the Commissioner to the District Education Officers, out of 25 centres, 16 centres remained unused and the balance nine centres could not be put to optimal use.

³ (1) Ahmedabad (city), (2) Amreli, (3) Anand, (4) Dahod, (5) Narmada, (6) Bharuch, (7) Banaskantha, (8) Bhavnagar, (9) Kheda, (10) Patan, (11) Porbandar, (12) Navsari, (13) Vadodara, (14) Valsad, (15) Surat, (16) Surendranagar.

⁴ (1) Kutch-124, (2) Jamnagar-58, (3) Junagadh-1,616, (4) Panchmahal-327, (5) Mehsana-150, (6) Rajkot-559, (7) Sabarkantha-565, (8) Gandhinagar-111 and (9) Dang -295 students.

⁵ Cost of computers ₹3.22 crore and infrastructure ₹1.14 crore.

⁶ First Class BE (Computer)/First Class BE (IT/MCA) for instructor.

Thus, due to duplication of identical schemes for the same targeted beneficiaries rendered the expenditure of ₹4.36 crore incurred on setting up of the computer training centres wasteful.

NARMADA, WATER RESOURCES, WATER SUPPLY AND KALPSAR DEPARTMENT

2.2.2 Wasteful expenditure on construction of pumphouse facilities

Lack of coordination between the Gujarat Water Supply and Sewerage Board and the Irrigation wings of the Narmada, Water Resources, Water Supply and Kalpsar Department resulted in wasteful expenditure of ₹ 89.58 lakh and denial of intended water supply to beneficiary villages for 16 months.

The water demand of 73 villages of Dehgam and Gandhinagar talukas was proposed to be met from Labhor tank situated in Talod taluka in Sabarkantha District, which was under development as a source of supply for irrigation by the Irrigation wing - Sujalam Sufalam Circle, Gandhinagar, by filling the same through irrigation pipelines. For utilization of this tank for water supply also, the work of construction of an intake well and pump house facilities at Labhor tank was awarded (August 2004) to an agency⁷ by the Gujarat Water Supply and Sewerage Board (GWSSB) as a part of the work of 'Design, build and operate contract for distribution network of package SSW G-2' under the Sujalam Sufalam drinking water scheme. The Executive Engineer (EE), Public Health Works Division (PH Works Dn.), GWSSB, Gandhinagar was in charge of this work.

Scrutiny (October 2009) of records of the EE, PH Works Dn., GWSSB, Gandhinagar revealed that the development of Labhor Tank was shelved (August 2004) by the Irrigation Department as a follow-up of the decision taken by a Higher Level Technical Committee. GWSSB which was also under the same department i.e. Narmada, Water Resources, Water Supply and Kalpsar Department, remained unaware of this decision and considered this tank as a source for supply of drinking water for 73 villages. Consequently, it constructed (September 2007) downstream facilities at the Labhor Tank at a cost of ₹89.58 lakh⁸, which became infructuous. As water was not available from Labhor Tank for supply, GWSSB undertook the laying of separate 610 mm mild steel (MS) pipes for tapping water directly from the existing Hathmati-Guhai irrigation pipeline and completed the work in January 2009 at a cost of ₹33.19 lakh.

On this being pointed out (October 2009) in audit, the EE, PH Works Dn., GWSSB, Gandhinagar replied that the decision regarding non-development of the Labhor Tank was taken by higher authorities of the Irrigation Department after the work was allotted to the agency. The reply is not acceptable as the work order for construction of the above idling facilities was issued on 23 August 2004 after the decision of shelving the development work of Labhor Tank was

⁷ M/s. Electrosteel Infrastructures Services Limited

⁸ Intake Well – ₹13.04 lakh, Pumphouse – ₹23.20 lakh, Rising main – ₹1.73 lakh and Pumping machinery – ₹51.61 lakh.

taken by a high level committee on 17 August 2004. The fact remains that due to lack of coordination between GWSSB and the Irrigation Wing of the same Department i.e. Narmada, Water Resources, Water Supply and Kalpsar Department, the former proceeded with the construction of pumping facilities at Labhor Tank even when the decision to shelve of the upstream works had been taken. In the process, existing facilities constructed in September 2007 i.e. intake well, pump house, raising main and the pumping machinery were idling since then as the supply to these 73 villages was routed directly from the irrigation pipeline.

Consequently, the entire expenditure incurred on downstream facilities at Labhor Tank amounting to ₹89.58 lakh was rendered wasteful. Further, because of shelving of the project of development of Labhor Tank and subsequent re-routing, the supply of water to these 73 villages could commence only from January 2009, after a delay of 16 months.

When this was reported (February 2010), Government stated (April 2010) that the works were executed to pump water from Labhor Tank. However, in order to avoid continuous pumping to lift water from the tank, tapping from Hathmati-Guhai Irrigation Pipeline was done so that direct flow of water from pipeline could be received. It was further stated that in case of shutdown of the irrigation pipeline, water could be supplied from the tank using pumping structures constructed under the said contract. The Government, however, stated that the matter of coordination among two departments would be made effective in future. The reply is not acceptable as Labhor Tank had not been developed and therefore, its utility even as temporary storage, is doubtful.

Thus, due to lack of coordination between GWSSB and the Irrigation wing, GWSSB continued with construction of pumping facilities at Labhor Tank, unaware of the decision of the Irrigation wing not to develop it as a water source, resulting in wasteful expenditure of ₹89.58 lakh.

PANCHAYATS, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT

2.2.3 Doubtful expenditure in execution of a work

An expenditure of ₹1.31 crore was stated to have been incurred in execution of work by a District Rural Development Agency. In the absence of mandatory records and registers including muster rolls, the expenditure was doubtful.

Under the Integrated Watershed Development Programme (IWDP), a Centrally Sponsored Scheme for promoting socio-economic development of villages, Government of India sanctioned (July 2003) ₹ three crore for implementation of a project in Kutiyana block of Porbandar District for treatment of land for the purpose of afforestation, improvement of grasslands etc. The shares of the Central and State Governments for the project were ₹2.75 crore and ₹0.25 crore respectively towards treatment of 5000 hectares of land to be completed within five years i.e. by July 2008. The project was implemented by the District Rural Development Agency (DRDA) Porbandar. The Executive Engineer, Panchayat

Irrigation Division, Porbandar was the nodal officer for the project which was to be executed by the constitution of 14⁹ Watershed Development Committees (WDC) at the grassroot level.

The work was to be executed at the Schedule of Rates (SOR) rate of the concerned Division and the completion certificate was to be given by the concerned WDC members. Materials were to be purchased from Government Co-operative Mandalis/Nigams for which stock accounts were to be maintained.

During the local audit of Director, DRDA, Porbandar in November 2009, a review of the vouchers for the period December 2004 to October 2006, showed that ₹1.31 crore was paid towards wages to labourers and suppliers towards supply of cement, sand, gravel for construction of a check dam, purchase of plants, and seedlings from nurseries etc. Payment for the materials purchased were made without maintaining requisite stock accounts and the payments towards the works stated to be executed were made without recording measurements as prescribed in the codal provision. Further, labourers' wages were paid without muster rolls. The completion certificates of the works were also not given by the concerned authorities, beneficiaries lists were not maintained and photographs of the sites before and after execution of the work were also not kept on record. When pointed out, the Director DRDA, Porbandar (December 2009) admitted non-maintenance of the prescribed records and assigned responsibility to the nodal officer Executive Engineer Panchayat Irrigation Division, Porbandar. He further stated that the project had been suspended (January 2007) and the matter would be reported to higher authorities.

Mandatory controls such as maintenance of stock registers, MBs, muster rolls meant to support claims for payments made to suppliers, labourers, and beneficiaries were not exercised. Thus, the expenditure of ₹1.31 crore stated to have been incurred was doubtful.

The matter was reported to Government in March 2010 and reminders issued on 7 May 2010, 16 July 2010 and 3 August 2010. Reply had not been received (August 2010).

ROADS AND BUILDINGS DEPARTMENT

2.2.4 Excess payment towards price variations ignoring directions of the Government

Non-adherence to tender stipulations and Government directions resulted in excess payment of ₹1.33 crore towards price variation for asphalt used in the construction of roads.

The Roads and Buildings Department issued (21 November 1998 and 4 October 2005), circulars with the approval of the Finance Department having the validity of a Government resolution stipulating that the base rate of asphalt

⁹ Bavalavadar, Chaliyana, Chuota, Ishwariya, Katada, Katwana, Mandava, Mahobatpara, Mal, Malanka, Roghda, Sidhpur, Thepoda and Vadala

for the purpose of calculation of price variations would be the rates prevalent in the month of approval of the Draft Tender Papers (DTP).

During audit (August 2009) of the records of the Executive Engineer (EE), District Roads and Buildings, Rajkot it was observed that in the tender documents (clause 59 A) in respect of six NABARD assisted cases¹⁰, the Division wrongly adopted the rate of asphalt (₹31,044) prevalent in the month of preparation of the estimates i.e. June 2008, as the base rate instead of the rate (₹36,222.51) prevalent in the month of approval of the DTP i.e. September 2008. The price variation for asphalt was thus paid on incorrect base rates. Considering the quantity (2,581.077 MT) of asphalt consumed in these works, excess payment¹¹ of ₹1.33 crore was, therefore, made in these cases.

On this being pointed out in audit, the EE, District R & B, Rajkot replied that in clause 59 A of the tender, the base rate of asphalt was the ex-Koyali Refinery rate prevailing on the date on which the estimates were prepared as per a department letter issued on 16 June 2001.

The reply is not acceptable as the department's letter dated 16 June 2001 cannot override the Government circular issued with the approval of the Finance Department. Even otherwise, the general conditions of contract stated that the month of approval of the DTP should be mentioned in the tender document itself so as to make the basis of estimation known to the bidders.

The matter was reported to the Government in February 2010 and reminders issued on 7 May 2010 and 16 July 2010. Reply had not been received (August 2010).

2.2.5 Excess payment of price variation of ₹52.44 lakh towards asphalt

Non-adoption of ex-refinery rate for reimbursement of price variation towards asphalt resulted in excess payment of ₹52.44 lakh.

Clause 59 A of tenders relating to road works stipulates that the adjustment of price variation of asphalt shall be made on the basis of the difference between the purchase price and the base price (ex-refinery rate). In addition, Government, vide circular dated 2 September 2008, permitted import of asphalt subject to the condition that the rate at the time of purchase from the Indian port (in case of import) or the ex-refinery rate of PSUs prevailing on the date of purchase whichever was less, was to be taken into account for the calculation of the rate difference.

On scrutiny of records of the Executive Engineers, Roads and Buildings Divisions, Jamnagar, Vadodara (City), Bharuch, Rajpipla and Surendranagar in respect of

¹⁰ Improvement of rural roads under NABARD Scheme. PK NABARD /RJT/3- ₹19.99 lakh (386.110 MT), PK NABARD /RJT/5 - ₹24.56 lakh (474.310 MT), PK NABARD /RJT/1 - ₹13.61 lakh (262.907 MT), PK NABARD /RJT/6 - ₹24.29 lakh (468.974 MT), PK NABARD /RJT/7- ₹21.78 lakh (420.565 MT) and special component plan- ₹ 29.43 lakh (568.211 MT)

¹¹ Amount recovered based on base rate of ₹ 31,044 : ₹ 1,26,67,519; amount recoverable on base rate of ₹36,222.51 : ₹ 2,60,33,606

eight road works¹², it was observed that contractors procured 1358.205 MT of asphalt from HPCL and 1841.766 MT from BPCL depots situated at Savali/Vapi and 59.38 MT from Vinergy International (an importer). Price variation on asphalt was claimed and paid based on the importers' rates, which was contrary to tender provisions. Failure to regulate payment based on the ex-refinery rates as per the above stated provisions resulted in excess payment of price variation to the tune of ₹52.44 lakh (**Appendix -XIX**).

When this was pointed out, the department replied (September 2009) that as the purchase of asphalt was made from Government public undertakings, the actual procurement price was allowed for reimbursement. The reply is not acceptable as Clause 59 A clearly lays down that the contractor shall procure asphalt directly from the refinery only. Thus, the reimbursement of price variation on the basis of depot rates and rates of import without restricting to the ex-refinery rate resulted in excess payment to the tune of ₹52.44 lakh.

The matter was reported to Government in March 2010 and reminders issued on 11 May 2010 and 16 July 2010. Reply had not been received (August 2010).

2.3 Avoidable/excess/unfruitful expenditure

NARMADA, WATER RESOURCES, WATER SUPPLY AND KALPSAR DEPARTMENT

2.3.1 Unauthorised expenditure on a drinking water supply scheme

Unauthorised expenditure of ₹29 lakh was made on a drinking water supply scheme which remained incomplete despite incurring an expenditure of ₹2.43 crore.

With a view to providing drinking water to 14 villages of Taluka Upleta in District Rajkot, the Chief Engineer (CE), Zone 3, Gujarat Water Supply and Sewerage Board (GWSSB), Rajkot accorded (April 2002) administrative approval and technical sanction for the work of a Regional Water Supply Scheme based on Venu-2 dam. The tender was approved (April 2003) by the Tender Purchase Committee (TPC) and the work was awarded (June 2003) to M/s. Avadh Construction, Rajkot (contractor) on turnkey basis for their tendered cost of ₹2.98 crore, with a stipulated completion date of June 2004.

Scrutiny of records of the GWSSB head office in Gandhinagar revealed (August 2009) that the tender provided for procurement of Mild Steel (MS) pipes from vendors approved by the Board. The contractor requested (February 2004) for exemption on account of higher cost of material on the ground that all the

¹² Excess amounts paid: (1) Khambhalia-Advana-Porbandar road SH No. 28 - Km 43/2 to 54/0 - ₹10,18,381 for 447.145 MT (HPCL), (2) Khambhalia-Lalpur road Km 0/0 to 9/8 - ₹6,69,518 for 286.809 MT (HPCL), (3) Padmala-Ranoli road - Km 0/0 to 5/0 - ₹4,99,674 for 218.631 MT (HPCL), (4) Jhagadia-Valia road - Km 0/0 to 19/2 - ₹6,27,304 for 323.205 MT (Vinergy/BPCL/HPCL), (5) Valia-Siludi road - Km 0/0 to 19/0 - ₹4,50,532 for 478.011 MT (BPCL), (6) Dediapada-Sagbara road - ₹9,49,332 for 460.180 MT (BPCL), (7) Movi-Dediapada road - Km 0/0 to 17/80 - ₹6,06,624 for 809.675 MT (BPCL) and (8) Fulki-Patdi-Kharaghoda road - Km 25/0 to 32/0 section Odu-Kharaghoda - ₹4,22,322 for 235.695 MT (HPCL).

approved vendors were situated outside the State. Meanwhile, the prices of MS pipes increased and the contractor requested for the use of High Density Polyethylene (HDPE) pipes instead of MS pipes. This was approved (June 2005) in principle by the CE, subject to the condition that the Board would not have to bear any loss on this account. The TPC (August 2007) observed that the changes in tender specifications made by the CE were not within his powers.

Due to the change in the class of pipes, against the estimated cost of ₹1.31 crore for MS Pipes, a sum of ₹1.74 crore was paid towards HDPE Pipes upto March 2008. Though the work was initially scheduled to be completed within 12 months, it remained incomplete even after the lapse of seven years since the commencement of the scheme. In view of the non-release of payments, the contractor requested (February 2008) that the dispute may be resolved through arbitration. This was rejected (February 2008) by the Board. In the meanwhile, the Board passed an amount of ₹13.43 lakh in March 2008, however, the payment was held in deposit and was not released. The contractor was paid a total of ₹2.43 crore till March 2008. Finally the Board issued (July 2009) a final notice for withdrawal of work.

Thus, the unauthorized change in tender specifications led to avoidable expenditure of ₹29 lakh.

On this being pointed out (April 2010), the Government stated (June 2010) that due to acute shortage of MS pipes in the market, as approved vendors of the Board were all from outside the State and the cost of material was high, permission sought by the contractor for procurement of pipes from unlisted vendors was given, considering urgency of requirement and interest of work.

The reply is not acceptable as the fact that approved vendors were all from outside the State was known at the time of tender and subsequent relaxation of the tender condition on account of rise in price was not permissible without obtaining the approval of the Board.

ROADS AND BUILDINGS DEPARTMENT

2.3.2 Extra expenditure of ₹4.41 crore due to delay in award of work

Non-adherence to the Ministry of Shipping, Road Transport and Highway guidelines for award of tenders within the time limit prescribed on two consecutive occasions resulted in a cost overrun of ₹4.41 crore in execution of National Highway work.

Clause 4.32 of the Ministry of Shipping, Road Transport and Highway (MOSRTH) manual provides a strict time schedule for evaluation of bids and award of contracts within 40 days from the date of receipt of bids. According to clauses 13.4 and 47 of the tender documents, the tender rates quoted by the bidder should remain fixed for contracts up to 12 months as no price escalation would be available to the agencies.

Scrutiny (February 2010) of the records of the Executive Engineer, National Highway Division, Ahmedabad revealed that the tender for the work

“Improvement of Riding Surface with 40 mm Bituminous Concrete at existing four-lane carriageway with paved shoulders on National Highway- 8A (Ahmedabad – Bhayala – Bagodara Road)” was invited in September 2007 and the contract was offered (January 2008) to M/s Patel Infrastructure Pvt. Ltd., Rajkot, the lowest bidder at a quoted cost of ₹8.82 crore. This agency was directed to pay the security deposit and submit a performance bond for entering into the agreement for execution of the work after a passage of two and half months from the last date of receipt of bids. This bidder requested (28 January 2008) for incorporation of a price escalation (PE) clause in the tender on account of rise in the cost of asphalt. If this was not possible, the bidder wished to be relieved from the work. The evaluation committee relieved (22 February 2008) the agency by forfeiting the security deposit amounting to ₹18.23 lakh and decided to re-invite tenders.

The tender was again invited for the second time on 26 February 2008 with the last date of receipt as 15 March 2008 and the quoted rates (₹10.38 crore) of M/s Classic Networks Pvt. Ltd., Rajkot, was the lowest. The department failed to finalise the tender within the validity period of the bid i.e. by 11 July 2008. On expiry of the validity period on 11 July 2008, the agency agreed (11 July 2008) to extend the validity of its bid upto 31 July 2008 subject to incorporation of a price escalation clause in the contract. Such conditional extension of the validity period was refused (28 July 2008) by MOSRTH and it was decided to re-invite the tender.

The tender for the work was invited for the third time in August 2008. The tender of M/s Classic Networks Pvt. Ltd., Rajkot at a rate of ₹15 crore (having validity period up to 9 January 2009) was accepted on 31 January 2009 i.e. during the extended validity period. The work order was issued on 5 February 2009 and the work was completed in July 2009 at a cost of ₹14.97 crore.

Even though, the MOSRTH guidelines provided for a strict time schedule for evaluation of bids and award of contracts, the department could not finalise the formalities in the time. Thus, the department had to pay ₹4.41 crore¹³ more for the same work due to delay in finalising of the bids.

On this being pointed out (March 2010), Government replied (August 2010) that the work was executed on behalf of Government of India (GOI) and Government of Gujarat had acted as per the directions of GOI only. The reply is not acceptable as the critical time schedule of 40 days stipulated by GOI for evaluation of bids and award of contract was not adhered to leading to repeated retendering and consequential cost escalation.

2.3.3 Injudicious expenditure of ₹1.76 crore

Work executed under the same stretch of a National Highway Road during the defect liability period resulted in injudicious expenditure of ₹1.76 crore.

Clause 17 A of the tender conditions of the Gujarat Public Works Department provide that the contractor shall be responsible to rectify or re-execute the work

¹³ ₹14.97 crore (cost)- ₹ 10.38 crore(lowest bid in second tender) = ₹4.59crore-₹0.18crore (SD forfeited) = ₹ 4.41crore

or any defect within three years from the certified date of completion of work. The Engineer-in-charge shall give the contractor a notice in writing about the defects and the contractor shall make good the same within 15 days of receipt of notice. Under clause I of the tender conditions, the security deposit was to be refunded to the agency only after expiry of the defect liability period of three years from the date of completion of the work.

The work of Improvement of Riding Quality (IRQ) between Km 171/0 to 182/4 on National Highway 8A Chotila-Bamanbore (Rajkot-Ahmedabad) up lane was completed in May 2006. On this stretch, strengthening work was again taken up within a period of one year and one month of the completion of the previous work as detailed in the following table:

Road section	Agency	Date of award/ Date of completion	Tender cost/ Actual cost	Specification
(1) Km 171/0 to 182/4 on NH 8A up lane	Shreeji Const. Co., Rajkot	18 February 2006/ 17 May 2006	₹ 1.70 crore ₹ 1.66 crore	(i) 50 mm thick BM* (ii) 25 mm thick SDBC* (iii) HATRM*
(2) Km 171/0 to 182/0 up lane on NH 8A Km 171/0 to 175/6 down lane on NH 8A	Amber Builders, Dhoraji	31 July 2007 / 28 February 2008	₹ 4.70 crore ₹ 4.34 crore (out of ₹ 4.34 crore, ¹⁴ ₹ 1.76 crore for repeated uplane work)	(i) 50 mm thick BM* (ii) 25 mm SDBC* (iii) HATRM*

Scrutiny (December 2009) of the records of the Executive Engineer (EE) National Highway Division, Rajkot showed that expenditure of ₹1.76 crore incurred was injudicious as explained below:

- (i) The work on the stretch km 171/0 to 182/0 up lane was assessed in April 2007 to be damaged within a period of one year. As such, it withstood only one monsoon against the minimum defect liability period of three years provided in the tender.
- (ii) It was observed that neither did the EE issue a notice to the agency to rectify the defects nor did the department rectify the defects at the risk and cost of the agency out of the security deposit available with them. The entire expenditure of ₹1.76 crore was incurred without invocation of the defect liability clause.

On this being pointed out (March 2010), the Government replied (August 2010) that the work of IRQ was simply a part of current repairs to be provided for smooth passage of traffic, whereas the work of strengthening was a comprehensive treatment to be given to the road and executed under capital outlay. The reply is not acceptable as it was seen that the specifications of work in both IRQ as well as strengthening were found to be the same including materials, thickness of layers and treatments. Thus, resorting to strengthening work at a cost of ₹ 1.76 crore before expiry of the defect liability period in violation of the provisions of the contract was injudicious.

* Bituminous Macadam (BM)

* Semi Dense Bituminous Macadam (SDBC)

* Hot Applied Thermoplast Road Marking (HATRM)

¹⁴ ₹ 4.34 crore ₹ 1.76 crore (uplane repeated) = ₹ 2.58 crore pertained to downlane and extra items

2.3.4 Avoidable expenditure of ₹38.58 lakh in execution of works of sports complexes

Non-preparation of realistic designs and estimates by the architect appointed for constructing sports complexes led to avoidable expenditure of ₹ 38.58 lakh.

As per para 150 of the Gujarat Public Works Department (GPWD) Manual Volume-I, estimates should as closely approximate the probable actuals as possible. According to the general conditions of B2 tenders, payment for items in excess of 30 *per cent* of the tendered quantities should be made as per the Schedule of Rates (SOR) of the year during which the excess quantities were executed, irrespective of the rates tendered.

For promoting sports activities in the State, the Government¹⁵ decided (August 2006) to develop sports complexes in district headquarters and accorded administrative approval of ₹ 22.10 crore for constructing 10¹⁶ sports complexes at various places. The Draft Tender Papers (DTPs) for the work of construction of a sports complex at Himatnagar for ₹ 2.96 crore was approved in August 2006. The tender was floated in September 2006 and the work was awarded (January 2007) to M/s Ample Construction Co., Rajkot for ₹2.73 crore with the stipulated date of completion being within 11 months i.e. by December 2007. The DTP for the work of construction of a sports complex at Godhra for ₹ 2.44 crore was approved in August 2006. The tender was floated in August 2006 and the work was awarded (December 2006) to M/s Sanjiv N. Pandya, Godhra for ₹ 2.35 crore, with the stipulated date of completion being within 11 months i.e. by November 2007. The work at Himatnagar was completed within the extended time limit i.e. May 2009 at a cost of ₹ 4.58 crore, which included work valuing ₹1.07 crore executed over 130 *per cent* of tendered quantities with extra/new items of ₹74 lakh. The work at Godhra was completed within the extended time limit i.e. February 2009 at a cost of ₹ 3.79 crore, which included work valuing ₹17 lakh executed over 130 *per cent* of tendered quantities with extra/new items of ₹ 1.45 crore.

The records of Executive Engineers (EEs), Roads and Buildings Divisions, Himatnagar in March 2010 and Godhra in April 2010 revealed that Shri Jawahar Mori of Rajkot was appointed (March 2006) as an architect for preparation of estimates including the designs with detailed technical specifications, structural drawings and periodical site supervision during execution, etc. in co-ordination with the user agency i.e. the Sports Authority of Gujarat, for which 2.25 *per cent* of the estimated cost was payable as consultancy fees. Audit scrutiny of these works revealed the following deficiencies:

- Though the appointment of the architect was made in March 2006, the estimates were not prepared as per the requirements of the user agency for inclusion in the tender. The agreement with the architect did not provide any time line for submission of his plans and estimates before floating the tender.

¹⁵ In Sports, Youth and Cultural Activities Department

¹⁶ Amreli, Gandhidham, Godhra, Himatnagar, Junagadh, Limdi, Nadiad, Patan, Rajpipla and Saputara. The work at balance complexes other than Himatnagar and Godhra are in progress (April 2010).

- After awarding of contracts, the changes in the designs and specifications made by the architect resulted in significant variations in the quantities in various items. Also new items of work as extra items had to be introduced in the ongoing contracts. A total of extra / new items amounting to ₹2.19 crore had to be executed and quantities in excess of 130 *per cent* of estimated quantities amounting to ₹1.24 crore were executed as detailed in **Appendix - XX**.
- For excess quantities, the tender conditions provided for payment at the tendered rate for quantities upto 30 *per cent* of the estimates and for beyond 30 *per cent*, the payment was required to be regulated at the SOR. In the two contracts, variation quantities existed in 41 items of works beyond 30 *per cent* and even upto 1602 *per cent*. Resultantly, payments were made at the SOR rates for these excess quantities, which ranged from ₹29.40 to ₹2834, while the tendered rates for these items of work were only ₹24.27 to ₹2047.29 as detailed in **Appendix-XX**. Consequently, extra avoidable payment of ₹38.58 lakh was made due to non-inclusion of the excess quantities of the 41 items in the estimates put to tender. The architect introduced 93 new items of works as new items for which payment of ₹2.19 crore was made at the rates regulated by SOR. In these cases, the department was deprived of the benefits of obtaining competitive rates through tendering as these items were not built into the DTPs at the time of floating of tenders and awarding of contracts.

The EEs stated (March/April 2010) that the excess and extra items occurred on account of changes made during the execution of work by the Sports Authority of Gujarat as per their requirements. As the architect was specifically appointed for these works of sports complexes, it was incumbent upon the architect to prepare the designs and estimates on a realistic basis as per the requirements of the user agency so as to enable the department to invite tenders with a view to get competitive rates.

The matter was reported to Government in May 2010 and reminders issued on 11 June 2010, 16 July 2010 and 3 August 2010. Reply had not been received (August 2010).

2.4 Idle investment/idle establishment/blockage of funds

AGRICULTURE AND CO-OPERATION (FISHERIES) DEPARTMENT

2.4.1 Idle expenditure on free supply of gas kits to fishermen

There was idle expenditure on gas kits procured at ₹ 4.57 crore and supplied to fishermen free of cost under the scheme of replacement of petrol/kerosene based engines of their boats.

The Agriculture and Co-operation Department (Fisheries) issued (March 2007) a resolution approving a scheme envisaging provision of free LPG/CNG kits to

fishermen for conversion of the petrol/kerosene based engines of their boats, with the aim of ensuring a clean and pollution-free environment in the ports.

A contract for supply of 6000 LPG kits was awarded (April 2007) to M/s Ratan Singh and Bros (agency) for a total contract price of ₹9.11 crore (including taxes), out of which ₹ 8.30 crore, being 90 per cent of the value, was paid in April/May 2007. The balance 10 per cent was payable after installation and commissioning of all the kits. The agency supplied 6,000 kits between April and May 2007. Though all the kits were distributed to fishermen in four districts¹⁷ by June 2007, only 56 kits had been installed as of February 2010. The agency informed (May 2009) the Commissioner of Fisheries that the kits could not be installed due to lack of involvement and coordination of the department's local bodies in the installation work. They further stated that the fishermen were also not cooperating in the matter as they wanted gas connections along with LPG cylinders, free of cost.

On this being pointed out (February 2010), the Government stated (July 2010) that they had organised installation camps in May 2010 where a total of 2640 kits were installed. As of August 2010, 3304 gas kits were still lying uninstalled, resulting in idle expenditure of ₹4.57 crore on the scheme.

HEALTH AND FAMILY WELFARE DEPARTMENT

2.4.2 Idling of a Nursing School building due to non-adherence to Indian Nursing Council specifications

Construction of a new Nursing School at Amreli at a cost of ₹ 3.07 crore without providing the basic facilities specified by the Indian Nursing Council led to the building remaining idle for two years.

The Indian Nursing Council Act, 1947 provides for recognition by the Indian Nursing Council (INC) for commencement of nursing training schools. As per the INC norms, buildings housing such schools should have physical facilities such as classrooms, laboratories, chambers for teaching faculty, hostels etc.

The nursing school attached to the General Hospital, Amreli was functioning from the Medical College, Bhavnagar, 100 km away from Amreli. In April 2006, the Health and Family Welfare Department sanctioned ₹3.28 crore for construction of a new nursing school for 200 students at Amreli. The work was to be executed through the Roads and Buildings Division (Division). A work order was issued to M/s Arjun Construction Company, Porbandar for the above work to be completed by October 2008. The work was completed as scheduled at a cost of ₹3.07 crore.

It was observed (June 2009) by the Chief District Medical Officer (CDMO) that the new building did not have some of the physical facilities prescribed by INC including laboratories, a library and hostel facilities.

As per the INC Act, recognition of a nursing school is given only after inspection of the facilities provided as per the specifications of INC. A perusal of the records revealed that the Additional Director, Health had pointed out (August 2006)

¹⁷ Jamnagar, Junagadh, Kutch and Porbandar.

to the Chief Architect, Roads and Building Department that the construction undertaken by the Division was not as per the norms of INC. The Division replied (September 2006) that the construction undertaken by them was based on the working plans approved by the CDMO. Thus, though both the CDMO and the Division were aware in August 2006 that the nursing school did not have all the required minimum facilities as per INC norms, no proper efforts were made by the department to provide the same.

The Government agreed with the audit observation and stated (May 2010) that necessary provisions had been made in the current year's budget for the renovations required for providing the essential facilities. They also stated that after inspection and recognition by INC, the nursing school would be started. Thus as of September 2010, the building constructed at a cost of ₹ 3.07 crore, remained idle for two years since its completion.

2.5 Regulatory issues and other points

EDUCATION DEPARTMENT AND LABOUR AND EMPLOYMENT DEPARTMENT

2.5.1 Short recovery of Labour Welfare Cess

Decision of the State Government to recover labour cess at ₹ 30 per sq.m of built-up area, as against one *per cent* of the actual cost of construction as stipulated in the Central legislation resulted in short recovery of labour cess amounting to ₹ 87 lakh in respect of 186 works executed during 2007-09.

Government of India (GOI) enacted (August 1996) the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 for constitution of a Welfare Board in each State to undertake social security schemes¹⁸ for such workers. GOI also enacted the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act). Section 14 of the Cess Act stipulated that the rule making power under the Act vested only with the Central Government. To augment the resources of the Board, Section 3 of the Cess Act provided for levy and collection of Labour Welfare Cess at the rate of not less than one *per cent* of the cost of construction incurred by an employer.

The State Government constituted (December 2004) the Gujarat Building and Other Construction Workers Welfare Board (Board) to collect the cess with effect from 18 December, 2004. The Government made it imperative (January 2005) for all its departments, Public Sector Undertakings and local authorities to collect and pay the cess as per the Cess Act 1996. The State Government (Labour and Employment Department), however, issued (June 2006) orders adopting ₹3000 per sq. m¹⁹ as the cost of construction, considering the then prevailing rates of building materials, overriding the provisions of the Central Cess Act, which provided for levy of labour cess on the actual cost of construction.

¹⁸ Provide loans and advances to beneficiaries for construction of houses, education of children, medical expenses for treatment of major ailments of the beneficiaries or dependents or for such other welfare measures and facilities as may be determined by the Board

¹⁹ ₹ 30 per sq.m of the built up area to be charged as cess

Scrutiny (November-December 2009) of the records of the State Project Officer (SPO), Sarva Shiksha Abhiyan Mission, Gandhinagar revealed that in respect of 186 construction works awarded during the period April 2007-March 2009, cess was collected at the rate of ₹3000 per sq.m as cost of construction in pursuance of the State Government order of June 2006. Thus, the cost of construction of these works was assumed to be ₹84 crore while the actual cost was ₹171.80 crore, leading to short recovery of labour welfare cess to the tune of ₹87.32 lakh as detailed in **Appendix -XXI**. The decision of the State Government thus resulted in less collection of labour cess than the minimum one *per cent* of the cost of construction as stipulated by the Central Government.

On this being pointed out (March 2010), the Secretary, Education Department stated (June 2010) that the directives in the Government Resolution dated 2 June 2006 of the Labour and Employment Department had been followed.

The Labour and Employment Department stated (June 2010) that this being a policy matter, it was under consideration of the Government (August 2010).

2.6 General

HOME DEPARTMENT, PANCHAYATS, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT AND REVENUE DEPARTMENT

2.6.1 Lack of response to audit findings

Response to audit findings was not adequate in respect of Revenue Department and Home Department and two District Rural Development Agencies at Bhavnagar and Vadodara.

Accountant General (Civil Audit), Rajkot conducts periodical inspections of Government departments to test check their transactions and to verify the maintenance of important accounting and other records as per the prescribed rules and procedures. After inspection, Inspection Reports (IRs) are issued to the heads of the departments, with copies to the heads of the offices inspected. Rule 14 of the Gujarat Financial Rules, 1971 provides for prompt response to ensure corrective action and accountability. Serious irregularities are brought to the notice of the concerned Secretaries in the form of draft paragraphs. Half-yearly reports are also sent to the Secretaries of the administrative departments in respect of pending IR paragraphs to facilitate monitoring of action on the audit observations.

A scrutiny of IRs issued upto March 2010, pertaining to the Revenue Department and Home Department revealed that 1856 paragraphs relating to 669 IRs remained outstanding at the end of March 2010, for which first replies in respect of 125 IRs involving 513 paragraphs had not been received from the concerned auditee offices.

The year-wise position of the outstanding IRs and paragraphs was as detailed below:

Year in which IRs were issued	Department				Total	
	Revenue Department		Home Department		IRs	Paras
	IRs	Paras	IRs	Paras		
Upto 2005-06	172	288	121	314	293	602
2006-07	101	264	04	19	105	283
2007-08	15	44	51	218	66	262
2008-09	133	408	08	12	141	420
2009-10	07	13	57	276	64	289
Total	428	1017	241	839	669	1856

Similarly, a scrutiny of IRs issued upto March 2010, pertaining to the District Rural Development Agencies (DRDA), Bhavnagar and Vadodara, revealed that 276 paragraphs relating to 24 IRs remained outstanding at the end of March 2010, for which first replies in respect of four IRs involving 37 paragraphs had not been received from concerned auditee offices. The year-wise position of outstanding IRs and paragraphs is detailed below:

Year in which IRs were issued	District Rural Development Agency				Total	
	Bhavnagar		Vadodara		IRs	Paras
	IRs	Paras	IRs	Paras		
Upto 2005-06	09	80	09	128	18	208
2006-07	01	11	01	09	02	20
2007-08	01	10	01	09	02	19
2008-09	01	17	01	12	02	29
2009-10	--	--	--	--	--	--
Total	12	118	12	158	24	276

Lack of remedial action by the departmental authorities resulted in non-settlement of these outstanding paragraphs which included serious cases of irregularities as detailed in **Appendix -XXII**. As a result, the deficiencies and lapses pointed out continued to remain unaddressed.

On this being pointed out (May 2010), the Secretary, Revenue Department stated that they have taken up the issue with due concern and all the heads of departments had been asked to comply with the audit objections in due course so that the primary objections could be settled at the initial stage. Principal Secretary, Panchayats, Rural Housing and Rural Development Department stated that DRDAs were in the process of submitting replies to pending paras and that every month, meetings for review of audit paras had been undertaken. No reply had been received from the Home Department (August 2010).

CHAPTER III

INTEGRATED AUDIT

EDUCATION DEPARTMENT

3.1 Integrated audit of functioning of some schemes in Higher and Technical Education wings in Education Department

Highlights

The department took up programmes on ad hoc basis without preparing Activity Plans which led to savings of up to 100 per cent of allocations besides non-establishment of a Teachers' Training University, a Knowledge Consortium and a Knowledge Corporation. The Digital English Language Laboratory was not fully utilized by Dr. Babasaheb Ambedkar Open University and failed to achieve its objectives. The benefits of the e-library could not be passed on to the students. Non-disbursement as well as delays in disbursement of scholarships were noticed. The teacher-student ratio was as high as 1:57 in Higher Education as against 1:30 prescribed for under-graduate courses and 1:10 for post-graduate courses by the University Grants Commission. Teachers lacked training in the modern system of education. The system of internal control was inadequate and ineffective.

Non-execution of the work of construction of new buildings by Gujarat University for six years resulted in cost overrun of ₹1.70 crore besides loss of assistance of ₹1.65 crore from University Grants Commission.

(Paragraph 3.1.6.3)

A Teachers Training University was not established and the Knowledge Consortium and the Knowledge Corporation were not completely activated due to lack of a time-bound Action Plan.

(Paragraph 3.1.7.1 and 3.1.7.2)

Computers along with laser printers costing ₹74.36 lakh, meant for Government colleges were diverted to 12 grant-in-aid colleges without obtaining approval from the Government.

(Paragraph 3.1.7.6)

Infrastructure created at a cost of ₹18.12 crore for a Digital English Language Laboratory (DELL) project did not serve the purpose of promotion of English language through Information and Communication Technology.

(Paragraph 3.1.8.1)

Thirty five colleges of technical education were denied access to free e-journals and e-books under the Indian National Digital Library in Engineering Sciences and Technology programme.

(Paragraph 3.1.8.2)

Payment of scholarship to the students was delayed beyond the academic years and cases of non-disbursement of scholarships were also noticed.

(Paragraph 3.1.8.6)

The system of internal control was inadequate and ineffective. Payment of retirement dues was abnormally delayed.

(Paragraph 3.1.9.5)

3.1.1 Introduction

In Gujarat, the Education Department consists of four wings i.e. Primary, Secondary and Higher Secondary, Higher Education and Technical Education. There were 10 universities, 48 Government colleges, 356 grant-in-aid¹ colleges, 450 self-financed institutions under Higher Education. While under Technical Education wing, there were one university, 43 Government colleges, six grant-in-aid colleges and 244 self financed institutions. There were in all 38,463 degree and 45,740 diploma seats imparting technical education in the State as of March 2010. An integrated audit of some schemes under the department was conducted.

3.1.2 Organizational set-up

The Principal Secretary, Education Department was in overall charge of the Education Department. While the Commissioner, Higher Education (Commissioner) was responsible for administration of Government and grant-in-aid colleges including implementation of various Plan schemes specific to higher education, the Director of Technical Education (Director) was responsible for similar functions for technical education in the State. The Commissioner and the Director were the Heads of Departments (HODs) of their respective wings. They were assisted by Joint Directors, Deputy Directors, Principals and Accounts Officers as detailed in the chart at **Appendix -XXIII**.

¹ Colleges run by the private trusts with funding from Government as per norms.

3.1.3 Audit objectives

The audit objectives were to assess whether:

- financial management resulted in economic, efficient and effective utilization of resources
- programmes and schemes for dissemination of knowledge and education were effectively implemented
- the system of providing support services and facilities such as infrastructure, library facilities, IT infrastructure and inventory and stores management was efficient and met its objectives
- a proper internal control mechanism and monitoring system was in place.

3.1.4 Audit criteria

The audit criteria adopted for conducting the integrated audit were

- (i) Rules and Regulations and resolutions issued by the Government;
- (ii) Orders and instructions issued while releasing funds;
- (iii) The provisions of the Gujarat Budget Manual and Gujarat Treasury Rules;
- (iv) The guidelines and norms of the University Grants Commission / All India Council for Technical Education.

3.1.5 Scope of audit

The integrated audit of Higher and Technical Education wings of the Education Department with special emphasis on the functioning of some of their important schemes, was conducted (March-June 2010) covering the period 2005-10. Records maintained by the Principal Secretary, Commissioner, Director, three universities and 23 colleges, pertaining to academic functioning and infrastructure were test-checked. The selection of the colleges was randomly done to ensure representative coverage. The details are given in **Appendix - XXIV**.

Statistical data was collected, analyses and physical evidence were obtained in the shape of replies to audit queries, copies of documents etc. An entry conference was held in April 2010 with the Principal Secretary to explain methodology of audit. The audit observations and recommendations were also discussed in the exit conference held in August 2010.

Audit findings

3.1.6 Financial management

Audit noticed shortcomings in preparation of budget estimates, maintenance of cash books, handling receipts, control mechanism and utilization of central assistance etc. as discussed below:

3.1.6.1 Budget provisions and expenditure

Budget provisions, expenditure thereagainst and excess/savings during 2005-10 of Higher and Technical Education wings were as detailed in Table-1.

Table-1: Details of budget provisions and expenditure

(₹ in crore)

Year	Budget Provision	Expenditure	Excess(+)/ Saving (-)	Percentage of Excess(+)/ Saving (-)
Higher Education wing				
2005-06	404.12	395.26	(-) 8.86	(-) 2.19
2006-07	447.69	438.88	(-) 8.81	(-) 1.97
2007-08	481.46	457.36	(-) 24.10	(-) 5.00
2008-09	592.41	559.97	(-) 32.44	(-) 5.47
2009-10	676.71	640.57	(-) 36.14	(-) 5.34
Total	2602.39	2492.04²	(-) 110.35	
Technical Education wing				
2005-06	176.85	145.15	(-) 31.70	(-) 17.92
2006-07	197.07	207.84	(+) 10.77	(+) 5.46
2007-08	285.53	260.64	(-) 24.89	(-) 8.72
2008-09	402.93	265.33	(-) 137.60	(-) 34.15
2009-10	526.88	329.40	(-) 197.48	(-) 37.48
Total	1589.26	1208.36³	(-) 380.90	

(Source: Figures given by the Commissioner/Director)

Savings of grants under various Plan schemes were up to 100 per cent of allocation.

As per para 102 of the Gujarat Budget Manual, Controlling Officers were required to watch the progress of expenditure against appropriations. Para 103 of the said Manual provided that expected savings should be surrendered to the administrative department by 15 February to avoid lapse of grants. It is clear from the table above that there were persistent savings during 2005-10, ranging from 1.97 to 5.47 per cent, under expenditure incurred by the Commissioner. Similarly, persistent savings ranging from 8.72 to 37.48 per cent occurred during 2005-10 under expenditure incurred by the Director. Some of the Plan schemes in which there were persistent savings are detailed in **Appendix - XXV**. The funds, which were sanctioned for activities without preliminary groundwork and time-bound action plan could not, therefore, be utilized ultimately resulted in lapse of grants and rendering the funds non-available for other immediate use. Non-surrendering of the savings also reflected poor monitoring of the expenditure.

On a detailed analysis, it was seen that the Education Department had accorded (March 2008), administrative approval for ₹ 21.43 crore for providing boiler suits, workshop practical kits, tuition fees, technical books for higher study, for remedial classes and coaching classes for weak Scheduled Caste (SC) students of Government Engineering Colleges and Polytechnics. However, in the absence of details regarding the purpose for which fund was sanctioned in the budget publication, the Director could not spend the assistance during the year and surrendered (March 2009) the entire amount, resulting in deprival of the intended benefits of the assistance to the SC students.

² This included works expenditure of ₹ 63.18 crore incurred directly by the Roads and Buildings department

³ This included works expenditure of ₹ 201.61 crore incurred directly by the Roads and Buildings department

3.1.6.2 Rush of expenditure

Para 109 of the Budget Manual stipulates that expenditure during the year should as far as possible, be uniformly spread over each year and rush of expenditure during the last quarter and particularly during the last month should be avoided. Scrutiny of the records of the Commissioner and Director revealed rush of expenditure, with the expenditure under the Plan head during the last quarter being between 34 and 56 *per cent*. During the month of March it was between five and 46 *per cent* during 2005-10 in disregard to codal provision. Details given in **Appendix – XXVI**. During the exit conference (August 2010), department assured that efforts were on to spread the expenditure evenly from next year onwards.

3.1.6.3 Loss of Central assistance

Assistance of ₹ 3.28 crore from University Grants Commission (UGC) / All India Council for Technical Education (AICTE) was not availed of due to non-execution of work, non-deployment of staff as per UGC norms, delay in disbursement of funds, non-observance of AICTE instructions, etc. by some test-checked educational institutions as discussed in the succeeding paragraphs:

Delay of six years in implementation of the project resulted in cost overrun of ₹1.70 crore besides loss of assistance of ₹1.65 crore during the Tenth Plan.

- Under its programme of improving infrastructure and providing of basic facilities, UGC provided allocation to the Universities during the Tenth Plan for construction of new buildings and major repairs. Gujarat University received (May 2003) an allocation of ₹ 4.29 crore which included ₹ 1.65 crore for construction of an examination centre. The allocation was to be utilized during the currency of the Tenth Plan (i.e. by March 2007). Extension of time limit was granted upto 31 March 2009. The plans and estimates for construction and repairs were submitted (November 2006) belatedly by the University. Work order for execution at the tendered cost of ₹ 3.35 crore was issued in February 2009. Due to non-execution of the work even during the extended time limit, the project was proposed to be shifted to the Eleventh Plan. This resulted in loss of assistance of ₹ 1.65 crore in the Tenth Plan and cost overrun of ₹ 1.70 crore. The Registrar attributed (May 2010) the delays in submission of plans and estimates to non-existence of an Executive Council and Senate between December 2003-05.
- Deployment of staff as per the norms⁴ was a pre-condition of the UGC for granting recognition to a new university under section 12 (B) of the UGC Act. Krantivir Shyamji Krushna Varma (KSKV) Kachchh University, Bhuj established in January 2004, failed to get recognition till May 2010 as their deployment of staff was not as per the norms. This, apart from resulting in loss of all the assistance of UGC, deprived the students of far flung areas of modern educational facilities.
- Government sanctioned (January 2008) ₹ 1.50 crore for computerization in KSKV Kachchh University, Bhuj. The funds were placed at the disposal of the Commissioner, who disbursed the amount belatedly in the last week of March 2008. Late release of funds by the Commissioner resulted in

⁴ one Professor, two Readers and adequate numbers of Lecturers.

non-completion of the purchase procedure and surrendering of unspent grants. Next year, the Government sanctioned (May 2008) only ₹ one crore curtailing ₹ 50 lakh meant for infrastructure. Thus, delay in disbursement of funds by the Commissioner deprived the new university of infrastructure development. Reasons for the delay were not assigned by the Commissioner though called for.

- L.D. Engineering College runs 11 post-graduate courses, out of which four courses are funded by AICTE in the form of scholarships to Graduate Aptitude Test for Engineering (GATE) qualified students, salary to two lecturers and assistance for library and contingency expenditure. For the rest of the courses, only scholarships to GATE qualified students is given. AICTE provides this as a re-imbusement of expenditure. During the year 2005-06, AICTE asked the institute to open a separate bank account for the scheme and submit a utilization certificate from a chartered accountant. The institute has not complied with AICTE instructions till August 2010. The Principal, L.D. Engineering College stated (August 2010) that due to administrative reasons and delay in permission from the Government, the account could only be opened in May 2009. Being a Government institute, it did not need to get the accounts certified from a chartered accountant. AICTE did not release the assistance amount of ₹2.32 crore for the period 2005-06 to 2008-09. After discussions with the college authorities AICTE released (January 2010) ₹1.45 crore and remaining amount of ₹0.87 crore was not released. Thus, due to non-observance of AICTE instructions and delay in taking decision, the institute lost ₹ 87 lakh.
- The Government sanctioned (May, 2007) ₹26.34 lakh for purchase of furniture, equipment and library books for Government Science College, Chikhli. However, the Principal surrendered (March 2008) the entire grant of ₹26.34 lakh to Government. When this was pointed out in audit, the Principal stated (August 2010) that due to non-allotment of a cardex⁵ number from the District Treasury, Navsari, the grant could not be drawn. This is not acceptable as the Principal could have pursued the matter with the District Treasury Officer for obtaining cardex number in time. Due to non-allotment of cardex number, students of the college were deprived of learning facilities.

3.1.6.4 Blockage of funds

To bring quality and excellence in technical education in the State, the Government decided (August 2003) to participate in the Technical Education Quality Improvement Project (TEQIP) launched by GOI under World Bank assistance. The project cost of ₹86.70 crore was shareable by the State Government, GOI and the World Bank in the ratio of 20:24:56. Scrutiny of records revealed that the project cost was curtailed to ₹50.10 crore on 23 May 2007 on account of diversion of allocation for tsunami projects. Despite communication of the curtailment of cost, the Director continued to draw funds till March 2008.⁶ The excess drawal of ₹13.36 crore including an amount of ₹10.15 crore drawn immediately before curtailment of the project cost (5 May 2007) was belatedly

⁵ A unique number allotted by a Treasury Officer to each drawing and disbursing officer empowering him to withdraw funds from the treasury.

⁶ ₹ 61.50 crore on 25 July 2007, ₹2.58 crore on 27 March 2008.

refunded⁷. Drawal of funds in excess of requirement together with its retention for one year after completion of the project resulted in blockage of ₹13.36 crore.

3.1.6.5 Non-recovery of overpaid grant

Overpaid grants totalling ₹1.24 crore were not adjusted while releasing subsequent grants.

During the internal audit of grant-in-aid colleges for the period 2000-2005 conducted during 2005-10, auditors had pointed out recoveries of approximately ₹1.24 crore towards overpayment of grants of previous years⁸ as of March 2010 on account of expenditure stated to have been incurred on inadmissible items. Similarly, an amount of ₹47.53 lakh was outstanding from grant-in-aid technical colleges, to be recovered by the Director. The Commissioner replied (August 2010) that an amount of ₹45.85 lakh had been recovered. For recovery of the balance, the amount had been notified to the grant wing for taking effective measures in the calculation of next year's grant.

3.1.6.6 Drawal of funds of ₹ 31.17 crore to avoid lapse of grant

For purchase of machinery, equipment, furniture, computers etc. required by the Government engineering colleges and Government polytechnics, indents were being sent to the Director by the Principals of the respective colleges in June-July every year. Machinery, furniture etc. was being procured by the Director through e-tendering after finalization of specifications etc. by a committee appointed for scrutiny of technical parameters. The Gujarat Technological University (GTU), Ahmedabad was nominated by the Director for centralized payment during 2009-10. Scrutiny of the records of the Director and GTU in respect of procurement of goods revealed as under:

The Director purchased (March 2010) 560 items valuing ₹10.24 crore, but the suppliers failed to supply 69 items valuing ₹63.84 lakh. A total of 26 items valuing ₹18.18 lakh were rejected by the consignee as they did not match the specifications of the supply orders. The terms of agreement executed with the suppliers included provision for pre-despatch inspection of machinery and recovery of inspection charges at half *per cent* of the total value of the stores inspected. It further provided for recovery of liquidated damages at half *per cent* of the price of undelivered stores per week of delay. The rejection of stores valuing ₹18.18 lakh by the consignee after pre-dispatch inspection indicated weakness in inspection. No fresh attempt for the purchase could be initiated as no time was left for completion of the procedure by the end of the financial year.

Since there was no time left for actual procurement of machinery in view of the statutory time limit of 90 days for delivery by suppliers, the Director placed (20 March 2010) ₹31.17 crore at the disposal of GTU with directions to deposit the amount with the Gujarat State Financial Services Limited (GSFSL), a State Government owned undertaking. GTU deposited (April 2010) ₹30.17 crore with GSFSL as a short term deposit retaining ₹ one crore

⁷ ₹ 10.30 crore on 06 June 2009 and balance between July 2008 and March 2010

⁸ Details not mentioned in control register.

for immediate payment of further amount of ₹30 crore was withdrawn till 30 June 2010. Though the entire amount was directed to be utilised by 30 June 2010, records of GTU revealed (July 2010) an unspent balance of ₹2.06 crore as of 30 June, including interest of ₹ four lakh. Keeping the fund outside Government account in order to avoid lapse of grant resulted in parking of funds. Though inspection charges of ₹ 6.42 lakh and liquidated damages of ₹46.79 lakh were recovered by the GTU from the suppliers' bills, the same were treated as reduction in expenditure instead of revenue to the Government.

3.1.7 Academic programme management

National Policy on Education provides for all round improvement in the education system with emphasis on consolidation and expansion of existing facilities. Achievement of the objectives contained in the national policy requires effective programme management by the State for optimum utilization of existing facilities, active involvement of private self-financed colleges in deficient areas and introduction of schemes for utilization of internet, electronic media etc. for widespread coverage. The schemes/programmes introduced by the State and the status of their implementation are discussed in the succeeding paragraphs.

3.1.7.1 Non-establishment of Teachers' Training University

Teachers' Training University was not established despite availability of ₹6.95 crore.

To bring uniformity in the standards of teaching in higher education, the Commissioner proposed (February 2008) to create a new Teachers' Training University with state-of-art teaching aid facilities. The Government provided funds of ₹ one crore in the budget for the year 2008-09 and ₹6.95 crore in 2009-10 (August 2009: ₹ one crore, March 2010: ₹5.95 crore) for creation of posts and imparting training to principals and lecturers of 900 colleges in the State. The university was expected to start functioning from June 2009. However, the Commissioner initiated action only at the fag end of the financial year i.e. on 30 March 2009 by paying ₹10 lakh to the National Law University (NLU), Gandhinagar for preparation of a Vision Plan of the proposed university. The Vision Plan prepared by NLU was finalized in April 2010. Delay in initiating action for setting up of the university coupled with delay in submission of the Vision Plan by NLU led to non-commencement of activities of the university, non-achievement of the target of imparting training to principals and lecturers of 900 colleges in the State besides lapse of budget grant of ₹90 lakh during 2008-09. The Commissioner stated (August 2010) that the university would become functional by the end of 2010-11 after appointment of a Vice Chancellor and allotment of land. To avoid lapse of the grant for the year 2009-10, the Commissioner drew ₹6.95 crore without immediate requirement and deposited (March 2010) it in the bank account of Children University (Bal Gokulam) in contravention of the provisions of the para 102 of Budget Manual. During the exit meeting, department stated (August 2010) that these funds were given to the outfit more as initial seed capital and necessary instructions were being issued to surrender the unutilized amounts by the end of the financial year.

3.1.7.2 Non-achievement of objectives of setting up of a Knowledge Consortium and a Knowledge Corporation

To bridge the gap between the requirement of an education system and the demand from the industrial sector, to generate and provide ideas and paradigms for achieving excellence in education as well as enhancement of the knowledge base, the Government set up a Knowledge Corporation (Corporation) in June 2007 in the technical side and a Knowledge Consortium (Consortium) in December 2008 in the higher education side. The Corporation and the Consortium were registered in September 2007 and March 2009 respectively as societies under the Societies Registration Act, 1860.

An amount of ₹35.98 crore sanctioned for a Knowledge Consortium and a Knowledge Corporation remained idle for over two years.

Government released a total grant of ₹39.67 crore⁹ by March 2010 for establishment of the centres and construction activities which were at the planning stage. The Corporation and the Consortium spent ₹3.69¹⁰ crore and the balance of ₹35.98¹¹ crore remained idle in their respective accounts as of March 2010. Further, as against the target of imparting technical/vocational competency training to 50,000 persons annually, the Corporation could impart training to only 32,685 persons during 2008-10, leaving a shortfall of 67,315 (67 per cent) as against the target. To that extent, the purpose of bridging the gap between demand and availability of skilled manpower remained unachieved. The Knowledge Consortium had spent ₹ nine lakh on establishment and the remaining amount was not spent on the envisaged activities. The Commissioner stated (August 2010) that the vision and objectives of the Consortium had since been outlined and funds would be utilized shortly.

During the exit meeting, the department stated (August 2010) that these funds had been given to the outfit more as initial seed capital and necessary instructions were being issued to surrender the unutilized amounts by the end of the financial year.

3.1.7.3 Non-obtaining of accreditation by colleges and other institutions

To make quality a defining element of higher/technical education through external quality evaluation, UGC established the National Assessment and Accreditation Council (NAAC) and AICTE established the National Board of Accreditation (NBA). All institutions under the umbrella of the Commissioner/Director were required to obtain accreditation from NAAC/NBA in order to provide globally acceptable quality education.

⁹ Corporation ₹ 2.50 crore in 2007-08 for capital expenditure and ₹ 26 crore in 2008-09 for recurring expenditure, and Consortium: ₹ 8.50 crore (2008-09) for infrastructure and ₹ 2.67 crore for recurring expenditure (2009-10).

¹⁰ Corporation ₹1.13 crore on establishment and ₹2.47 crore on educational courses; Consortium ₹ Nine lakh on establishment.

¹¹ Corporation ₹ 24.90 crore , Consortium ₹11.08 crore.

Average 60 per cent institutions in higher (554) and technical (176) education had not obtained accreditation from NAAC/NBA.

Scrutiny of records revealed that out of 10 universities and 899 institutions in the higher education sector, only five universities and 345 institutions had obtained accreditation from NAAC as of May 2010. The balance five universities¹² and 554 institutions had not even applied for accreditation from NAAC. Similarly, out of 293 technical institutions, only 117 had obtained accreditation from NBA for three to five years and 43 institutions failed to renew the same after expiry. The balance 176 institutions had not approached NBA for getting accreditation. The main reasons for non-accreditation were non-creation of adequate infrastructure and non-deployment of staff as per the norms.

As per the target fixed by the Government, 25 courses of eligible Government technical institutions were to obtain accreditation from NBA during 2008-09. However, none of the technical institutions could get accreditation for want of required infrastructure and staff. Further, as per the regulations notified, approval of AICTE was required to be obtained for increasing intake capacity of existing courses as well as introducing new courses. During the academic year 2009-10, the Director increased intake capacity from 60 to 120 each in three¹³ courses and also introduced four¹⁴ new courses with intake capacity of 60 each at Government Engineering College, Rajkot. Scrutiny of records revealed that Principal had submitted (October 2008) a proposal for increasing the intake capacity as well as introduction of four new courses for which approval of AICTE was awaited (August 2010). The Director admitted (2009-10) students against the increased intake capacity as well as the new courses without approval of AICTE.

Thus, in the absence of adequate monitoring, the eligibility of the colleges for accreditation was not ensured and efforts to bridge the gap between available and required infrastructure were inadequate. The Director stated (August 2010) that accreditation was given for courses for NBA and out of 392 courses, 45 were accredited. It was further stated that all the institutes had been instructed to get accreditation for their respective courses. During the exit conference the department mentioned (August 2010) that the rate of accreditation in Gujarat was very high in terms of the number of educational institutions that had obtained accreditation from NAAC/NBA and that continuous efforts were on to encourage and expedite accreditation of balance educational institutions in the State.

3.1.7.4 Training courses for teachers

Purpose of providing training to teaching staff remained unachieved.

To impart training involving tele-teaching, project work and modern educational techniques, the department was required to develop infrastructure for the training. However, no such infrastructure existed under the Commissionerate and arrangements for imparting training to the teaching staff were made through the Sardar Patel Institute of Public Administration (SPIPA), a Government-run institution. The Commissioner assessed (March 2007) the requirement of

¹² KSKV Kachchh University, Baba Saheb Ambedkar University, Somnath Sanskrit University, Veer Narmad South Gujarat University, Surat and M.S. University, Vadodara.

¹³ Computer Engineering, Electronics and Communication Engineering, Instrumentation and Control Engineering.

¹⁴ Civil Engineering, Mechanical Engineering, Metallurgy Engineering, Automobile Engineering.

imparting training to 13,000 lecturers of colleges¹⁵ for improving the quality of education and entrusted (March 2009) this work to SPIPA without defining any course module, curricula, techniques, experience profile of faculty, etc. The expenditure for imparting training for three days to 5000 lecturers in the first phase was estimated to be ₹75 lakh @ ₹500¹⁶ per lecturer per day. The Commissioner placed (March 2009) funds of ₹65 lakh at the disposal of SPIPA as an advance for the purpose. The period during which the training was to be conducted by SPIPA was not on record. However, as against the target of 5000 lecturers to be trained, only 562 (11 *per cent*) lecturers of various colleges were nominated for training up to June 2009. No further training was organized by SPIPA after June 2009 as of June 2010. Details regarding the number of participants actually trained and adjustment of outstanding advances were neither demanded by the Commissioner nor provided by SPIPA. Based on funds of ₹75 lakh estimated for three days' training of 5000 trainees, the pro-rata expenditure for 562 trainees should have been ₹8.43 lakh, leaving an unspent balance with SPIPA to the tune of ₹56.57 lakh. During the exit meeting, the department stated (August 2010) that instructions had been issued to obtain accounts of the expenditure that had been incurred from the grants issued by the department.

Director, Technical Education was responsible for nominating teachers of various technical colleges under his control for training at the Regional Training Centre, Bhopal. Scrutiny of records revealed that during 2008-09, he nominated 18 teachers for three courses. The same teachers were nominated for three other courses, the training periods of which were overlapping with those of the first three courses. There was no feedback from the teachers/colleges regarding actual participation in training courses. Thus, due to the nomination of teachers for two courses being held at the same time, there was underutilisation of training infrastructure created by AICTE at the Training Centre, Bhopal. Further, as per the smart goal target fixed (2008-09) by the Government, training in technical subjects through IIT extension centre, Chandkheda was to be imparted to 2000 faculty members. However, the Director failed to conduct any training resulting in non-achievement of smart goal prescribed by the Government.

3.1.7.5 Acute shortage of teaching staff

As per UGC norms, the teacher/students ratio for non-technical courses should be 1:30 for undergraduate courses and 1:10 for post-graduate courses. It was however, observed that even after adopting the ratio of 1:30 for all the courses, the deployment of teachers was less in the non-technical courses as detailed in Table-2.

¹⁵ including grant-in-aid and self financed colleges.

¹⁶ Food charges, stationery and administrative charges.

Table - 2: Details showing shortage of staff

Year	Total number of students.	Number of teachers required as per UGC norm of 1:30	Teachers-in-position	Shortfall with reference to UGC norm of 1:30	Actual Teacher/ Student ratio
2005-06	5,21,000	17,367	8,102	9,265	1:64
2006-07	4,09,000	13,633	8,263	5,370	1:50
2007-08	4,78,000	15,933	9,082	6,851	1:53
2008-09	5,23,000	17,433	9,103	8,330	1:57

(Source: Socio Economic Review)

Teacher/student ratio was as high as 1:57.

Though the teacher/students ratio was as high as 1:57 in Government and grant-in-aid colleges, the Commissioner did not evolve any mechanism to bridge the gap through recruitment. Persistent shortages would have adverse implications on the quality of teaching. It was also observed that the ratio was on a decreasing trend as it was 1:50 for 2006-07 and had reduced to 1:57 in the year 2008-09. The Commissioner stated (August 2010) that efforts were on to recruit additional teaching staff.

3.1.7.6 Diversion of computers to grant-in-aid colleges

In order to introduce courses in computer science viz. call centre management, management and marketing, C++, food processing, Internet technology, web technology etc., the Commissioner purchased (March 2007) 752 computers, seven laptops, 133 laser printers and other gadgets from Gujarat Informatics Ltd. at a cost of ₹2.81 crore for installation in Government colleges. Scrutiny of records revealed that contrary to the sanction order of the Government, the Commissioner allotted 300 computers along with 24 laser printers costing ₹74.36 lakh to 12¹⁷ grant-in-aid colleges without obtaining approval from the Government though the beneficiary grant-in-aid colleges had not made any demands for the same. Thus, diversion of computers to the grant-in-aid colleges was made contrary to Government sanction.

3.1.8 System of providing support services

For effective rendering of the function of imparting higher and technical education support services and facilities such as infrastructure, library facilities, IT infrastructure have to be provided. Deficiencies noticed in respect of the above as well as in students' welfare activities and inventory management are discussed in the following paragraphs.

3.1.8.1 Infrastructure created for Digital English Language Laboratory (DELL) remained unutilized

National Policy on Education emphasizes study of English to keep pace with the tremendous growth of knowledge in science and technology at the world level. Visualizing this modern time requirement, the department launched (March 2007) a Digital English Language Laboratory Project (DELL) to impart

¹⁷ (1) H.K. Arts College, Ahmedabad, (2) Uma Arts & Nathiba Commerce College, Gandhinagar, (3) Umiya Arts and Commerce College for Girls, Ahmedabad, (4) A.K. Doshi Mahila College, Jamnagar, (5) S.D. Arts and B.R. Commerce College, Gandhinagar, (6) Idar Anjana Patidar H.K.M Arts & P.N. Patel Comm. College, Idar, (7) Smt. G.D. Jobaliya Roffel & Commerce College, Vapi, (8) K.N.S.B.L Arts & Commerce College, Mehsana, (9) V.P. Godhania Arts & Commerce College, Porbandar, (10) Kamani Arts College, Amreli (11) Arts & Commerce College, Vadnagar, Mehsana and (12) Shri R.P Arts & K.B. Commerce & B.C.J Science College, Khambhat.

qualitative education in English. The project aimed to effectively use information and communication technology by establishing state-of-art local area network (LAN) based DELLS in all Government/grant-in-aid colleges across the State to impart teaching in English to students on functional basis (method and curriculum). The DELLS were to organize three English teaching courses¹⁸ for the students. Infrastructure for the DELLS including hardware, software and operative system, training to the trainers etc. was to be set up out of Government grants and recurring expenditure for the laboratories was to be borne by the respective colleges out of fees collected from the students

Infrastructure of ₹18.12 crore created for Digital English Language Laboratory remained unutilized.

The Commissioner assigned (April 2007) the work of implementation of the project to Dr. Babasaheb Ambedkar Open University (BAOU) and released funds of ₹12.69 crore between June 2007 and January 2009. In all, 217 DELLS were established between July 2007 and March 2009 and equipped with 25 personal computers linked with the Bhaskaracharya Institute of Space Application and Geo-informatics (BISAG), Gandhinagar, which was to provide telecast facilities. For creating infrastructure like network facilities, dust-proof atmosphere etc. at all the centres, an additional expenditure of ₹5.43 crore was also incurred (2008-09). Scrutiny of records of BAOU revealed that the infrastructure created remained grossly underutilised. Though it was intended to impart training to students for undertaking examinations at the Levels I to III, even after three years, no student had taken up Level II or Level III examinations. As against the capacity of the 217 centres created for imparting learning to 20832 students¹⁹, only 829 students appeared for the Level I examination in 19 centres during 2007-08 and 1201 appeared at 37 centres in 2009-10, indicating gross underutilization of capacity to the extent of about 94 per cent.

Thus, the infrastructure created at a cost of ₹18.12 crore failed to achieve the intended objective of imparting qualitative English education to the students.

The Commissioner stated (August 2010) that despite frequent suggestions and instructions, BAOU was not taking effective steps for the functioning and monitoring of DELLS. Hence, it was proposed to shift the entire responsibility to another organization viz. the Society for Creation of Opportunity through Professing in English (SCOPE) for which necessary approval process was under process.

3.1.8.2 Non-computerisation of libraries leading to deprivation of e-learning facilities

For computerisation of libraries in universities and colleges, the state-of-art library management software 'Software for Universities Libraries (SOUL)' was designed and developed by INFLIBNET based on the requirements of colleges, universities and other academic libraries. The first version of SOUL was released in the year 2000 and the latest version (SOUL 2.0) was released in January 2009. Out of 48 Government colleges in the Higher Education wing,

¹⁸ Foundation course (Level-I) for SSC passed students (duration Three months), Certificate course (level-II) for HSC (duration Six months) and Diploma course (level -III) for graduates (duration One year).

¹⁹ 217 centres x 4 batch annually x 24 students per batch =20832 students.

only two²⁰ Government colleges had purchased SOUL between January and June 2007 for ₹35000 and only one²¹ had installed the same. The L.D. College of Engineering, Ahmedabad, nominated as nodal agency for centralized purchase, purchased (November 2008) SOUL at a cost of ₹6.60 lakh for computerisation of the libraries of 11 Government engineering colleges and 22 Government polytechnics. Despite purchase of software for all the technical colleges, the library management software remained unutilized in all the colleges. This was attributed to the posts of librarians being vacant in these colleges. Consequently, the students and faculty were deprived of the benefits of the state-of-art e-library facility.

The Commissioner, while admitting the facts, stated (August 2010), that the process to install the software in all the Government colleges had now been undertaken. However, there was no mention regarding the filling up the post of librarians.

Computerisation of library was not done due to non-purchase and non-utilisation of SOUL.

The Indian National Digital Library in Engineering Sciences and Technology (INDEST) was established in 2003 for e-learning by students in technical education. Ministry of Human Resource Development provides funds for access to electronic resources to core members through a consortium set up at the Indian Institute Technology, Delhi. The benefits of consortia-based subscription to electronic resources were extended to Government/ Government aided engineering colleges with financial support from AICTE.

Scrutiny of records revealed that only two²² out of 35 colleges registered with INDEST were Government colleges. Thus, students enrolled with 41 Government technical colleges were deprived of e-learning resources provided free by the Central Government. Despite availability of funds, the project did not succeed due to non-availability of library staff in the engineering colleges and polytechnics and non-initiation of steps to computerize the libraries to ensure utilization of these facilities.

3.1.8.3 Utilization of EDUSAT facility

As against more than 10 lakh students registered with the university, only 2000 students/ academicians attended the centre during 2005-10.

To utilize the latest satellite communication technology by using multimedia at the classroom end and to meet the growing demand for interactive satellite based distance education system through the audio-video medium, GOI launched (2004) EDUSAT. Through this, one subject expert could teach hundreds of students across a vast geographical area. The Consortium for Educational Communication (CEC), an Inter-university centre was the nodal agency. Gujarat University was selected (February 2005) by UGC/CEC for EDUSAT connectivity and utilization. Through CEC, UGC supplied a 'Satellite Interactive Terminal' in May 2005 as a one time assistance to the university. Scrutiny of records revealed that as against more than 10 lakh students registered with the university, only 2000 students/ academicians attended the centre during 2005-10. The university attributed the poor response to the problem of interaction due to English language, lengthy sessions, unorganized schedule and unsuitable

²⁰ Dharmendrasinhji Arts College Rajkot, H&HB Kotak Science College, Rajkot.

²¹ Dharmendrasinhji Arts College, Rajkot.

²² Faculty of Technology and Engineering M S University, Vadodra, L D College of Engineering, Ahmedabad.

timings of the telecast. However, no action was initiated to resolve these problems, defeating the very purpose of launching EDUSAT and depriving the students of expert teaching available free of cost.

3.1.8.4 Non-utilization of e-library resources

The Director, Technical Education provided computers to engineering colleges and polytechnics for starting electronic libraries for students. During scrutiny of records of L.D. Engineering College, it was found that out of 130 computers provided (March 2006 and July 2007) to the college for an e-library, 90 were transferred to other departments. Only five computers of the e-library had the link to e-subscriptions. During audit, these were also found to be out of use, as students had changed passwords, which resulted in non-utilization of these computers. Similarly, 20 computers provided (2005-06) to the Government Girls Polytechnic were also transferred to other departments due to lack of space in the library. The Principal, L.D. Engineering College replied (August 2010) that these computers had been shifted for use by students during practicals. The reply is not acceptable as these computers were meant for starting the e-library and transfer of these resulted in non-commencement of e-library facilities for the students.

3.1.8.5 Telecasting of the educational lectures

The Bhaskaracharya Institute of Space Application and Geo-informatics (BISAG), Gandhinagar was the nodal agency in the State to promote the use of satellite communication (SATCOM) network for distant interactive training and education and to facilitate the use of spatial and geo-technologies for planning and developmental activities in the fields of agriculture, land and water resources management, disaster management, infrastructure and education etc. As per norms fixed (August 2004) by the Director of Technical Education, five programmes of one hour's duration each were to be telecast in a week. The position of programmes required to be telecast *vis-a-vis* the actual telecasts during 2005-10 was as given in Table-3.

Table-3: Table showing details of programme telecast

Year	Number of programmes to be telecast	Number of programmes actually telecast	Shortfall/ (per cent)
2005-06	260	05	255 (98)
2006-07	260	30	230 (88)
2007-08	260	46	214 (82)
2008-09	260	45	215 (83)
2009-10	260	29	231 (89)
Total	1300	155	

(Source: Targets fixed by the Director and details furnished by BISAG)

The shortfall in programmes ranged between 82 and 98 per cent during 2005-10 in degree colleges and 100 per cent in polytechnics.

To educate students through the SATCOM network in all Government engineering colleges and polytechnics, infrastructural facilities such as LCD projectors and SATCOM network were created by BISAG in 2001. Scrutiny of records revealed that while 155 lectures were delivered through SATCOM for Government engineering college students, no lectures were delivered for polytechnic students during 2005-10. The shortfall in programmes ranged between 82 and 98 per cent during 2005-10 in degree colleges and 100 per

cent in polytechnics. Thus, the infrastructure created remained under-utilized, depriving Government diploma students from the intended benefits of distance learning. During the exit meeting, the department stated (August 2010) that instructions had been issued to the Director of Technical Education for ensuring prompt and proper utilization of the infrastructure that has been created, on the lines on which, the Commissioner of Higher Education had taken action for utilization.

3.1.8.6 Non-disbursement/delays in payment of scholarship

For enabling students belonging to SC/ST and Developing Castes, to complete post-matric education, GOI launched (April 2003) a scheme of granting scholarships. The amount of scholarship payable ranged from ₹235 to ₹740 per month to students living in hostels and ₹140 to ₹330 per month to day students, according to the type of course undertaken. The scholarship was to be distributed to the beneficiaries within 10 days of receipt of funds by the colleges. Records of eight²³ colleges test-checked revealed that payment of scholarships amounting to of ₹1.47 crore was made with delays ranging from seven to 341 days. The Principals, while attributing (March-April 2010) the delay in disbursement of scholarships to students coming late for collection of cheques agreed to avoid delays in future. Delay in payment of assistance would have led to temporary financial burden for needy students defeating the very purpose of extending the assistance.

Payment of scholarships to students was made with delays ranging from seven to 341 days.

The Commissioner stated (August 2010) that the Principals had been instructed to speed up the process. Further, during the exit meeting, the department stated (August 2010) that the modalities of disbursement of scholarships would be examined to ensure prompt payment of scholarships to the students.

Scrutiny of records at the Government Girls Polytechnic, Ahmedabad revealed that a scholarship amount of ₹ 3 lakh pertaining to 151 students for the period 2005-08 remained undisbursed. Undisbursed scholarships of ₹1.07 lakh pertaining to the period before 2005-06 was kept in cash by the Principal, Government Polytechnic, Ahmedabad. No reason was provided by the principals of these institutes for non-disbursement of scholarships. Non-disbursement of scholarships deprived the poor students of the financial aid provided to them by the Government.

3.1.9 Internal control

Internal control is an integral component of an organization's management process and is established in order to provide reasonable assurance that the operations of the organization are carried out effectively and efficiently, Scrutiny of records revealed deficiencies such as delay in submission of expenditure

²³ Government Commerce College, Gandhinagar (₹3.08 lakh); Bahauddin Science College, Junagadh (₹8.83 lakh); M. N. College, Visnagar (₹50.92 lakh); M. P. Shah Arts and Science College, Surendranagar (₹20.38 lakh); Government Arts and Commerce College, Netrang (₹18.17 lakh); Government Law College, Maninagar (₹1.65 lakh); R. R. Lalan College, Bhuj (₹6.16 lakh) and Bahauddin Arts College, Junagadh, (₹37.72 lakh).

statements, improper maintenance of cash book, delay in credit of receipt to Government account, delay in finalization of retirement benefits, non-settlement of final payment of General Provident Fund, etc. While accepting the audit observations, the department stated (August 2010) in the exit meeting, that a two-fold mechanism was being established for better monitoring of all the three categories of higher education institutions in the State viz. Government, grant-in-aid and self-financed colleges. As a first step, a post of Director (Monitoring) was being established with a view to ensure better monitoring over all higher education institutions in the State. As a second step, the mechanism of academic and administrative audit was being instituted by the department for obtaining effective control over educational institutions in the State.

3.1.9.1 Control mechanism for monitoring expenditure

Para 3.3 of the Gujarat Budget Manual provided that HODs should submit Budget Estimates (BEs) for the subsequent year by 30 September to the administrative departments. Scrutiny of records of the Commissioner revealed that no control register was maintained to monitor adherence to the due dates. The BEs of various schemes for 2007-08 to 2009-10 were submitted by the Commissioner with delays ranging between 20 and 95 days, and by the Director with delays ranging from 13 to 116 days. Delay in submission of BEs had direct bearing in release of funds as was evident from the huge savings as well as the diversion of grants for other purposes, resulting in non-implementation of envisaged programmes

Submission of monthly expenditure statements were delayed from five to 137 days.

The Commissioner/Director was responsible for watching the progress of expenditure incurred by disbursing officers through monthly expenditure statements. The Gujarat Budget Manual stipulated submission of statement of progress of expenditure by the 10th of the following month by the disbursing officers. Scrutiny revealed that submission of expenditure statements by the Principals of the test-checked colleges²⁴ was delayed for periods ranging from five to 137 days during 2005-10. This indicated failure in monitoring of the expenditure by the Commissioner/ Director and laxity in control. Agreeing with the audit observation, the Commissioner /Director stated that dates would be adhered to in future. The Commissioner stated (August 2010) that to introduce control mechanism effectively, new initiatives had been taken by appointing one Director, one statistical officer and one IT expert that would take care of monitoring aspects.

3.1.9.2 Improper maintenance of Cash Books

Rule 28 of the Gujarat Treasury Rules, 2000 provides that all monetary transactions should be entered in the Cash Book as soon as they occur and attested by the Head of Office in token of having been verified. The Head of the Office should verify the totals of the Cash Book or get them verified by some responsible subordinate officer other than the writer of the Cash Book

²⁴ Government Commerce College, Gandhinagar (Five to 79 days), Bahauddin Science College, Junagadh (Five to 39 days) Bahauddin Arts College, Junagadh, (Five to 29 days), M.N. College, Visnagar (Five to 67 days), Government Law College, Ahmedabad (12 to 111 days), Government Arts and Commerce College, Netrang (Five to 67 days) and R.R. Lalan College, Bhuj (Six to 137 days).

and certify them accordingly. Rule 28 (VI) *ibid* further provides that there should be no overwriting in the Cash Book and in case of any corrections, the entries should be attested by the competent authority. Scrutiny of Cash Books maintained in various offices revealed the following omissions:

- No periodical surprise checks were conducted during 2005-2010 by the competent authority in six²⁵ out of 23 test-checked colleges.
- Corrections made in the Cash Books were not attested during 2005-2010 by the competent authorities in nine²⁶ out of 23 test-checked colleges.
- Fifteen²⁷ Drawing and Disbursing Officers did not certify the cash balances appearing at the end of the month for the period from April 2005 to October 2009.

When pointed out, the principals agreed to observe the codal provisions in future. The Commissioner stated (August 2010) that instructions had been passed on to colleges to follow the codal provisions scrupulously.

3.1.9.3 Delay in credit of receipts to Government account

Rule 25 of the Gujarat Treasury Rules provides that all moneys received by or tendered to the Government should be paid in full within the next two working days into the Government account. A scrutiny of records revealed that cash amounting to ₹1.53 crore received by colleges / the Director²⁸ were remitted into the Government account with the State Bank of India with delays ranging from eight to 405 days. The non-remittance of Government moneys within the stipulated time indicated inadequate financial control. The principal of the Commerce College Gandhinagar admitted negligence by the staff.

The Commissioner, while accepting the delay stated (August 2010) that instructions had been passed on to colleges to follow the codal provisions scrupulously. Further, during the exit meeting, it was stated (August 2010) that show cause notices would be issued for delays in crediting of Government dues and remittance to the Government account.

²⁵ (1) Government Commerce College, Gandhinagar, (2) M.N. College, Visnagar, (3) Bahauddin Arts College, Junagadh, (4) Government Engineering College, Bhavnagar, (5) Government Engineering College, Surat and (6) Government Girls Polytechnic, Surat.

²⁶ (1) Commissioner Higher Education, (2) M.P.Shah Arts and Science College, Surendranagar, (3) Bahauddin Arts College, Junagadh, (4) Government Engineering College, Bhavnagar, (5) Government Science College, Chikhali, (6) Government Science College, Gandhinagar, (7) Government Engineering College, Modasa, (8) Government Engineering College, Surat and (9) Government Polytechnic, Gandhinagar.

²⁷ (1) Commissioner Higher Education, (2) M.P.Shah Arts and Science College, Surendranagar, (3) Bahauddin Arts College, Junagadh, (4) Govt. Commerce College Gandhinagar, (5) M. N. College Visnagar, (6) Bahauddin Arts College, Junagadh, (7) S. S. Engineering College, Bhavnagar, (8) Government Engineering College, Bhavnagar, (9) Government Science College, Chikhali, (10) Government Science College, Gandhinagar, (11) Government Engineering College, Rajkot, (12) Government Engineering College, Modasa, (13) Government Engineering College, Surat, (14) Government Polytechnic, Rajkot and (15) Government Polytechnic, Gandhinagar.

²⁸ Government Commerce College, Gandhinagar - ₹9.70 lakh delay between nine and 168 days; LD Engineering College, Ahmedabad - ₹1.25 crore between eight and 77 days; SS Engineering College, Bhavnagar - ₹18.64 lakh between 75 and 219 days, Directorate office between eight and 22 days and Government Science College, Chikhli - ₹0.08 lakh between 42 and 405 days.

3.1.9.4 Non-formation of Expert Committee

In terms of the general conditions of AICTE, Director was required to carry out random inspections round the year for verifying the status of the institutions to ensure maintenance of norms and standards through an Expert Committee constituted for the purpose and also to conduct inspections with or without notifying the dates to verify specific complaints of misappropriation, violation of norms and standards, mal-practices, etc. Scrutiny of records revealed that no such Expert Committee was constituted by the Director and no inspection was conducted to verify complaints.

3.1.9.5 Delay in finalization of retirement benefits

There were delays of one to 162 months in finalization of pension cases.

Rule 128 of the Gujarat Civil Services (Pension) Rules, 2002 prescribes a time schedule²⁹ for payment of pension and death-cum-retirement gratuity. Scrutiny of control registers maintained by the Commissioner in respect of eight³⁰ districts covering 943 pension cases during 2005-10, revealed delays in 507 cases ranging from one to 123 months³¹ at various stages from preparation of papers to finalization of cases. Similar delays of one month to 162 months³² were noticed in the finalization of 25 cases. The Commissioner/Director attributed (May 2010) the delays to receipt of incomplete pension papers from the Principals of the colleges. This is not acceptable as the Government had already prescribed a time schedule for completion of the pension papers. Abnormal delays in finalization of pension and gratuity cases would lead to unwarranted financial hardship to pensioners and bereaved families of deceased employees.

Persistent delays were indicative of deficiencies in the system and fraught with the risk of avoidable payment of interest consequent as per the orders of the court.

3.1.9.6 Non-settlement of final payment of General Provident Fund

Final payment of GPF in respect of 204 employees remained unsettled for seven years.

As per Government instructions (August 1988) read with the General Provident Fund Rules, the amount standing at the credit of an employee immediately before his quitting service on account of retirement or other reasons was payable within three months from the date of retirement or the date of quitting service. Final payments to the employees of grant-in-aid colleges were subject to audit by the Local Fund Examiner. The records of the Commissioner maintaining General Provident Fund (GPF) accounts of the employees of grant-in-aid colleges revealed that relevant accounting records *viz.* broadsheet, ledger, cash book, etc. for the period 1999-2002 were misplaced. Consequently, the audit of GPF records was not conducted by Local Fund Examiner. As a result, final payment of GPF in respect of 204 employees who had retired between

²⁹ Principal: within 24 months of retirement, Commissioner/Director: within 12 months of retirement and Director of Pension and Provident Funds: within six months of actual date of retirement. In death case, papers were required to be completed within two months from the dates of death.

³⁰ Ahmedabad, Gandhinagar, Kachchh, Mehsana, Patan, Sabarkantha, Surendranagar and Vadodara.

³¹ Upto 33 months - 496 cases, 33 to 60 months - seven cases and 60 to 123 months - four cases.

³² Upto 28 months - 19 cases, 28 to 60 months - two cases, 60 to 120 months - one case and 120 to 162 months - three cases.

June 2003 and June 2009 remained unsettled as of March 2010. The Commissioner stated (August 2010) that payment of the balance 10 *per cent* would be released after verification by Local Fund Examiner, which was in progress.

3.1.9.7 Non-credit of interest in Personal Ledger Accounts of GPF of the employees of grant-in -aid technical institutions

GPF accounts of employees of grant-in-aid technical institutions were maintained by the Director. The Government was required to release grant equal to the interest accrued on the balances in individual ledger accounts of employees at the end of the financial year, which were creditable to Personal Ledger Accounts (PLA) operated for the purpose by drawing 'nil' bills. Scrutiny of the records revealed that interest of ₹4.37 crore was short-credited to PLA till March 2010 as on two occasions the Director failed to draw 'nil' bills on release of interest grants of ₹2.93 crore³³ by Government and on four occasions, the Government did not release the full amount of interest due. Further, interest grant of ₹1.50 crore released (2008-09) by the Government was adjusted against shortfalls for the years 2002-03 and 2007-08 although the total shortfall of ₹2.85 crore³⁴ for the previous years 1999-2000 to 2002-03 was still to be made good. The Director stated (May 2010) that the matter would be pursued with the Government.

3.1.9.8 Non-submission of Accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) (DPC) Act, 1971, the Government/ Head of the Department is required to furnish to Audit every year, detailed information about the financial assistance provided to various institutions, the purpose for which assistance is provided and the total expenditure of the institutions.

Annual accounts of seven³⁵ universities which were due for periods ranging from three years to 15 years were not received as of August 2010 by the Accountant General (Civil Audit). Non-preparation of financial statements and their consequent rendering to Audit in a timely manner reflected adversely on the system of financial management including monitoring.

3.1.9.9 Maintenance of stock registers

Rule 95 of the Bombay Contingent Expenditure Rules, 1958 inherited by the Gujarat State on its formation (May 1960) provides that a register should be maintained in Form-8 (prescribed under the rules) for recording purchase of furniture, fixtures and other dead stock articles. Rule 98 *ibid* further provides that the head of office would be responsible for verification of ground stock of the articles annually with reference to the register and would record a certificate to that effect.

³³ 2002-03 ₹ 70 lakh, 2003-04 ₹ 223 lakh.

³⁴ 1999-2000-₹.18,33,682, 2000-2001-₹.57,16,471, 2001-02 -₹.1,10,62,705, 2002-03-₹.99,71,248.

³⁵ (1) BAOU (since its establishment in 1994), (2) Gujarat University (since 1999-2000), (3) Hemchandra University (since 2002-03), (4) KSKV Kachchh University, Bhuj (since its establishment in 2004), (5) Somnath Sanskrit University (since its establishment in 2005), (6) Veer Narmad South Gujarat University Surat (since 2006-07), and (7) Bhavnagar university Bhavnagar (since 2007-08).

The following omissions in the maintenance of dead stock registers were noticed:

- The registers were not maintained with due care. The authority for purchases, the dates of purchases and value of items purchased were not recorded in the registers of five³⁶ out of 12 colleges test checked.
- Annual physical verification of the articles was not carried out in seven³⁷ colleges.
- Physical verification of library books was not carried out for more than five years in eight³⁸ colleges. Due to non-conducting of the physical verification, the possibility of loss/theft of valuable books could not be ruled out.

When pointed out in audit, the Principals stated (May 2010) that due to shortage of staff, the registers had remained incomplete.

The Commissioner stated (August 2010) that instructions had been passed on to colleges to follow the codal provisions scrupulously and physical verification of libraries would be conducted in future.

3.1.9.10 Internal Audit wing

No Internal Audit wing was operational in Directorate.

There was no Internal Audit wing under the Director of Technical Education to conduct internal audit of Government as well as grant-in-aid colleges under his control. In the absence of internal audit, compliance with the rules and procedures by the various colleges could not be ensured.

The Commissioner, Higher Education had one Internal Audit Section under the control of an Accounts Officer-Grade I assisted by three Head Clerks and one Senior Clerk (against three required). The Internal Audit section was required to conduct the audit of 48 Government Colleges and 356 grant-in-aid colleges. As against the sanctioned strength of three parties, two parties comprising three members each were in operation during the period 2005-10. Reasons for non-operation of one party were not furnished by the Commissioner.

3.1.9.11 Arrears in audit

1424 accounts of 356 GIA colleges remained unaudited.

Neither the Government nor the Commissioner/Director had fixed norms for periodicity of conducting audit. Audit of 30³⁹ Government colleges for the period from 2002-03 to 2008-09 was completed (November 2009) with the

³⁶ (1) Government Commerce College, Gandhinagar, (2) M.P.Shah Arts and Science College, Surendranagar, (3) Government Law College, Ahmedabad, (4) R.R.Lalan College, Bhuj and (5) Government Arts and Commerce College, Naswadi.

³⁷ (1) Government Commerce College, Gandhinagar, (2) Government Polytechnic, Jamnagar, (3) Government Arts and Commerce College, Naswadi, (4) Government Science College, Gandhinagar, (5) Government Engineering College, Rajkot, (6) Government Engineering College, Surat and (7) Government Polytechnic College, Rajkot.

³⁸ (1) M.P.Shah Arts and Science College, Surendranagar, (2) Government Law College, Ahmedabad, (3) Bahaud-din Arts College, Junagadh, (4) Government Polytechnic, Jamnagar, (5) Government Arts and Commerce College, Naswadi, (6) L.D. Engineering College, Ahmedabad, (7) Government Engineering College, Rajkot and (8) Government Polytechnic College, Rajkot.

³⁹ Audit of 18 Government colleges was in arrears as no audit was done since inception.

help of teaching staff in colleges not familiar with audit rules and regulations. Each grant-in-aid college was to render accounts on annual basis, but audit of 1424 accounts of 356 grant-in-aid colleges was in arrears from 2005-06 to 2008-09 as of March 2010. Due to delays in completion of audit, the effectiveness of audit was lost.

3.1.9.12 Delay in issue of Inspection Reports

No specific time limit was fixed for issue of Inspection Reports (IRs) on completion of audit. IRs in respect of 30 Government colleges inspected upto November 2009 were not issued as of March 2010. Delays of more than one month in issue of all IRs was also noticed in respect of 356 grant-in-aid colleges, audit of which was conducted during the period 2002-2005. IRs had not been issued in respect of six grant-in-aid colleges, audit of which for the period 2000-2005 was completed in September 2008. Such delays in issue of IRs would diminish the effectiveness of internal audit, since action on the deficiencies pointed out would be correspondingly delayed.

3.1.10 Conclusion

Delays in implementation of projects resulted in cost overrun as well as loss of Central assistance. A Teachers' Training University was not established despite availability of funds. The teacher/student ratio was as high as 1:57 in higher education as against 1:30 and 1:10 prescribed for undergraduate and post-graduate courses respectively. Computers purchased for Government colleges were diverted to grant-in-aid colleges without Government approval. Infrastructure created for Digital English Language Laboratories at a cost of ₹18.12 crore remained unutilized. Facilities created for e-learning and infrastructure for telecasting of educational lectures were underutilized. There were delays in disbursement of scholarships. Deficiencies were noticed in the internal control mechanism leading to inadequate monitoring of expenditure, improper maintenance of Cash Books and delayed credit of receipts to Government accounts. Delays in finalisation of retirement benefits and non-settlement of provident fund amounts were also noticed. Seven out of 10 universities had not submitted their accounts for periods ranging from three to 15 years.

3.1.11 Recommendations

- Detailed planning before sanction and drawal of funds for any scheme must be ensured for effective utilization of funds and avoiding lapse of grants.
- Prompt steps should be taken up for effective utilisation of infrastructure created for e-learning/distance learning.
- Infrastructure created for teaching of English language through DELL should be optimally utilised.

- Training courses for teachers' education should be developed after defining modules, curricula and techniques to be used and profile of the faculty.
- In order to ensure an adequate and effective internal control mechanism, expeditious steps should be taken by the department to monitor financial management and other activities of the higher and technical education institutions in the State.

**Rajkot
The**

**(DHIREN MATHUR)
Accountant General (Civil Audit) Gujarat**

Countersigned

**New Delhi
The**

**(VINOD RAI)
Comptroller and Auditor General of India**

APPENDIX - I

Statement showing the details of irregular diversion of funds to avoid lapse of Twelfth Finance Commission grants

(Reference : Paragraph 1.1.7.1; Page 8)

Sr. No.	Name of the Work	Name of the Division	Amount deposited ` in lakh	To whom deposited	Vr. No. and Date	Tendered Cost ` in lakh	Expendi- ture ₹ in lakh	Percent- age of expendi- ture
1	Bodki TR	EE, SCD, Rajkot.	755.00	MD, GWRDC, Gandhinagar.	121/26-02-2010	796.09	7.42	1
		-do-	35.00	-do-	- do -			
2	Hadiyana Bandhara	-do-	130.00	-do-	48/23-03-2010	600.50	426.10	71
		-do-	78.85	-do-	182/31-03-2010			
3	Jambuda-Khiri SC	-do-	130.00	-do-	- do -	290.88	150.88	52
		-do-	10.00	-do-	- do -			
4	Khiri-Hadiyana SC	-do-	20.00	-do-	- do -	600.45	685.09	114
5	Und Recharge Reservoir	-do-	60.00	-do-	- do -	217.44	102.74	47
		-do-	10.00	-do-	- do -			
6	Machchu Recharge Reservoir	-do-	600.00	-do-	- do -	549.80	29.53	5
7	Bed Bandhara to Sikka Rec. Bund SC	EE, SCD, Jamnagar.	85.00	EE, Mechanical Dn-3, Gandhinagar	100/30-09-2009	Tender Stage	00	00
8	Bed Bandhara to Samat Khara Beraja SC	-do-	381.00	-do-	89/29-01-2010	335.46	01.42	00
9	Ozat Madhuvati SC	EE, SCD, Porbandar	112.00 325.00 30.00	EE, NH Dn., Rajkot. MD, GWRDC, Gandhinagar.	77/ 28-01-2010. 154/23-03-2010 309 /30-03-2010	1141.16	753.51	66
10	Pacchatar Kolikhada SC	-do-	175.00 425.00 358.00 75.00 35.00	EE, Mechanical Dn-3, Gandhinagar MD, GWRDC, Gandhinagar.	30-09-2009 26-10-2009 76/28-01-2010. 154/23-03-2010 310/30-03-2010.	2113.28	987.78	47
11	Ghed Works.	-do-	50.00 50.00	-do-	154/23-03-2010 311/30-03-2010.	236.50	104.78	44
12	Somnath TR	-do-	65.00	-do-	312/30-03-2010	1887.65	2151.90	114
13	Netravati Madhuvanti		50.00		313/30-03-2010.	158.24	159.28	101
14	Kerly RR Allied Works Other SIPC	-do-	35.00 10.00 20.00	EE, Irri., Mech. Dn. 7, A'bad MD, GWRDC, Gandhinagar.	386/ 31.03.2010. 154/23-03-2010 314/30-03-2010.	105.17	131.97	125
15	Vasoj TR to PPTR SC	EE, SCD, Bhavnagar	110.00 290.00	EE, Mechanical Dn-3, Gandhingar	88/30-09-2009 74/15-10-2009	654.69	207.53	32
			50.00	MD, GWRDC	118/22-03-2009			
16	Malan-Samadhiyala SC	-do-	288.00	EE, Mechanical Division-3, Gandhingar	150/25-01-2010	Tender Stage	00	00
17	Gopnath Bandhara	-do-	125.00	MD, GWRDC, Gandhinagar.	117/22-03-2010	208.43	123.80	59
18	Visaliya-Samadhiyala SC	-do-	50.00 12.55	-do-	119/22-03-2010 210/30-03-2010	72.34	14.53	20
19	Nichadi-Mahadevpara CD	-do-	02.00	-do-	211/30-03-2010	13.49	10.63	79
Total			5037.40					

APPENDIX - II

Statement showing details of security deposits released under NABARD project works

(Reference : Paragraph 1.1.7.2; Page 8)

Sr. No.	Name of Bandhara	Estimated cost of work and Tender cost	Date of completion of work	Due date of Security Deposit as per NABARD condition	Actual date of released of security deposit
	EE, KID, Bhuj				
01	Lakhapar	397.34	22.09.08	21.09.2010	Not refunded
02	Nani Chirai	130.02	11.06.07	11.06.2009	29.03.08
03	Mundra	525.13	23.03.09	22.03.2011	Not refunded
04	Gunau	380.57	15.09.08	15.09.2010	12.11.09
05	Moti Sidhodi	766.56	15.11.09	15.11.2011	Not refunded.
	EE, SCD, Bhuj				
06	Mota Layasa	303.16	20.07.2007	20.07.2009	15.10.2007
07	Modkuba	299.00	15.07.2007	15.07.2009	30.08.2007
08	Bambadai	026.59	19.12.2006	19.12.2008	29.05.2007
09	Kukadsar	107.85	22.03.2007	22.03.2009	07.09.2007
10	Bhadreshwar	038.45	31.10.2006	31.10.2008	31.01.2008
11	Navinal	496.13	17.07.2007	17.07.2009	30.08.2007
	EE, WRID, Bhuj				
12	Khuada	266.80	25.03.2007	25.03.2009	17.10.2008
13	Narayn Sarovar	700.00	14.11.2007	14.11.2009	26.11.2008
14	Koricreek (Guner)	494.20	30.03.2008	30.03.2009	14.10.2009
15	Amaliyara	229.21	11.09.2007	11.09.2009	12.12.2008
16	Jangi	118.32	04.03.2008	04.03.2010	20.01.2010
17	Wandh	146.29	05.03.2008	05.03.2010	08.07.2010
18	Navagam (Manaba)	500.68	10.12.2008	10.12.2010	24.12.2009
	EE, KICD, Bhuj				
19	Bharapar	355.09	08.01.2007	07.01.2008	Information not furnished
20	Dhuvai	1193.41	24.03.2009	23.03.2010	- do -
21	Jarpara	159.13	07.01.2008	06.01.2009	- do -

APPENDIX - III
Statement showing distance of Bandharas from mouths of rivers and distance of tides entering into rivers
(Reference : Paragraph 1.1.9.4; Page 12)
(Distance in km)

Sr. No.	Name of Bandhara	Name of river	Distance of Bandharas from the mouth of river	Distance upto which the tides are running into the river from mouth of river	Distance showing gap between Bandhara and maximum reach of tide
01	Kandagara	Local Vonkada	13.00	02.00	11.00
02	Mota Layja	Kharod	09.00	02.50	06.50
03	Modkuba	Sai	09.00	02.00	07.00
04	Navinal	Nagmati	05.50	01.00	04.50
05	Nana Budiya	Local	05.00	02.00	03.00
06	Jarpara	Nagvati	05.00	01.00	04.00
07	Vira	Local	05.00	03.00	02.00
08	Kukadsar	Chhella	05.00	01.00	04.00
09	Gundiyali	Gundiyali	04.00	03.50	00.50
10	Babhadai	Local River	03.00	02.00	01.00
11	Mapar	Local River	03.00	02.00	01.00
12	Bhadreswar	River	03.00	02.50	00.50
13	Bharapar	Bharapar	02.50	01.50	01.00
14	Moti Chirai	Local Vonkada	02.50	02.00	00.50
15	Kadoli	Local River	02.50	02.00	00.50
16	Dhrab	Phot	02.00	01.00	01.00
17	Moti	Vokaro	02.00	01.50	00.50
18	Panchotia	Local Vonkada	01.00	00.50	00.50
19	Wandhiya	Khari River	01.00	00.50	00.50
20	Lakhapar	Local Vonkada	01.00	00.50	00.50
21	Gunau	Rakhi River	00.90	00.50	00.40
22	Golay	Local Vonkada	00.85	00.50	00.35

APPENDIX – IV

Statement showing incomplete Spreading Channel works

(Reference : Paragraph 1.1.10.2; Page 17)

Name of work	Jambuda Bandhara – Khiri TR SC	Khiri TR – Hadiyana Bandhara SC	Ozat- Madhuvanti SC	Medha- Kindri Creek SC
Tendered cost	₹2.91 crore	₹6.00 crore	₹11.41 crore	₹11.69 crore
Date of work order issued	05-03-2008	18-12-2008	10-10-2006	11-02-2000
Stipulated date of completion	04-02-2010	17-03-2010	09-10-2009	10-02-2002
Expenditure incurred as of March 2010	₹1.48 crore	₹ 6.84 crore	₹8.74 crore	₹14.46 crore
Length of SC to be executed	6.33 km	7.47 km	24.30 km	7.62 km
Pending length of SC work	1.49 km	1.50 km	10.56 km	0.03 km
No. of Cross Drainage Works completed/pending	5 completed 3 pending	10 completed 1 pending	14 completed 11 pending	11 completed 9 pending
No. of Minor Bridge works completed/pending	Nil completed 1 pending	--	1 completed 3 pending	Nil completed 1 pending

APPENDIX - V

Statement showing district-wise distances of villages from sea coast covered under baseline study

(Reference : Paragraph 1.1.11; Page 18)

Name of Reach	Name of Districts	Name of Talukas covered	No. of villages at distance from sea coast			Total villages
			Upto 5 km	5 to 10 km	Above 10 km	
Bhavnagar-Una	Bhavnagar	Ghogha	4	14	8	26
		Bhavnagar	14	5	10	29
		Talaja	31	16	28	75
		Mahuva	5	17	36	58
	Amreli	Rajula	21	20	9	50
		Jafrabad	22	10	6	38
Junagadh	Una	26	23	33	82	
Una-Madhavpur	Junagadh	Kodinar	11	13	20	44
		Sutrapada	12	16	14	42
		Veraval	11	10	18	39
		Malia	6	9	11	26
		Mangrol	17	16	25	58
Madhavpur-Maliya	Junagadh					
	Porbandar	Porbandar	30	8	23	61
	Jamnagar	Kalyanpur	12	8	19	39
		Lalpur	1	6	14	21
		Khambhalia	21	14	8	43
		Okha	27	6	6	39
		Jamnagar	20	15	21	56
Jodiya	22	6	14	42		
Rajkot	Maliya	20	8	18	46	
Maliya-Lakhpat	Kachchh	Rapar	8	5	3	16
		Bhachau	2	10	18	30
		Gandhidham	8	5	15	28
		Mundra	11	12	20	43
		Mandvi	15	17	19	51
		Lakhpat	16	9	9	34
		Abadasa	17	9	23	49
Total		27	410	307	448	1165

APPENDIX - VI

Statement showing non-recovery of Welfare Cess

(Reference : Paragraph 1.1.12; Page 21)

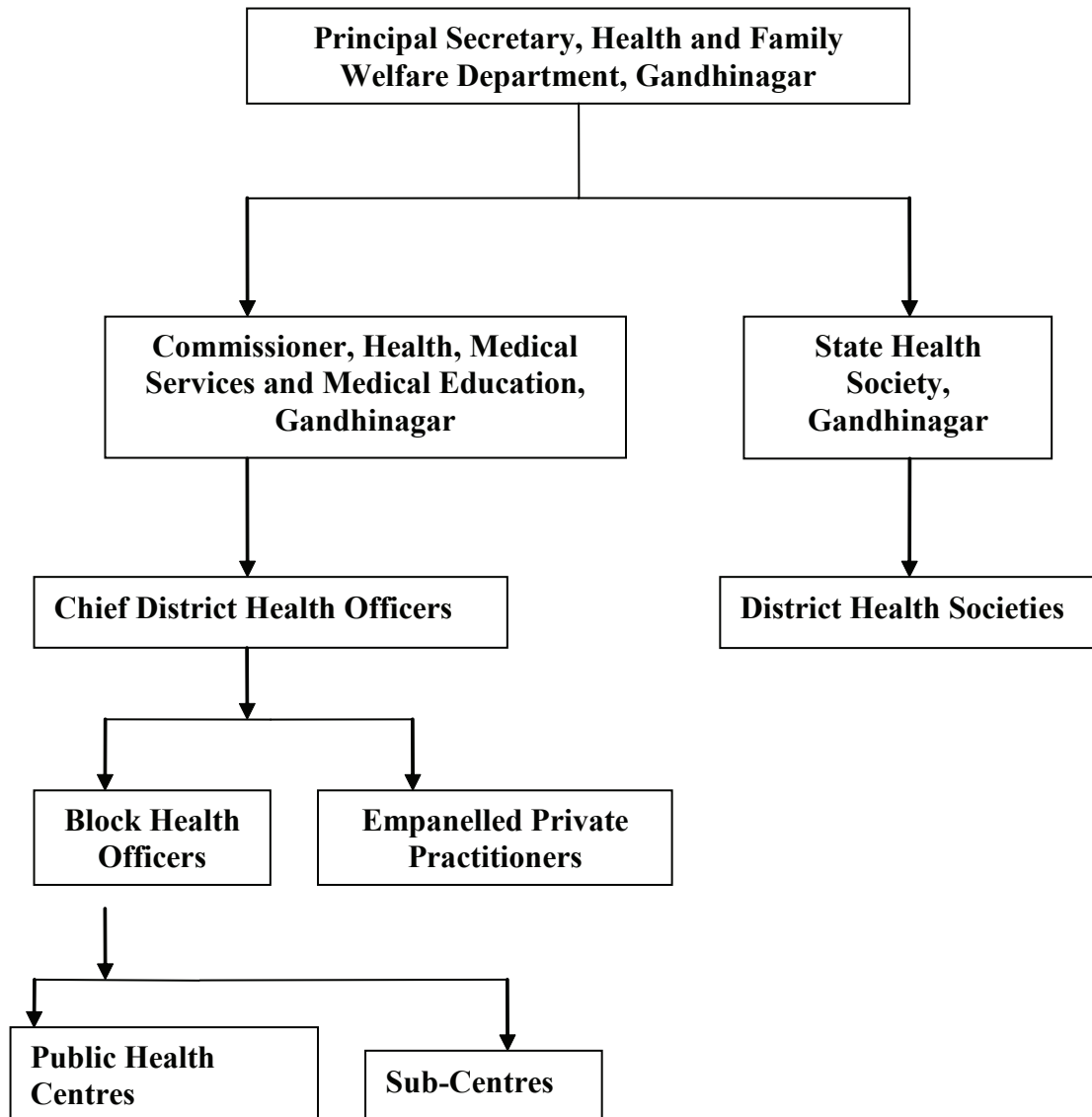
Sr. No.	Name of Work (Bandhara)	Agreement No and Date	Estimate Cost	Actual Date of Completion	Final Expenditure	One Per cent Welfar Cess to be recovered (₹ in lakh)
01	Khuada	B-2/07/2005-06 dt. 28.03.2006	239.34	25.03.07	193.90	01.94
02	Narayan Sarovar	B-2/02/2006-07 dt. 15.05.2006	611.55	14.11.07	646.06	06.46
03	Korikreek (Guner)	B-2/08/2005-06 dt. 31.03.2006	378.39	30.03.07	263.36	02.63
04	Ambaliya	B-2/01/2006-07 dt. 12.04.2006	224.17	11.09.07	165.97	01.66
05	Jangi	B-2/01/07-08 dt. 09.04.2007	162.98	04.03.08	170.81	01.71
06	Wandh	B-2/08/2006-07 dt. 29.03.2007	180.62	05.03.08	191.86	01.92
07	Navagam (Manaba)	B-2/07/2006-07 dt. 28.03.2007	745.03	10.12.08	880.43	08.80
08	Lathedi	B-2/03/2006-07 dt. 02.11.2006	589.11	01.11.07	511.26	05.11
09	Bada	B-2/05/2066-07 dt. 07.12.2006	739.28	25.05.08	599.48	05.99
10	Budiya	B-2/04/2006-07 dt. 23.11.2006	351.27	22.11.07	451.63	04.52
11	Koriyani	B-2/06/2006-07 dt. 07.12.2006	1111.67	01.12.09	788.72	07.89
					Total of WRID	48.63
12	Mota Layja	B-2/08/2005-06	303.16	20.07.07	481.92	04.82
13	Modkuba	B-2/06/2005-06	299.00	15.07.07	353.2	03.53
14	Bambdai	B-2/03/2005-06	26.59	19.12.06	31.90	00.32
15	Kukadsar	B-2/07/2005-06	107.85	22.03.07	123.32	01.23
16	Bhadreshwar	B-2/04/2005-06	38.45	31.10.06	42.87	00.43
17	Navinal	B-2/05/2005-06	496.13	17.07.07	585.05	05.85
18	Chhadwara	B-2/01/2009-10	294.21	-	46.40	00.46
19	Kadoli	B-2/02/2006-07	53.46	30.06.07	74.7	00.75
20	Modvadar	B-2/16/2006-07	160.63	30.06.07	147.17	01.47
21	Dhab	B-2/15/2006-07	92.20	19.12.07	87.19	00.87
22	Charopadi	B-2/22/2006-07	720.06	14.03.09	644.51	06.45
23	Mapar	B-2/14/2008-09	99.47	-	62.58	00.63
					Total of SCD	26.81

Sr. No.	Name of Work (Bandhara)	Agreement No and Date	Estimate Cost	Actual Date of Completion	Final Expenditure	One Per cent Welfare Cess to be recovered (₹ in lakh)
24	Luni	B-2/4/2006-07 dt. 12.02.07	215.87	11.05.08	189.82	01.90
25	Nana Bhadiya	B-2/1/2006-07 dt. 23.11.2006	444.09	15.01.08	365.56	03.66
26	Gundiyali	B-2/7/2006-07 dt. 08.06.2007	355.09	07.07.08	319.02	03.19
27	Bharapar	B-2/3/2006-07 dt. 08.01.07	355.09	08.01.07	319.76	03.20
28	Dhuvai	B-2/6/3006-07 dt. 26.03.07	1193.41	24.03.09	1236.58	12.37
29	Jarpara	B-2/2/2006-07 dt. 08.01.07	159.13	07.01.08	108.87	01.09
30	Vira	B-2/5/2007-08 dt. 15.02.07	678.02	-	415.43	04.15
31	Khirasara Pipar	B-2/5/2007-08 dt. 31.01.08	314.54	-	340.68	03.41
32	Kosavadsar	B-2/7/2007-08 dt. 07.02.08	1474.73	-	914.30	09.14
33	Bhadreswar	B-2/6/2007-08 dt. 02.02.08	593.67	-	423.24	04.23
					Total of KICD	46.34
34	Moti Chirai	B-2/9/06-07 dt. 15.02.2007	365.84	14/02/08	370.79	03.71
35	Panchotiya	B-2/8/06-07 dt. 15.02.2007	873.95	14/07/09	640.92	06.41
36	Wandhiya	B-2/9/06-07 dt. 15.02.2007	309.94	30/01/08	305.39	03.05
37	Kandagara	B-2/6/06-07 dt. 20.01.2007	299.58	19/01/08	239.10	02.39
38	Lakhapar	B-2/6/06-07 dt. 20.01.2007	397.34	22/09/08	358.09	03.58
39	Bhachau	B-2/7/07-08 dt. 07.02.2007	195.56	In progress	113.51	01.14
40	NaniChirai	B-2/06-07 dt. 30.12.2006	130.02	11/06/07	112.88	01.13
41	Mundra	B-2/06-07 dt. 24.09.2007	525.13	23/03/09	571.39	05.71
42	Gunau	B-2/6/07-08 dt. 24.09.2007	380.57	15/09/08	302.89	03.03
43	Golay	B-2/8/07-08 dt. 11.02.2008	780.59	In progress	589.79	05.90
44	Moti Sindhodi	B-2/18/08-09 dt. 01.12.2008	766.56	15/11/09	789.41	07.89
45	Nani Chirai Protective Work	B-2/14/08-09 dt. 04.10.2008		In progress	33.99	00.34
					Total of KID	44.28
					Grand Total	166.06

APPENDIX-VII

Organogram of Health and Family Welfare Department for implementation of
'Chiranjeevi Yojana'

(Reference : Paragraph 1.2.2; Page 25)



APPENDIX-VIII

Number of Talukas without empanelled private practitioners under 'Chiranjeevi Yojana'

(Reference: Paragraph 1.2.8.3; Page 32)

Serial No.	Name of the district	Name of the talukas not having EPPs	No. of talukas having no EPP	Total No. of talukas (23)
1	Ahmedabad	Mandal, Detroj-Rampura, Daskroi, Barwala.	4	11
2	Anand	Umreth.	1	8
3	Amreli	Khambha, Jafrabad, Rajula, Kunkavav-Vadia, Lathi, Liliya, Bagasara, Dhari.	8	11
4	Banaskantha	Vav, Dantivada, Amargadh Danta, Bhabhor, Kakrej.	6	12
5	Bhavnagar	Vallabhipur, Umralla, Ghogha, Gariadhar, Palitana, Talaja.	6	12
6	Bharuch	Amod, Vagra, Ankleshwar.	3	8
7	Dahod	Fatepura, Garbada, Dhanpur.	3	7
8	Gandhinagar	Dehgam.	1	4
9	Jamnagar	Okhamandal, Jodia, Dhrol, Kalavad, Lalpur, Bhanvad, Jamjodhpur.	7	11
10	Junagadh	Manavadar, Bhesan, Mendarada, Maliya, Patan-Veraval, Sutrapada.	6	14
11	Kheda	Kheda, Matar, Mahudha.	3	10
12	Kachchh	Rapar, Abdasa.	2	10
13	Mehsana	Becharaji	1	10
14	Narmada	Tilakvada, Dediapada, Sagbara.	3	4
15	Panchmahal	Khanpur, Kadana, Morwa (Hadaf), Ghoghamba, Jambughoda.	5	11
16	Patan	Santalpur, Vagdol, Harij, Sami.	4	8
17	Porbandar	Ranavav, Kutiyana.	2	3
18	Rajkot	Maliya, Tankara, Padadhari, Lodhika, Kotdasangani, Jamkandorna, Dhoraji.	7	14
19	Sabarkantha	Vijaynagar, Vadali, Dhansura, Malpur.	4	14
20	Surat	Mangrol, Umarpada, Nizar, Uchchhal, Mandvi, Kamrej, Palsana, Valod, Mahuva.	9	15
21	Surendranagar	Dasada, Lakhtar, Muli, Chotila, Chuda.	5	10
22	Vadodara	Nasvadi, Sinor	2	13
23	Valsad	Kaprada.	1	5
24	Ahwa	--	--	1
25	Navsari	--	--	5
26	Tapi	--	--	Included in Surat
	TOTAL		93	231

APPENDIX – IX

**Statement showing performance of empanelled private practitioners under
'Chiranjeevi Yojana'**

(Reference : Paragraph 1.2.8.3; Page 32)

Sr. No.	District	Year 2006-07			Year 2007-08			Year 2008-09			Year 2009-10		
		Total delivery	No. of EPP	Delivery per EPP	Total delivery	No. of EPP	Delivery per EPP	Total delivery	No. of EPP	Delivery per EPP	Total delivery	No. of EPP	Delivery per EPP
1	Gandhinagar	270	25	10.8	1916	22	87.09	1451	17	85.35	1864	18	103.56
2	Mehsana	1609	40	40.23	9104	40	227.6	8396	40	209.9	7002	45	155.6
3	Patan	1556	31	50.19	9445	35	269.86	12850	38	338.16	13219	32	413.09
4	Sabarkantha	4683	45	104.07	13761	48	286.69	14339	45	318.64	13347	48	278.06
5	Banaskantha	6303	61	103.33	9729	66	147.41	10459	63	166.02	15797	57	277.14
6	Ahmedabad	1966	130	15.12	16438	202	81.38	11894	192	61.95	9359	106	88.29
7	Kheda	757	31	24.42	2779	31	89.65	3709	31	119.65	3152	24	131.33
8	Anand	1097	32	34.28	3677	35	105.06	4697	33	142.33	6048	29	208.55
9	Surendranagar	801	19	42.16	4551	27	168.56	5222	21	248.67	3311	25	132.44
10	Vadodara	1052	49	21.47	3902	51	76.51	5102	51	100.04	7376	58	127.17
11	Panchmahal	11103	30	370.1	14088	31	454.45	18491	34	543.85	19790	32	618.44
12	Dahod	8631	16	539.44	12456	16	778.5	9714	12	809.5	13078	14	934.14
13	Bharuch	441	21	21	1471	22	66.86	1793	9	199.22	1619	9	179.89
14	Narmada	112	2	56	622	6	103.67	1174	3	391.33	1534	3	511.33
15	Surat	182	57	3.19	1569	60	26.15	5936	83	71.52	5100	48	106.25
16	Navsari	258	11	23.45	2162	18	120.11	3820	20	191	4128	16	258
17	Valsad	129	12	10.75	2087	19	109.84	2636	21	125.52	2963	21	141.1
18	Ahwa-Dang	19	3	6.33	194	4	48.5	584	4	146	407	4	101.75
19	Rajkot	624	43	14.51	2553	45	56.73	4207	39	107.87	8853	31	285.58
20	Jamnagar	149	22	6.77	839	21	39.95	895	21	42.62	1099	16	68.69
21	Kachchh	4918	18	273.22	4596	19	241.89	3994	19	210.21	3014	20	150.7
22	Bhavnagar	491	12	40.92	1403	11	127.55	1315	23	57.17	4187	18	232.61
23	Amreli	84	10	8.4	277	12	23.08	516	15	34.4	771	13	59.31
24	Junagadh	257	14	18.36	797	15	53.13	2257	23	98.13	7622	24	317.58
25	Porbandar	214	8	26.75	627	9	69.67	255	10	25.5	361	7	51.57
26	Tapi										720	3	240
	Total	47706	742	64.29	121043	865	139.93	135706	867	156.52	155721	721	215.98

APPENDIX - X

Table showing medicines purchased at higher cost

(Reference: Paragraph 1.3.6.1; Page 42)

Sr. No.	Year	CMSO rate	Hospitals rate	Difference in purchase price	Percentage difference	Quantity purchased	Excess expenditure incurred
Ahmedabad 2007-08							
1	Amoxy 500 mg cap	62.20 per 100 capsule	109.02 per 100 capsule	46.82	75	50000	23410
2	Ampilicin 500 mg cap	108.03 per 100 capsule	142.79 100 per capsule	34.76	32	60000	20856
3	Cephadrox 500mg	186.48 per 100	213.46 per 100 capsule	26.98	14	20000	5396
2008-09							
4	Amoxy 250 mg	62.20 per 100 tablets	109.02 per 100 cap	46.82	75	100000	46820
5	Cephadrox 500 mg	234.15 per 100 cap	273.15 per 100	39	17	10000	3900
6	Fluoxetion 20 mg	24.40 per 100 cap	28 per 100	3.60	15	34500	1242
7	Norflox 400 tab	599.55 per 1000	795.6 per 1000	196.05	33	20000	3921
Vadodara 2008-09							
8	Tab Amoxyclav 625mg	249.48 (30) (831.60)	999.00 (100)	167.40 (100)	67	1950 Tab	3264.30
9	Tab Carbamazepin 200 mg	416.15 (1000)	51.48 (100)	98.65	24	128000 Tab	12627.2
10	Tab Diclofenac 50 mg	82.89 (1000)	10.68 (100)	23.91 (1000)	29	268000 Tab	6407
11	Cap Fluxetine 20 mg	24.40 (100)	30.00 (100)	5.60	23	50000 cap	2800
12	Inj Glycopyrrate	78.00 (25 vial)	4.29 vial	29.25 25 vial	38	1950	2281.5
13	Inj Insulin	80.85 vial	92.00 vial	11.15	13	200 vials	2230
14	Inj Anti snake venom	176.97 vial	249.00 vial	72.03	41	100 vials	7203
15	Inj Streptokinase	670.80 vial	780.00 vial	109.20	16	50 vial	5460

Sr. No.	Year	CMSO rate	Hospitals rate	Difference in purchase price	Percentage difference	Quantity purchased	Excess expenditure incurred
16	Inj Tetanus immunoglobulin	331.00 vial	366.00 vial	35.00	11	250 vial	8750
17	CPD Bag	28.54 Bag	32.74	4.20	15	200 bag	840
2009-10							
18	Tab Amoxyclav 625mg	216 (30) (720)	864.00 (100)	144.00	20	6000	8640
19	Inj Amoxy clav 102gm	265.00(10 vial) (26.50)	33.90 (vial)	7.40	28	2500	18500
20	Cap Cefadroxyl 500 mg	234.15 (100 cap)	313.00 (100 cap)	78.85	34	10000 cap	7885
21	Tab Ofloxacin 200 mg	80.85	105.80 (100)	24.95	31	5000 Tab	1247.50
22	Tab Carbamazepin 200 mg	457.80 (1000)	54.00 (100)	82.20	18	60000 Tab	4932
23	Tab Cetrizine 10 mg	73.20 (1000)	11.00 (100 tab)	36.80	50	50000 Tab	1840
24	Tab Diclofenac 50 mg	82.16 (1000)	13.00 (100)	47.82	59	200000 Tab	9568
25	Tab Frusemde	112.03 (1000)	17.40 (100)	61.97	55	54500 Tab	3377.36
26	Cap Omeprazole 20 mg	25.48 (100)	47.00 (100)	21.52	84	30000 Tab	6456
Rajkot 2007-08							
27	Alprazolam Tablets 0.25 mg	40 per 1000	134/1000	94	235	200000	18800
28	Diclofenac Eye Drops	7.97 (5ml)	9.6 (5ml)	1.63	20	1000	1630
29	Clonazepam Tablets 0.5 mg	18/100	33/100	15/100	83	160000	24000
30	Fluoxetine Capsules 20 mg	23.24/100`	46/100	22.76/100	98	60000	13656

(Source: statement prepared on the from the rate contract records of
CMSO and purchase made by hospitals)

APPENDIX - XI

**Table showing details of short supply of medicines by
CMSO against indents by field units**

(Reference: Paragraph 1.3.7.7; Page 46)

	Tablets (types)	Injections (types)	Surgical items	Instru- ments	Period
Total medicines in the consolidated indents received from field units	92	99	67	45	01-04-2007 to 30-09-2007
No. of medicines partially supplied	67	74	16	20	
No. of medicines where there was no supply	6	8	35	19	
Percentage of medicines partially supplied to total medicines	73	75	24	44	
Percentage of medicines not supplied to total items	7	8	52	42	
Total medicines in the consolidated indent received from field units	94	99	67	41	01-07-2007 to 31-03-2008
No. of medicines partially supplied	22	32	14	19	
No. of medicines where there was no supply	13	11	30	9	
Percentage of medicines partially supplied to total items	23	32	20	46	
Percentage of medicines not supplied to total items	14	12	45	22	
Total medicines in the consolidated indent received from field units	94	99	67	41	01-04-2008 to 30-09-2008
No. of medicines partially supplied	45	51	16	24	
No. of medicines where there was no supply	15	13	33	7	
Percentage of medicines partially supplied to total medicines	48	52	24	58	
Percentage of medicines not supplied to total items	16	13	48	17	
Total medicines in the consolidated indent received from field units	101	97	78	32	01-07-2008 to 31-03-2009
No. of medicines partially supplied	86	67	30	19	
No. of medicines where there was no supply	03	13	35	2	
Percentage of medicines partially supplied to total medicines	85	69	38	59	
Percentage of medicines not supplied to total medicines	4	13	45	6	
Total medicines in the consolidated indent received from field units	102	98	80	35	01-04-09 to 31-03-10
No. of medicines partially supplied	55	54	45	30	
No. of medicines where there was no supply	4	11	30	2	
Percentage of medicines partially supplied to total items	54	55	56	86	
Percentage of medicines not supplied to total items	4	11	38	6	

(Source: Statement prepared on the basis of information of indent and supply of medicines)

APPENDIX - XII

**Statement showing details of out-of-stock medicines/drugs in Central Depot, CMSO
(Reference: Paragraph 1.3.7.8; Page 47)**

Sr No	Item code	Name of item	Period	Stock
1	2001	Adrenaline bitartrate Inj	28-02-06 to 18-06-07	Nil
			01-04-08 to 16-04-08	9 Nos
			31-07-08 to 22-12-09	
2	2010	Ampicilin 500 mg Inj	31-10-05 to 19-12-05	Nil
			28-02-06 to 08-05-06	Nil
			31-05-08 to 15-02-09	Nil
3	2014	Atracurium 2.5 ml Inj	01-04-05 to 09-06-05	Nil
			31-01-06 to 26-03-06	Nil
			31-05-07 to 26-06-07	Nil
4	2016	Inj. Atropine sulphate	31-10-07 to 04-12-07	Nil
			31-03-09 to 12-04-09	Nil
5	2023	Cetazoline 500 mg Inj	31-07-05 to 31-10-05	31
			01-11-05 to 07-11-05	Nil
			30-04-06 to 17-05-06	Nil
			31-01-07 to 27-03-07	Nil
			31-05-08 to 29-09-009	Nil
6	2032	CPM 1 MI Inj	31-12-09 to 03-03-10	Nil
			01-04-05 to 30-04-05	Nil
			30-11-05 to 29-03-06	Nil
7	2034	Ciprofloxacin 100 ml Inj	31-05-07 to 25-10-09	Nil
			-	-
8	2039	Dexamethasone Inj	30-11-05 to 28-12-05	Nil
			31-01-06 to 29-03-06	Nil
			30-06-07 to 30-08-07	Nil
			30-04-08 to 18-11-08	Nil
			30-11-08 to 14-12-08	Nil
			31-12-08 to 19-02-09	Nil
			30-06-09 to 12-07-09	Nil
			31-08-09 to 21-09-09	Nil
9	2042	Inj. Dextrose 25 per cent	30-11-07 to 17-12-07	Nil
			31-07-08 to 16-12-08	Nil
			31-12-08 to 28-01-09	Nil
10	2044	Dextrose Inj 10per cent	31-10-05 to 14-02-06	Nil
			28-02-06 to 12-03-06	Nil
			31-10-08 to 23-12-08	Nil
11	2057	Dopaminettee Inj	31-10-05 to 19-12-05	Nil
			30-09-07 to 14-10-07	Nil
			30-11-07 to 26-12-07	Nil
			31-10-08 to 24-11-08	Nil
			30-06-09 to 22-09-09	Nil
12	2056	Dobutamine 250 mg Inj	30-11-09 to 14-01-10	Nil
			31-12-06 to 28-03-07	Nil
			30-06-08 to 25-11-08	Nil

Sr No	Item code	Name of item	Period	Stock
13	2066	Gentamicine 80 mg Inj.	01-04-05 to 12-04-05	Nil
			31-08-05 to 13-09-05	Nil
			30-11-05 to 25-12-05	Nil
			31-07-07 to 21-08-07	Nil
			31-05-08 to 12-06-08	Nil
			31-07-08 to 26-11-08	Nil
			28-02-10 to 19-03-10	Nil
14	2079	Hydro Sodi Suci 100 mg Inj	01-04-05 to 28-06-05	Nil
			31-08-05 to 21-09-05	Nil
			30-11-05 to 29-01-06	Nil
			01-04-06 to 23-05-06	Nil
			30-06-07 to 31-08-07	Nil
			31-10-07 to 05-11-07	Nil
			29-02-08 to 10-03-08	Nil
			31-01-09 to 04-03-09	Nil
30-06-09 to 31-03-10	Nil			
15	2080	Insulin human zinc	01-04-05 to 16-05-05	Nil
			31-12-05 to 31-03-10	Nil
16	2081	Insulin plain	01-04-05 to 22-06-05	Nil
			31-10-05 to 07-12-05	Nil
			01-04-06 to 31-03-10	Nil
17	2083	Insulin zinc (Borine) 400 U Inj.	01-04-05 to 22-06-05	Nil
			01-04-06 to 31-03-10	Nil
18	2183	Insulin Human (70:30)	31-12-06 to 09-01-08	Nil
19	2184	Insulin Human Mono compound	01-04-06 to 19-04-06	Nil
			30-11-06 to 17-10-07	Nil
20	2154	Inj. Streptokinase	01-04-05 to 31-03-06	Nil
			01-04-06 to 30-05-06	Nil
			31-12-06 to 13-06-07	Nil
			30-06-08 to 30-01-09	Nil
			31-05-09 to 24-03-10	Nil
21	2122	Neostigmine Inj	31-10-05 to 31-03-06	Nil
			01-04-06 to 28-05-06	Nil
			31-07-07 to 26-08-07	Nil
22	2107	Mephentermine Inj	31-10-05 to 31-03-06	Nil
			01-04-06 to 17-05-06	Nil
			31-12-07 to 31-03-08	Nil
			01-04-08 to 31-03-09	Nil
			01-04-09 to 31-03-10	Nil
23	2135	Pralidoxime Chlor. 1 mg Inj	31-07-05 to 16-09-05	Nil
			30-04-06 to 23-08-06	Nil
			31-07-08 to 24-11-08	Nil
24	2160	Tetanus Immuno (Human) Inj	01-04-05 to 31-03-06	Nil
			01-04-06 to 05-06-06	Nil
			30-10-08 to 31-03-09	Nil
			01-04-09 to 31-03-10	Nil
25	2162	Tetanus Toxid (Adsor) Inj	01-04-05 to 31-03-06	Nil
			01-04-06 to 31-03-07	Nil
			01-04-07 to 28-09-07	Nil
			31-10-08 to 31-03-09	Nil
			01-04-09 to 31-03-10	Nil

(Source: Statement prepared from the stock records of CMSO)

APPENDIX - XIII

Statement showing outstanding recoveries in respect of sub-standard drugs

(Reference : Paragraph 1.3.8.3; Page 49)

Sr No	Year	Amount to be recovered (₹)
1	1995-96	9848
2	1996-97	301654
3	1997-98	138852
4	1998-99	164758
5	1999-2000	41314
6	2000-01	333176
7	2001-02	276668
8	2002-03	308139
9	2003-04	953921
10	2004-05	1056104
11	2005-06	721240
12	2006-07	1880689
13	2007-08	460591
14	2008-09	1516363
15	2009-10	2257172
	Total	10420489

(Source: Information provided by CMSO)

APPENDIX – XIV

Table showing analysis of samples of medicines by Drug Testing Laboratory, Vadodara

(Reference : Paragraph 1.3.8.5; Page 50)

2005-06			2006-07			2007-08			2008-09		
Sample taken	Report received	Days taken for analysing sample	Sample taken	Report received	Days taken for analysing sample	Sample taken	Report received	Days taken for analysing sample	Sample taken	Report received	Days taken for analysing sample
17/05/2004	07/04/2005	326	10/03/2005	07/04/2006	394	22/1/2007	29/02/2008	403	22/01/2007	10/04/2008	445
22/6/2004	08/04/2005	291	30/03/2005	07/04/2006	374	25/07/2006	17/04/2007	266	06/03/2007	16/04/2008	407
24/6/2004	07/04/2005	288	04/01/2005	12/04/2006	464	05/10/2006	11/04/2007	251	06/03/2007	11/04/2008	402
24/6/2004	07/04/2005	288	30/03/2005	12/04/2006	379	19/10/2006	17/04/2007	219	05/05/2007	11/04/2008	343
17/7/2004	08/04/2005	266	02/04/2005	12/04/2006	376	12/09/2006	11/05/2007	242	27/04/2007	19/04/2008	358
29/7/2004	07/04/2005	253	05/01/2005	18/04/2006	468	15/11/2006	18/05/2007	185	16/03/2007	23/04/2008	404
08/03/2004	07/04/2005	396	30/03/2005	18/04/2006	384	23/11/2006	22/5/2007	180	03/04/2007	23/04/2008	386
23/08/2004	08/04/2005	229	02/05/2005	18/04/2006	351	15/05/2006	28/05/2007	378	11/06/2007	23/04/2008	317
23/08/2004	07/04/2005	228	12/05/2005	18/04/2006	342	23/11/2006	28/05/2007	186	25/06/2007	23/4/2008	303
22/06/2004	13/04/2005	296	04/02/2005	19/04/2006	440	08/08/2006	31/05/2007	296	12/07/2007	23/04/2008	287

(Source: statement prepared from the information provided by Commissioner, FDCA)

APPENDIX - XV

Statement showing year-wise details of single offers/single technically qualified offers finalised for purchase of equipment

(Reference : Paragraph 1.3.9.3; Page 53)

Year	Total number of tenders	Single offer	Value of single offer (₹ in crore)	Single technically qualified offer	Value of single technically qualified offer (₹ in crore)	Total value of all tenders	Value of single tenders (₹ in crore)	Percentage value to single tenders over total value
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (4+6)	(9)
2005-06	114	5	0.22	16	2.09	27.75	2.31	8
2006-07	122	21	3.13	18	2.38	13.71	5.51	40
2007-08	95	15	1.88	28	10.26	26.02	12.14	47
2008-09	57	8	0.63	15	4.31	11.01	4.94	45
2009-10	122	40	4.05	29	9.41	25.66	13.46	52
Total	510	89	9.91	106	28.45	104.15	38.36	37

(Source: statement prepared from the acceptance of tender register of CMSO)

APPENDIX - XVI
Status of User Acceptance Specification Reports (UASR)
(Reference : Paragraph 1.4.10.1; Page 62)

Sr. No.	Appln. No.	Name of Department	Application Name
USAR not approved by the user			
1	76	Energy and Petrochemicals	Application for Monitoring of the Energy Supply Status in the State
2	239	Narmada Water Resources, Water Supply and Kalpasar	Admin Screens for Project Progress monitoring
3	259	Panchayat, Rural Housing and Rural Development	Working related to pending proposals of bifurcation of gram panchayat and group gram panchayat
USAR approved in absence of approved URS			
1	3	Agriculture and Co-operation	Admin Screens for Entering the Details into the Institute Master
2	4	Agriculture and Co-operation	Permissions for accepting money from Public Trust as Deposits
3	6	Agriculture and Co-operation	Contact Details, Government Facility and Bill Amount Eligibility of Class-I Agriculture officers of HoDs
4.	7	Agriculture and Co-operation	Personal and Passport Details of Class-I Agriculture Officers of HODs
5.	8	Agriculture and Co-operation	Posting Details of Class- I Agriculture officers of HoDs
6.	9	Agriculture and Co-operation	Training Details of Class-I Agriculture Officers of HODs
7	10	Agriculture and Co-operation	Confidential Report Details of Class-I Agriculture officer of HoDs
8	11	Chief Minister Office	Physical file Tracking Application
9	32	Chief Minister Office	MP/MLA - Basic info capturing (Inwarding letters/references, thereafter scanning the same and forwarding to the concerned department and concerned MP/MLA.)
10	33	Chief Minister Office	MP/MLA - Advance Search Facility
11	34	Chief Minister Office	MP/MLA - Statistical and Detailed Analysis
12	35	Chief Minister Office	MP/MLA - Admin Utilities
13	43	Chief Minister Office	CM's Desk - Basic Info Data Capturing Form
14	44	Chief Minister Office	CM's Desk - Advance Customised Search
15	45	Chief Minister Office	CM's Desk -Detailed Report
16	46	Chief Minister Office	CM's Desk -Drafts
17	47	Chief Minister Office	CM's Desk -Statistical Report
18	48	Chief Minister Office	CM's Desk - Admin Security Utility
19	56	Development Commissionerate	DDO Diary 8
20	57	Development Commissionerate	Complain Management System
21	60	Education	Monitoring of Nirmal Gujarat Drive in Secondary and Higher Secondary Schools
22	61	Education	NOC -Teacher Details Application
23	62	Education	NOC-Student and Class Details
24	63	Education	NOC - Reason Of Availability
25	64	Education	NOC - Workload Entry A Application
26	65	Education	NOC- Teacher Workload Details
27	66	Education	NOC-Workload Entry C Application
28	67	Education	NOC- Standard and Subject Application
29	70	Education	Student Statistics Detail
30	71	Education	DEO Meeting Agenda
31	74	Education	Teacher Statistics Detail
32	75	Education	Cost Statistics Detail
33	79	Finance	Delegation of Power
34	80	Finance	Management of Consolidated Sinking Fund
35	81	Finance	Management of Guarantee Redemption Fund
36	82	Finance	State Government Guarantee
37	83	Finance	Consolidation of Revenue Receipt (Jodan Report)
38	84	Finance	Management of Contingency Fund

Sr. No.	Appln. No.	Name of Department	Application Name
39	85	Finance	Budget Guidelines
40	86	Finance	Expenditure Estimates for Standing Charges
41	87	Finance	Expenditure Estimates for Section I New Item and Section II (Coming for First Time) New Items
42	88	Finance	Expenditure Estimates for Section II (Continuous) New Item
43	89	Finance	Expenditure Estimates for Section I/II (Coming for the first time) New Work
44	90	Finance	Section II (Continuous) for Work in Progress.
45	91	Finance	Expenditure Estimates under Standing Charges for grants-in-aid.
46	92	Finance	Receipt Estimates
47	93	Finance	Revised Receipt Estimates
48	94	Finance	Revised Expenditure Estimates
49	95	Finance	Preparation of Supplementary Demand
50	96	Finance	Reappropriation and Surrender of Savings
51	97	Finance	Management of Institutional Loans
52	98	Finance	Management of Market Loans
53	99	Finance	Management of NSSF Loans
54	101	Food and Civil Supplies	Prevention of Black Marketing Case Register
55	102	Food and Civil Supplies	Infobase of Dealers
56	103	Forests and Environment	Establishment of IFS Officers - Personal Details
57	104	Forests and Environment	Establishment of IFS Officers –Court Case Details
58	105	Forests and Environment	Establishment of IFS Officers –Training Details
59	106	Forests and Environment	Establishment of IFS Officers –Deputation Details
60	107	Forests and Environment	Establishment of IFS Officers –Loan Details
61	108	Forests and Environment	Establishment of IFS Officers –Posting Details
62	109	Forests and Environment	Establishment of IFS Officers –GPF Withdrawal Details
63	110	Forests and Environment	Establishment of IFS Officers –Passport Details
64	111	Forests and Environment	Establishment of IFS Officers - Leave Details
65	112	Forests and Environment	Establishment of IFS Officers –Suspension Details
66	113	Forests and Environment	Establishment of IFS Officers –IFS Generalised Report
67	114	Forests and Environment	Establishment of IFS Officers –Confidential Report Grading Details
68	120	GAD ARTD	Chintan Shibir
69	121	GAD ARTD	Right to Information
70	122	GAD-Election office	Application for Inventory Management for Election Equipment
71	123	GAD-NRI	Application for Creation and Maintenance of NRI/NRG Database
72	124	GAD-NRI	Application for Creation and Maintenance of Gujarat Cards Database
73	125	GAD-NRI	Application for Creation and Maintenance of Gujarat Samaj
74	126	GAD-NRI	Application for Allocation of Grant to Gujarat Samaj
75	127	GAD-Personnel	Application for Establishment of IAS Officers
76	128	GAD-Personnel	Application for Establishment of GAS Officers
77	129	GAD-Planning	Formulation of 20 Point Programme (Other Department))
78	132	GAD-Planning	Monitoring 20 Point Programme
79	137	GAD-Planning	Formulation of ADP (Annual Development Plan) -Annexure I: Scheme wise Outlay
80	149	GAD-Planning	ADP - Physical Target Item management and item mapping (SCSP, TASP, WC)
81	151	GAD-Planning	ADP - Scheme Administration
82	156	GAD-Planning	ADP- Sector, Sub sector and minor head administration
83	157	GAD-Planning	ADP- Sector, Sub sector wise outlay
84	158	Health and Family Welfare Commissionerate	Adhoc Appointment
85	159	Health and Family Welfare Commissionerate	Tikoo Commission Application
86	160	Home	Establishment of GPS Officers –Confidential Report

Sr. No.	Appln. No.	Name of Department	Application Name
87	161	Home	Establishment of GPS Officers –Posting Information
88	162	Home	Establishment of GPS Officers –Suspension Details
89	163	Home	Establishment of IPS Officers –Confidential Report
90	164	Home	Establishment of IPS Officers – Court Case Details
91	165	Home	Establishment of IPS Officers –Deputation Details
92	166	Home	Establishment of IPS Officers –GPF Withdrawal
93	167	Home	Establishment of IPS Officers –Leave Details
94	168	Home	Establishment of IPS Officers –Loan Details
95	169	Home	Establishment of IPS Officers –Passport Details
96	170	Home	Establishment of IPS Officers –Personal Information
97	171	Home	Establishment of IPS Officers –Posting Details
98	172	Home	Establishment of IPS Officers –Suspension Details
99	173	Home	Establishment of IPS Officers –Training Details
100	176	Home	Establishment of IPS Officers –IPS Transfer
101	177	Home	Establishment of IPS Officers –ACR Details
102	178	Home	Establishment of IPS Officers –ACR Tracking
103	180	Home	VC-Applicant Details
104	181	Home	VC-Accused Details
105	182	Home	VC - Report Received / Tracking details
106	183	Home	VC - Recommendation details by Vigilance Commissioner / Secretary / Chief Engineer / US
107	184	Home	Details of Action and Final Outcome of cases
108	187	Home	VC - Complain Application Received and Actions taken during the Current Year
109	188	Home	Enquiry of Complains
110	189	Home	Reference Cases
111	190	Home	Recommendations by GVC
112	191	Home	Details of Accused Officer / Staff Recommended by GVC
113	192	Home	Action taken by GVC on Complains Received (Department / Board / Corporation wise)
114	193	Home	Pending Preliminary Enquiry Cases (Department / Board / Corporation wise)
115	194	Home	Action suggested by GVC on Enquiry Reports (Department / Board / Corporation wise)
116	195	Home	Action taken by departments / Board / Corporations on recommendations of GVC
117	196	Home	Details of action taken on Action recommended by GVC (Department / Board / Corporation wise)
118	197	Home	Comparative statement of Complains received in last five years
119	198	Home	Action taken; Suggested by GVC on Reference cases received (Department / Board / Corporation wise)
120	199	Home	Reference cases pending with GVC for further Details (Department / Board / Corporation wise)
121	200	Home	Cases Received for officers and government servants during month of their Retirement (Department / Board / Corporation wise)
122	201	Home	Details of delay of retirement cases
123	202	Home	Action taken by Department / Board / Corporation under IPC and PC Act for recommendation given by GVC
124	214	Industries and Mines	IMS - MOU Detail Management
125	215	Industries and Mines	IMS - Project detail management
126	216	Industries and Mines	IMS - Issue Register
127	217	Industries and Mines	IMS - Application Register
128	218	Industries and Mines	IMS - Minutes of meeting
129	219	Industries and Mines	IMS - Milestone management
130	220	Industries and Mines	IMS - Emailing Utility

Sr. No.	Appln. No.	Name of Department	Application Name
131	221	Industries and Mines	IMS - Email Exception Handling
132	222	Industries and Mines	IMS - Auto Email Categorization
133	223	Industries and Mines	IMS - Email Scheduler
134	224	Industries and Mines	IMS - Advance Search Utility
135	225	Industries and Mines	IMS - Administrative Utilities
136	226	Industries and Mines	IMS - Excel Utility
137	227	Industries and Mines	IMS - Preformatted Drafts
138	228	Industries and Mines	IMS - Summary Analysis
139	229	Industries and Mines	IMS - Detailed Analysis
140	230	Industries and Mines	IMS - Decision Tracking
141	231	Industries and Mines	IMS - Access Based controls
142	232	Information and Broadcasting	Monitoring of grant of Accreditation facilities to press conference/ Journalist
143	233	Information and Broadcasting	Processing of monthly and outstanding statement for Luxury and entertainment tax
144	234	Legal	Monitoring of Civil Court Cases
145	235	Legal	Monitoring of Criminal Court Cases
146	248	Narmada, Water Resources, Water Supply and Kalpasar	Appointment of Member Secretary - GWSSB
147	249	Narmada, Water Resources, Water Supply and Kalpasar	Processing of Primary Enquiry against staff of GWSSB
148	266	Revenue	Conversion of Land from New tenure to Old tenure
149	269	Revenue	Monitoring of State rainfall
150	270	Revenue	Monitoring of Encroachment on Government Land
151	271	Revenue	Collector Diary -Tour Diary
152	272	Revenue	Collectors Diary - Monthly Diary
153	273	Revenue	Collector's Diary - Patraks 1,2,3,5
154	274	Revenue	Collector's Diary - Patraks 4,6,7,8
155	275	Revenue	Collector's Diary - Patraks 9,10,11,12
156	276	Revenue	Collector's Diary - Patraks 13,14,15,16
157	277	Revenue	Collector's Diary - Patraks 17,19,20,21
158	278	Revenue	Collectors Diary - Patraks 17,22,23,24,25
159	279	Revenue	Collectors Diary – Patraks 26,27,28,29,30
160	280	Revenue	Collectors Diary - Patraks 31 ,32,33,34
161	281	Revenue	Collector Diary - Patrak 35, Evaluation Page
162	286	Revenue	Personal Information System application for Mamlatdar Cadre Officers
163	289	Roads and Building	Offices, Seniority, Post, Designation Based Monitoring using Graphical reports for AAE, AE and Overseers
164	301	Science and Technology	SICN Telephone Facility
165	302	Social Justice and Empowerment	Maintenance of Roster Registry (OD)
166	303	Social Justice and Empowerment	Maintenance of Roster Registry (SJED)
167	304	Sport, Youth and Cultural Activities	Application for facilitating the decision of the Mahaveer Jeevdaya Award
UASR Approved in absence of URS			
1	19	Chief Minister Office	CM Relief Fund - Value Added Features (Auto dispatch, Batch dispatch, smart upload, batch printing)
2	20	Chief Minister Office	Jilla Pravas - Basic info Capturing
3	21	Chief Minister Office	Jilla Pravas - Advance search
4	22	Chief Minister Office	Jilla Pravas - Statistical analysis.
5	23	Chief Minister Office	Jilla Pravas - Detailed analysis
6	24	Chief Minister Office	Jilla Pravas - Preformatted drafts
7	25	Chief Minister Office	Grievance Tracking - Basic info Capturing
8	26	Chief Minister Office	Grievance Tracking - Advance Search Engine

Sr. No.	Appln. No.	Name of Department	Application Name
9	27	Chief Minister Office	Grievance Tracking - Statistical Analysis
10	28	Chief Minister Office	Grievance Tracking - Detailed Analysis
11	29	Chief Minister Office	Grievance Tracking - Preformatted Drafts
12	30	Chief Minister Office	Grievance Tracking - Admin Utilities
13	31	Chief Minister Office	Grievance Tracking - Value added features in Grievance ('Auto dispatch, smart upload)
14	36	Chief Minister Office	Appointment Scheduler - Schedule Capturing
15	37	Chief Minister Office	Appointment Scheduler - Schedule Calendar (Daily, Weekly, Monthly)
16	38	Chief Minister Office	Appointment Scheduler - Address book
17	39	Chief Minister Office	Appointment Scheduler - Call register
18	40	Chief Minister Office	Appointment Scheduler - Statistical Analysis of Various Programmers
19	41	Chief Minister Office	Appointment Scheduler - Detailed Analysis of Various Programmes
20	42	Chief Minister Office	Appointment Scheduler - Admin Utilities
21	68	Education	NOC- Standard Wise Work Load Details Application
22	69	Education	School Statistics Detail
23	72	Education	NOC-Entry Application
24	73	Education	Class Statistics Detail
25	100	Food and Civil Supplies	Scheme Tracking Report
26	115	Forest and Environment	Establishment of IFS Officers –Confidential Report File Details
27	116	Forest and Environment	Establishment of IFS Officers –Confidential Report Adverse File Details
28	118	GAD-ARTD	Application for Lok Fariyad
29	138	GAD-Planning	Formulation of ADP(Annual Development Plan) -GN Statement C proposed outlay (Rural and Urban local body)
30	139	GAD-Planning	ADP - GN Statement A - Proposed outlays
31	140	GAD-Planning	ADP - GN Statement B - Proposed outlays (State Budget/PSE/local bodies)
32	141	GAD-Planning	ADP - Annexure- III - Externally Aided Projects
33	142	GAD-Planning	ADP - Annexure- V - Centrally Sponsored Schemes
34	143	GAD-Planning	ADP - Annexure- IV - Bharat Nirman Programme
35	144	GAD-Planning	ADP - Annexure VII-A - Financial Outlay for SCSP Scheme
36	145	GAD-Planning	ADP - Annexure IX-A - Financial Outlay for WC Scheme
37	146	GAD-Planning	ADP - Annexure VI-A - Financial Outlay for TASP Scheme
38	147	GAD-Planning	ADP - Sub-sector-wise five year plan outlay
39	148	GAD-Planning	ADP - Scheme-wise five year plan outlay
40	150	GAD-Planning	ADP - Physical Targets and Achievements for five year plan (SCSP, TASP, WC)
41	152	GAD-Planning	ADP- Scheme wise five year plan outlay (for TASP,SCSP,WC Schemes)
42	153	GAD-Planning	ADP-Physical Targets and achievement for five year plan
43	154	GAD-Planning	ADP-Physical Targets and achievement(SCSP,TASP,WC)
44	155	GAD-Planning	ADP-Annexure-II-Physical Targets and achievement
45	179	Home	Vigilance Commission- Details of Correspondence/Decision
46	185	Home	VC Complainer Report
47	186	Home	VC Report
48	203	Home	Recommendation by GVC for Criminal Procedure under IPC and PC Act (Department / Board / Corporation wise)
49	204	Home	Recommendation by GVC under IPC Act and PC Act (Department / Board / Corporation wise)
50	205	Home	Report showing 2nd stage Consultancy Detail (Department / Board / Corporation wise)
51	206	Home	Punishment ordered by Department / Board / Corporation wise against recommendation made by GVC
52	207	Industries and Mines	DAS - Online survey form
53	208	Industries and Mines	DAS - Linking photographs and physical scanned copy of with application

Sr. No.	Appln. No.	Name of Department	Application Name
54	209	Industries and Mines	DAS - Management information system and generating certificate for individual
55	210	Industries and Mines	DAS - Customized search engine
56	211	Industries and Mines	DAS - Master maintenance applications
57	212	Industries and Mines	DAS - Admin/Security Utilities
58	213	Industries and Mines	DAS - Grievance handling system
59	282	Revenue	Processing of MP MLA References Cases
60	283	Revenue	MP MLA References Analysis (Reports)
61	284	Revenue	Processing of Chief Minister Relief Fund Cases
62	285	Revenue	Chief Minister Relief Fund Analysis (Reports)
63	287	Roads and Building	Defining and Updating Sanctioned Posts and Office Hierarchies of AAE, AE and Overseers
64	288	Roads and Building	Personal , Education, Training and First Posting Details of AAE, AE and Overseers

APPENDIX-XVII

List of “Department-specific applications” treated as “Common Applications”

(Reference : Paragraph 1.4.13; Page 69)

Sr. No.	Sr. No. of Application mentioned in the list provided by TCS for Department Specific Applications	Title of the Department Specific Application	Name of the Department
1.	256*	Compassionate Appointment	Panchayat and Rural Housing
2.	53*	Compassionate Appointment	Development Commissionarate
3.	262*	Suspension order information	Panchayat and Rural Housing
4.	257*	Departmental Inquiry Status and Information	
5.	260*	Preliminary Inquiry Information	
6.	261*	Pre-Preliminary Inquiry Information	
7.	264*	Prosecution Order Information	
8.	265**	Working related Appeal and Revision	Panchayat and Rural Housing
9.	1**		Agriculture and Co-operation
10.	247**		Narmada Water Resources and Kalpsar
11.	49**		Development Commisionrate
12.	283*		MP MLA References Analysis (Reports)
13.	282*	Processing of MP/MLA reference cases	Revenue
14.	32*		C.M. Office
15.	54*		Development Commisionrate
16.	284*	Chief Minister Relief Fund Analysis (Reports)	C.M. Office
17.	285*	C.M. Relief Fund Analysis	Revenue
18.	16*		C.M. Office
19.	287*	Defining and Updating Sanctioned Posts and Office Hierarchies of AAE, AE and Overseers	Road and Buildings
20.	297*	Defining and Updating Sanctioned Posts and Office Hierarchies of DEE	
21.	298*	Defining and Updating Sanctioned Posts and Office Hierarchies of SE and EE	
22.	288**	Personal, Education, Training and First Posting Details of AAE, AE and Overseers	
23.	295**	Personal, Education, Training and First Posting Details of DEE	
24.	296**	Personal, Education, Training and First Posting Details of SE, EE	
25.	289*	Officers, Seniority, Post, Designation Based Monitoring using Graphical reports for AAE, AE and Overseers	
26.	290*	Officers, Seniority, Post, Designation Based Monitoring using Graphical reports for DEE	
27.	294*	Officers, Seniority, Post, Designation Based Monitoring using Graphical reports for SE and EE	
28.	293*	Detailed tree structure with Post details of AAE, AE and Overseers	
29.	291*	Detailed tree structure with Post details of DEE	
30.	292*	Detailed tree structure with Post details of SE and EE	

Sr. No.	Sr. No. of Application mentioned in the list provided by TCS for Department Specific Applications	Title of the Department Specific Application	Name of the Department
31.	6*	Contact details, Govt. Facility and Bill Amount eligibility of Class-I Agriculture Officer	Agriculture and Co-operation
32.	7*	Personal and Passport Details of Class-I Agriculture officers	
33.	9**	Training Details of Class-I Agriculture Officer	
34.	10*	Confidential Report	
35.	50**	Audit Paras	Development Commissionarate
36.	57*	Complaint Management System	
Establishment of IFS			
37.	103**	Personal Details	Forest and Environment
38.	105**	Training Details	
39.	106**	Deputation Details	
40.	108**	Posting Details	
41.	107*	Loan Details	
42.	109**	GPF Withdrawal	
43.	110*	Passport Details	
44.	111**	Leave Details	
45.	112**	Suspension Details	
46.	114*	Confidential Report- Grading Details	
47.	115*	Confidential Report- File Details	
48.	116*	Confidential Report- Adverse File Details	
49.	104**	Court Case	
50.	113**	Generalized Report	
Establishment of IPS			
51.	170**	Personal Details	Home
52.	173**	Training Details	
53.	165**	Deputation Details	
54.	171**	Posting Details	
55.	168*	Loan Details	
56.	166**	GPF Withdrawal	
57.	169*	Passport Details	
58.	167**	Leave Details	
59.	172**	Suspension Details	
60.	163*	Confidential Report	
61.	164**	Court Case	
62.	176*	IPS Transfer	
63.	177*	ACR Details	
64.	178*	ACR Tracking	
Establishment of GPS			
65.	160*	Confidential Report	Industries and Mines
66.	161**	Posting Details	
67.	162**	Suspension Details	
68.	226*	Excel Utility	

Sr. No.	Sr. No. of Application mentioned in the list provided by TCS for Department Specific Applications	Title of the Department Specific Application	Name of the Department
69.	237*	Excel Utility	Narmada Water Resources and Kalpsar
70.	121*	Right to Information	GAD (ARTD)
71.	120*	Chintan Shibir	
72.	117*	Application for Citizen Charter	
73.	118*	Application for Lock Fariyads	
74.	86**	Expenditure estimates for standing charges	Finance
75.	87**	Expenditure estimates for Section I New Item and Section II (Coming for first time) New Items.	
76.	88**	Expenditure estimates for Section II (continuous) New Items	
77.	89**	Expenditure estimates for Section I/II (coming for the first time) New work	
78.	90**	Section-II (Continuous) for work in progress.	
79.	91**	Expenditure estimates under standing charges for grants-in-aid	
80.	92**	Receipt estimates	
81.	93**	Revised receipt estimates.	
82.	94**	Revised Expenditure estimates	
83.	95**	Preparation of Supplementary Demand	
84.	96**	Re-appropriation and surrender of Savings.	
85.	158*	Adhoc Appointment	Health and Family Welfare
86.	249*	Processing of Primary inquiry against staff of GWSSB	Narmada Water Resouces, Water Supply and Kalpsar
87.	286*	Personal Information System for Mamlatdar Cadre Officers	Revenue
88.	127**	Application for Establishment of IAS Officers	GAD-Personal
89.	128**	Application for Establishment of GAS Officers	

* 48 such applications which were not Department Specific and can be included as “Common Applications”.

** 41 such applications were Common in nature and were included in the list of “Common Application”

APPENDIX - XVIII
Statement showing estimated unit cost of each District Computer Training Centre
(Reference : Paragraph 2.2.1; Page 74)

Sr. No.	Item	Estimated expenditure (₹ in lakh)
1	Computer Hardware (50 computers) P4 with window 2003 STD Server 2 UPS online / offline	22.00
2	Printers (6-Laser Printers)	0.90
3	2 Scanners, CD writer, CAL and any other peripheral hardware	0.60
4	Full furnished Computer room (with furniture, LAN, other primary necessities)	6.00
5	Internet connectivity	0.50
6	Educational Software	3.30
7	Stationery/Library (soft/book)/contingency	3.00
8	Centre set up running costs (including pay and allowances of employees + hardware maintenance + telephone, electricity and other daily using services)	4.75
9	Water cooler	0.20
10	K-YAN with screen	1.75
	Total	43.00

Per Centre Expenditure – ₹43.00 lakh
No. of Centres – 25
Total Expenditure – ₹10.75 crore

APPENDIX - XIX

Statement of excess payments due to price variation on asphalt

(Reference : Paragraph 2.2.5; Page 80)

Sr. No.	Name of the Work	Agency and Agreement No.	Date of Work- order Date of Completion	Quantity of Asphalt Consumed (in MT)	Excess paid PV as per statement (₹)	Name of Division IOCL rate range (Ex-refinery rate range)
1	SR to Khambhalia Advana Porbandar road SH No. 28Km 43/2 to 54/0	M/s Tacon Infrastructure Pvt. Ltd. B2/40 08-09.	<u>29/12/08</u> 28/12/09	447.145 HPCL	10,18,381	R and B Divison, Jamnagar ₹1201 to 2403
2	Khambhalia Lalpur road Km 0/0 to 9/8	M/s Tacon Infrastructure Pvt. Ltd. B2/45 08-09	<u>17/1/09</u> 16/10/09	286.809 HPCL	6,69,518	-----do----- ₹1201 to 2403
3	Vikaspeth III, widening and strengthening of Padmala-Ranoli Road Km 0/0 to 5/0	M/s Shivam Construction Vadodara. B2/43 08-09.	<u>17/12/08</u> 16/11/09 completed 25/7/09	218.631 HPCL	4,99,674	City R and B Division, Vadodara ₹1970 to 2403
4	Strengthening of Jhagadia - Valia road Km 0/0 to 19/2	M/s K. D. Sons Kosamba B2/29 08-09.	<u>24/11/08</u> 23/10/09 completed 15/5/09	323.205 Vinergy 59.38 BPCL 93.90 HPCL 169.925	6,27,304	R and B Division, Bharuch ₹742 to 2403
5	Strengthening and Widening Valia – Siludi Road 0/0 to 19/0	M/s Digvijay Const. Pvt. Ltd. B2/31 of 07-08.	<u>18/9/07</u> 17/8/08 completed 4/12/08	478.011 BPCL	4,50,532	-----do----- ₹742 to 1649
6	Upgradation of Dediapada – Sagbara Road	Digvijay Const. Co. B2/1 of 07-08.	<u>5/10/07</u> 4/4/09	460.180 BPCL	9,49,332	R and B Division, Rajpipla ₹411 to 1944
7	Movi – Dediapada Road Km 0/0to 17/800	Digvijay Const. Co. B2/3 of 07-08.	<u>15/10/07</u> 14/4/09 completed 15/1/09	809.675 BPCL	6,06,624	R and B Division, Rajpipla ₹742 to1105
8	SR to Fulki – Patdi – Kharaghoda Road Km 25/0 to 32/0 Section Odu – Kharaghoda	M/s Varun Construction Co. Mehsana B2/51 of 08-09.	<u>23/12/08</u> 22/6/09 completed 18/4/09	235.695 HPCL	4,22,322	R and B Division, Surendranagar ₹1202 to 2405
Total					52,43,687	

HPCL 1358.205 MT
BPCL 1841.766 MT
Vinergy 59.38 MT
3259.351 MT

APPENDIX -XX

(A) Statement showing extra items executed

(Reference : Paragraph 2.3.4; Page 85)

Sr. No.	Item No..	Quantity executed	Description	Rate	Unit	Amount (₹)
Sports complex at Godhra						
1	1	5.000	Gun metal check or nor return full way whell valve 40 mm dia	735.81	Nos.	3679.05
2	2	4.000	Gun metal check or nor return full way whell valve 25 mm dia	454.58	Nos.	1818.32
3	1	7.00	Gun metal check or nor return full way whell valve 50 mm dia	890.00	Nos.	6230.00
4	2	90.33	Moulding pencil tiles of average 20 mm thick	45.45	Rmt	4105.49
5	3	42.00	Fency stopper 15 cms length forr doors and windows	151.50	Nos.	6363.00
6	1	4635.39	Excavation for Foundation upto 1.5 m depth including sorting out and stacking of useful materials and disposing of the excavated stuff	208.99	Cum	968750.15
7	2	0.00	Excavation for Foundation upto 1.5 m depth including sorting out and stacking of useful materials and disposing of the excavated stuff	261.96	Cum	0.00
8	3	222.958	Providing and laying controlled cement concrete m-250 and curing completed including the cost of framework and excluding the cost of reinforcement for reinforced concrete work in (A) Foundations, footings base of columns and mass concrete	2496.16	Cum	556538.84
9	4	314.67	Providing and laying controlled cement concrete m-250 and curing completed including the cost of framework and excluding the cost of reinforcement for reinforced concrete work in (A) Foundations, footings base of columns and mass concrete	3936.19	Cum	1238600.90
10	5	29.563	Providing and laying controlled cement concrete m-250 and curing completed including the cost of framework and excluding the cost of reinforcement for reinforced concrete work in columns (3) having cross sectional Area more than 0.12 sqmt and upto 0.18 sqmt	3555.57	Cum	105113.31
11	6	45.37	Providing and laying controlled cement concrete M-250 and curing complete the lcost of form work and excluding the cost of reinforcement for reinforced concrete work in RCC wall	4184.02	Cum	189828.98
12	7	486.22	Providing and laying controlled cement concrete M-250 and curing complete the lcost of form work and excluding the cost of reinforcement for reinforced concrete work in RCC wall	6040.00	Cum	2936768.80
13	8	23933.505	Rolling and watering at earthwork in layers with vibratory roller	3.23	Cum	77305.22
14	9	240.00	Providing upto floor two level precast cement concrete jail or grill 1:2:4 (1 cement :2 coarse sand : 4 graded stone aggregate 6 mm nominal size)	353.46	Sqm	84830.40
15	10	1100.00	Providing and fixing precast cement concrete kerbing block of C.C.	192.36	Nos.	211596.00
16	11	8000.00	Providing and fixing PVC cylindrical water tank with top cover and necessary G.I. fitting over flow pipe ball valve and washout pipe, nipple clamp etc.	6.31	Litre	50480.00
17	12	825.00	Providing trimix process labour charges for trimix (vaccum dewatering service) process on c.c. road surface	95.00	Sqm	78375.00
18	13	79.91	Providing and laying controller cement concret M-250 and curing complete the cost of form work and excluding the cost of reinforcement for reinforced concrete work in RCC beam (3) having cross section area more than 0.12 sqmt and upto 0.18 sqm	3555.57	Cum	284125.59
19	14	--	--	--	--	00
20	15	86.00	Fency handle for doors, windows, cupboards	252.50	Nos.	21715.00
21	16	42.00	Fency aldrep 20 mm dia size, with necessary fitting	555.50	Nos.	23331.00
22	17	8126.78	Finishing wall with apex exterior paint on wall surface three coats to give an even shade	78.78	Sqm	640227.72
23	18	4479.08	Providing white putty equivalent cement based of required thickness	13.90	Sqm	62259.21
24	19	2098.35	Labour charges for V-Grooves between concrete and brick walls etc. and finishing, curing, watering complete	18.18	Rmt	38148.00
25	20 and new 18	700.00	Providing and fixing polyurethane bonded synthetic floor with primer coating and sealing treatment of dynasport or teraflex	3297.86	Sqm	2308502.00
		129.09		3297.00	Sqm	425609.73
		829.09				0
26	21	70.00	Drilling 150 mm dia bore in over burden strata including towearing and fixing of ERW u PVC pipes upto required depth and further drilling of bore hole in rocky strate by DTH rig including fitting of bore plug	252.50	Rmt	17675.00

Audit Report No. 2 (Civil) for the year ended 31 March 2010

Sr. No.	Item No..	Quantity executed	Description	Rate	Unit	Amount (₹)
27	22	18.25	Providing and fixing in standard length ISI mark rigid uplacticities PVC pipes suitable for potable water with solvents cement joints	1010.00	Rmt	18432.50
28	23	2.00	Providing and fixing single phase submersible pump motor set of 3 HP and discharges of 40 ltrs. Minute and head upto 100 mm	22220.00	Nos.	44440.00
29	24	299.65	Supplying and fixing std. length ISI mark high density polythene HDPE pipes suitable for potable water as per ISSP No.4988/1995	90.90	Rmt	27238.18
30	25	0.00	Providing and fixing approved brand type colour wash basin with single hole for pillar tap	2525.00	Nos.	0.00
31	26	1766.00	Providing and fixing cast iron Rajwadi Gate as per drawing i/c. cutting, welding fabricating and fixing in position with removing old gate and providing new gate with necessary masonry / concrete / plaster i/c. three coats of oil painting and necessary fitting	80.80	Kg.	142692.80
32	27	14.06	Providing and fixing in position collapsible steel shutter with vertical channels	3257.20	Sqm	45796.23
33	28	490.00	Providing and fixing MS Grills of required pattern to wooden frames of windows etc.	86.68	Kg.	42473.20
34	29	33.77	Providing 3.0 mm unbreakable polycarbonate area name and indication board both side with 3 m vinylcut lettering over facia of required colour and shade	12120.00	Sqm.	409292.40
35	30	496.09	Providing land scaping with necessary Austrian loan plants, fertilized	202.00	Sqm.	100210.18
36	31 and new 19	126.00	Providing and laying 80 mm Thick interlocking paver block with fixing cement mortar and slurry with joints etc. complete	404.00	Sqm.	81757.48
		76.37		404.00	Sqm.	00
		202.37				00
37	32	693.77	Providing and fixing Johnson endure servies Tosca alpine blue anti skid tiles 6 mm thick with dimensions properties, physical properties and chemical resistance	1111.00	Sqm..	770778.47
38	33	1.00	Providing and fixing S.S. Vaccume head cleaner for cleaning the surface of tiles in good condition	30300.00	Nos.	30300.00
39	34	80.00	Providing and fixing to wall ceiling and floor 10.0 kg F/cm2 working pressure N.B.U. PVC Supremment Aqva Gold poluthene pipes with all fitting including fixing with solution and finishing etc. complete (i) PVC Solv. Pipe (SCH.80)4"	1010.00	Rmt.	80800.00
40	35	30.00	Providing and fixing to wall ceiling and floor 10.0 kg F/cm2 working pressure N.B.U. PVC Supremment Aqva Gold poluthene pipes with all fitting including fixing with solution and finishing etc. complete (ii) PVC Pipes 200mm 10 kg	2222.00	Rmt.	66660.00
41	36	45.60	Providing and fixing to wall ceiling and floor 10.0 kg F/cm2 working pressure N.B.U. PVC Supremment Aqva Gold poluthene pipes with all fitting including fixing with solution and finishing etc. complete (iii) PVC Solv. Pipe (SCH.80)3"	707.00	Rmt.	32239.20
42	37	1300.00	Providing cement vata (10cm X 10 cm size) quarter round in cement mortar 1:1 including neat cement finishing, watering etc. complete	15.51	Rmt.	20163.00
43	38	2.00	Supplying and fixing High quality S.S. (304 grade) stell lader with ABS plastic stops (4 Nos) with UV resistant of SL series (SALR)	45450.00	Nos.	90900.00
44	39	2.00	Supplying and fixing High quality S.S. (304 grade) stell lader with ABS plastic stops (3 Nos) with UV resistant of SL series (SALR)	40400.00	Nos.	80800.00
45	40	51.60	Supplying and fixing polypropylene over flow grating of ABS plastic 250 mm. wide with UV stabilized and chlorine resistant	2020.00	Rmt.	104232.00
46	41	2.00	Providing and fixing vaccum brush and handle for cleaning of tiles and smooth surface	15150.00	Nos.	30300.00
47	42	2685.20	Excavation for foundation in hard murrum and boulders and very stiff or sticky, clays and other similar strata	152.17	Cum.	408606.88
48	43	200.00	Providing and fixing decorative moulding patti of 25 mm to 50 mm size	126.25	Rmt.	25250.00
49	1	20.00	Providing and fixing gun metal check or non return full way wheel valve 15 mm dia	301.45	Nos.	6029.00
50	2	24.47	Providing moulding pencil tiles of average 20 mm thick of half round shape of required colour i/c cutting fixing in cement mortar	353.50	Rmt.	8650.14
51	3	0.00	Providing and laying controller cement concrete M-250 and curing complete including the cost of form work	5422.25	Cum	0.0
52	4	42.00	Fency Laltch (Tadi)	277.75	Nos.	11665.50
53	5	0.00	Fency door closers arrow type with spring 12" length	303.00	Nos.	0.00
54	6	60.00	Fency Hinges	126.25	Nos.	7575.00

Sr. No.	Item No..	Quantity executed	Description	Rate	Unit	Amount (₹)
55	7 and 21	5.00	Providing and fixing 20 mm thick granite partition including fixing with solution, cement slurry etc. complete	3030.00	Sqm.	164498.70
		49.29				
		54.29				
56	8	26.30	Providing and fixing to wall ceiling and floor 10.0 kg F/cm ² working pressure N.B.U PVC supreme Aqva Gold poluthene pipe with all fitting including fixing with solution and finishing etc. complete. (iiii) PVC Solv Pipe (SCH.80)2"	353.50	Rmt.	9297.05
57	9	13.60	Providing and fixing to wall ceiling and floor 10.0 kg F/cm ² working pressure N.B.U PVC supreme Aqva Gold poluthene pipe with all fitting including fixing with solution and finishing etc. complete. (V) PVC Solv Pipe (SCH.80)1.1/4"	202.00	Rmt.	2747.20
58	10	2.00	Providing and supplying Agnular Wall cleaning brush	3232.00	Nos.	6464.00
59	11	0.00	Providing and fixing 25mm dia S.S.Pipe of starting block	20.38	Sqm.	0.00
60	12	24730.00	Difference of preparing structural steel truss with tubular section instead of welded built up section of any size and shape as per plan including welding, fixing with bolt, nuts gasket plate at top, bottom welding the junction with plate including primer paint erecting in position at any height etc. complete	20.38	Kg..	503997.40
61	13	710.40	Labour and form work charges for extra additional height of propping and centering.... Where heights 6 to 14 mtr between supporting floor to ceiling including temporary brick or stone pillars for supporting as required for BEAM	394.38	Sqm.	280167.55
62	14	723.60	Labour and form work charges for extra additional height of propping and centering.... Where heights 6 to 14 mtr between supporting floor to ceiling including temporary brick or stone pillars for supporting as required for column	394.38	Sqm.	285373.36
63	15	177.17	Extra for brick work in superstructure above floor two level from 60.0 m to 18.0 m conventional	29.86	Cum.	5290.29
64	16	1000.57	Extra labour charges for 15mm thick plaster carried out above floor two level i.e. 6.0 m to 18.0 m height	16.73	Sqm.	16739.53
65	17	1123.01	Extra labour charges for 20mm thick plaster carried out above floor two level i.e. 6.0 m to 18.0 m height	19.14	Sqm.	21494.41
66	18	0.00	Providing and fixing lolyurethane bonded synthetic floor with primer coating and sealing treatment of dynasport or teraflex	3297.00	Nos.	0.00
67	19	0.00	Providing and laying 80mm thick interlocking paver block with fixing cement mortar and slurry with joints	404.00	Sqm.	0.00
68	20	93.30	Providing and fixing Johnson endure sevie's Tosca alpine blue anti skid tiles 6mm thick with dimension properties, physical properties and chemical resistance	1111.00	Sqm.	103656.30
69	21	0.00	Providing and fixing 20mm thick granite partition including fixing with solution, cement slurry etc. complete	3030.00	Sqm.	0.00
70	22	180.40	Providing and laying vitrified flooring tiles in flooring treads of steps and landing laid on a bed of 12mm thick cement mortar 1:3 (1 cement : 3 coarse sand) finishing with flush pointing in white cement	619.27	Rmt.	111716.30
						14540700.99
TOTAL (A)						14540701.00
Sports Complex at Himmatnagar						
1	1	2256 Smt	Labour charges for Tremix	55.00	Smt.	124080.00
2	2	20500.00 Lit	Supplying PVC water tank	4.50	Smt.	92250.00
3	3	6.00 Nos.	Supplying and fixing 200 mm dia valves	24450.00	Nos.	146700.00
4	4	15.10 Rmt	Providing and fixing 300 mm dia PVC pipe (RA)	2840.00	Rmt.	42884.00
5	5	261.03 Rmt	Providing and fixing 200 mm dia PVC pipe (RA)	1130.00	Rmt.	294963.90
6	6	20.00 Nos	Providing and fixing SS Hook	200.00	Nos.	4000.00
7	7	135.27 Smt	Door of Item No.26 and 45	667.55	Smt.	90299.49
8	8	1798.20 Smt	Jali of Welded Mesh Grill of Item No. 71	608.88	Smt.	1094888.02
9	9	1040.00 Smt	Thickness of PU Flooring of item No. 43	2297.86	Smt.	2389774.40

Audit Report No. 2 (Civil) for the year ended 31 March 2010

Sr. No.	Item No..	Quantity executed	Description	Rate	Unit	Amount (₹)
10	10	36400	Type of structural steel of item No. 40	29.51	Kg.	1074164.00
		13809.27		14.15	Kg.	195401.17
11	11	348.36 Smt	Beams for additional height from 4.00 m to 8.00 m	367.00	Smt.	127848.12
12	12	705.12 Smt	Beams for additional height from 8.00 m to all heights	762.00	Smt.	537301.44
13	13	382.70 Smt	Columns for additional height from 4.00 m to 8.00 m	244.00	Smt.	93378.80
14	14	441.30 Smt	Columns for additional height from 8.00 m to all heights	564.50	Smt.	249113.85
15	15	3819.59 Smt	Apex paint in Indoor Stadium	78.78	Smt.	300907.30
16	16	1050.00	Precast cover for Channel of Track	100.00	Nos.	105000.00
17	17	85.00	Precast cover for swimming pool channel	150.00	Nos.	12750.00
18	18	2086.00	Two coat of Oilpaint over black painted surface	31.92	Smt.	66585.12
19	19	6.61	Granite stone platform with supporting kota stone panels, exposed surface machine cut and polished	5754.00	Smt.	38033.94
20	20	598.64	Nonwoven carpet on the steps and risers of Indoor stadium	419.64	Smt.	251213.29
21	21	16.00	Box type MS hook	1375.00	Nos.	22000.00
22	22	2166.32	Plaster work at second slab level (first floor)	10.01	Smt.	21684.86
23	23	3156.71	Plaster work at second slab level (second floor)	11.66	Smt.	36807.24
			TOTAL (B)			7412028.94
			TOTAL (A) +(B)			21952729.94

(B) Statement showing quantities executed in excess of 130 per cent of estimated quantities

Sr. No.	Description of Work (item No.)	Tender Quantity	Tender Rate (₹)	Quantity of work executed	Excess over 130 per cent Qty (i.e. Col.5 -130 per cent of Col.3)	SOR Rate (₹)	Percentage of increase/decrease (i.e. Col.6/3 x 100)	Amount Paid (₹)	Amount payable had it been done at the tender rate (₹)	Excess paid (₹)
1	2	3	4	5	6	7	8	9	10	11
Sports complex at Godhra										
1	Foundation and plinth (9)	109.1	2199.38	392.33	250.5	2738	229.61	685869	550944.69	134924.31
2	TMT bar for RCC (10)	91048	29.33	118911.96	549.56	30	0.6	16486.8	16118.6	368.2
3	Foundation and plinth (12)	185	268.81	421.64	181.14	797.17	97.91	144399.37	48692.24	95707.13
4	Brick work (20)	58.6	1221.88	197.96	121.78	2134	207.82	259878.52	148800.55	111077.97
5	10 mm thick plaster (25)	381	60.61	739.81	244.51	72.45	64.18	17714.74	14817.31	2897.43
6	Shutter door (45)	2	1417.38	34.63	32.03	2035	1601.5	65181.05	45398.68	19782.37
7	Wall ceiling (52)	15	141.74	34.5	15	387	100	5805	2126.1	3678.9
8	Wall ceiling (53)	40	156.4	550.95	498.95	498	1247.37	248477.1	78035.78	170441.32
9	PVC pipelines (55)	65	195.5	176.75	93.75	300	144.23	28125	18328.13	9796.87
10	Foundation and Plinth (7)	172.9	1759.5	269.11	44.34	1519	(-13.67)	67352.46	77994.76	-10642.3
11	TMT Bars for RCC (11)	485	53.76	656.55	26.051	53	(-) 1.41	1380.7	1400.5	-19.8
12	Steel Work (42)	17500	63.54	24.45	1700	53.44	(-)15.90	90848	108018	-17170
13	Providing fixing C.I. trap (61)	8	180.84	19	9	259	70.2	2331	1636.56	694.44
14	Concrete Flooring (72)	3	146.63	251.94	248.04	137	(-)6.57	33981.48	36370.11	-2388.63
					Total (A)			1667830.22	1148682.01	519148.21
Sports Complex at Himmatnagar										
1	Filling foundation and plinth (3)	8621	112.11	34110.11	22902.81	187	204.35	4282825.47	2567634.02	1715191.45
2	Cement concrete (5)	343.4	1267.37	695.92	249.5	1825	55.89	455337.5	316208.81	139128.69
3	Malteling work (7)	100	682.43	200.54	70.54	972.97	54.26	68633.3	48138.61	20494.69
4	Masonry work (8)	285	1072.39	946.23	575.73	1422	155.39	818688.06	617407.09	201280.97
5	Concrete work in beam (11)	301	3412.15	508.52	117.22	4132	29.95	484353.04	399972.22	84380.82
6	TMT bar for RCC (14)	152350	31.2	203503.6	5448.6	36.4	2.75	198329.04	169996.32	28332.72
7	Brick work (16)	6.6	1267.37	61.44	52.86	1433	616.08	75748.38	66993.18	8755.2
8	Brick work (18)	205	1364.86	581.98	315.48	1494.9	118.37	471611.05	430586.03	41025.02
9	Cement plastering (21)	4160	102.37	5763.2	355.2	137	6.57	48662.4	36358.27	12304.13

Audit Report No. 2 (Civil) for the year ended 31 March 2010

Sr. No.	Description of Work (item No.)	Tender Quantity	Tender Rate (₹)	Quantity of work executed	Excess over 130 per cent Qty (i.e. Col.5 -130 per cent of Col.3)	SOR Rate (₹)	Percentage of increase/decrease (i.e. Col.6/3 x 100)	Amount Paid (₹)	Amount payable had it been done at the tender rate (₹)	Excess paid (₹)
1	2	3	4	5	6	7	8	9	10	11
10	Graze tiles flooring (22)	1350	463.08	3781.64	2026.64	733	115.47	1485527.12	938496.45	547030.67
11	White glazed tiles (23)	520	487.45	1420.78	744.78	746	110.17	555605.88	363043.01	192562.87
12	Distempering (24)	4150	29.25	7101.58	1706.58	36.4	31.63	62119.51	49917.47	12202.04
13	Cement Paint (25)	4200	24.37	5763.2	303.2	29.4	5.55	8914.08	7388.98	1525.1
14	Water supply (31)	16.92	926.16	60	38	950	172.72	36100	35194.08	905.92
15	Brick masonry chamber (38)	3.08	2437.25	15	11	2603	275	28633	26809.75	1823.25
16	Cement mortar (39)	90	204.73	255.47	138.47	208	118.35	28801.76	28348.96	452.8
17	Steel welded work (40)	28000	48.75	50209.27	13809.27	65.36	37.94	902573.89	673201.91	229371.98
18	Shutter door (45)	60	2047.29	108.57	30.57	2834	39.19	86635.38	62585.66	24049.72
19	Providing 15 mm GI Pipes (50)	60	97.49	125.35	47.35	111	60.71	5255.85	4616.15	639.7
20	25mm GI Pipes (51)	90.3	194.98	1051.1	933.71	191	(-).2.04	178338.61	181868.03	-3529.42
21	Providing 40 mm GI Pipes (52)	20	253.47	333.1	307.1	280	1181.15	85988	77840.64	8147.36
22	PVC 90 mm diameter (54)	60	268.1	212.2	134.2	285	172.05	38247	35979.02	2267.98
23	PVC 110mm diameter (55)	80	341.22	184.12	80.12	415	77.04	33249.8	27338.55	5911.25
24	PVC 160 mm diameter (56)	50	414.33	151.82	86.82	585	133.57	50789.7	35972.13	14817.57
25	15 mm chromium screw (57)	12.31	194.98	90	74	198	462.5	14652	14428.52	223.48
26	25 mm diameter chromium screw (59)	10	243.73	29	16	284	123.07	4544	3899.68	644.32
27	PVC 160 mm diameter (80)	125	414.33	447.55	285.05	585	175.41	166754.25	118104.77	48649.48
					Total (B)			10676918.07	7338328.31	3338589.76
					Total (A+B)			12344748.29	8487010.32	3857737.97

APPENDIX-XXI

Statement showing short recovery of Labour Welfare Cess for the years 2007-08 and 2008-09

(Reference : Paragraph 2.5.1; Page 88)

(Amount in ₹)

Sr. No	Package No.	Name of contractor	Amount paid to contractor	Cess recoverable @ one per cent of cost of construction	Cess recovered @ ₹.30 per sq.m of super built up area	Amount of cess short recovered
1	SSA/AMC/01	Vasant Con.	15770731	157707.31	89340	68367.31
2	DIR/BHAV/06	New Bansari Con.	2841988	28419.88	25500	2919.88
3	SSA/VAL/02	Anand Associates	7485017	74850.17	69000	5850.17
4	SSA/POR/03	Krishna Con.	7470219	74702.19	40950	33752.19
5	DIR/BHAV/05	New Bansari Con.	3197346	31973.46	31210	763.46
6	SSA/AND/04	Yash Corporation	6474407	64744.07	44700	20044.07
7	SSA/AND/05	Yash Corporation	9222668	92226.68	51000	41226.68
8	SSA/AND/06	Yash Corporation	6182159	61821.59	27750	34071.59
9	SSA/AMC/07	Jay Construction	7490127	74901.27	43260	31641.27
10	SSA/PMS/08	Jay Construction	10197257	101972.57	58590	43382.57
11	SSA/PMS/09	Sanjiv N. Pandya	8426465	84264.65	51390	32874.65
12	SSA/NAV/10	Anand Associates	9467969	94679.69	62250	32429.69
13	SSA/DAH/14	Jay Construction	5132223	51322.23	40950	10372.23
14	SSA/DAH/15	Jay Construction	7638863	76388.63	50190	26198.63
15	SSA/DAH/17	Jay Construction	6357490	63574.9	39900	23674.9
16	SSA/SK/25	Samarth Builders	10623414	106234.14	42030	64204.14
17	SSA/SK/24	Samarth Builders	8660718	86607.18	81540	5067.18
18	SSA/DAH/18	Samarth Builders	9527137	95271.37	47670	47601.37
19	SSA/DAH/16	Samarth Builders	9313325	93133.25	53580	39553.25
20	SSA/KHE/31	K.B.Corporation	7754092	77540.92	47940	29600.92
21	KGBV/10	Hari Construction	1671907	16719.07	14100	2619.07
22	SSA/ABD/13	K.B.Corporation	7959171	79591.71	37350	42241.71
23	SSA/KHE/32	K.B.Corporation	8933696	89336.96	56940	32396.96
24	SSA/BK/35	Yash Nand Eng. and Con.	10270093	102700.93	69031	33669.93
25	SSA/BK/34	Yash Nand Eng. and Con.	10163782	101637.82	44910	56727.82
26	SSA/ABD/11	P.C. Snehal Con. Co.	5771852	57718.52	33000	24718.52
27	SSA/ABD/12	P.C. Snehal Con. Co.	8498596	84985.96	55020	29965.96
28	SSA/PAT/23	Shri Ganesh Builder	8317209	83172.09	57450	25722.09
29	SSA/PAT/22	Shri Ganesh Builder	6183262	61832.62	33840	27992.62
30	SSA/BK/33	Vasant Con.	8068232	80682.32	35400	45282.32
31	SSA/BK/36	Vasant Con.	8406375	84063.75	42150	41913.75
32	SSA/JUN/20	Shanti Construction	10494812	104948.12	68550	36398.12
33	SSA/JUN/21	Vinay Construction	5609644	56096.44	40260	15836.44
34	SSA/DAH/09	D.M.Patel	10587460	105874.6	91966	13908.6
35	SSA/SUR/29	Moral Cons. Co.	7542422	75424.22	20160	55264.22
36	SSA/SUR/30	Moral Cons. Co.	6559026	65590.26	42690	22900.26
37	SSA/VAD/42	Bhoomi Cons.	8420595	84205.95	51180	33025.95
38	SSA/VAD/43	Bhoomi Cons.	12817274	128172.74	58200	69972.74
39	SSA/SUR/28	Yash Nand Eng. and Con.	20003836	200038.36	43800	156238.36
40	SSA/JUN/59	Krishna Con.	10886445	108864.45	71460	37404.45

Sr. No	Package No.	Name of contractor	Amount paid to contractor	Cess recoverable @ one per cent of cost of construction	Cess recovered @ ₹.30 per sq.m of super built up area	Amount of cess short recovered
41	SSA/JUN/51	Krishna Con.	14937861	149378.61	84180	65198.61
42	SSA/BHR/26	D.M.Patel	14376358	143763.58	65310	78453.58
43	SSA/KUL/37	Katira Construction	10545198	105451.98	48960	56491.98
44	SSA/AMR/44	Moral Cons. Co.	7619473	76194.73	25230	50964.73
45	SSA/AMR/45	Moral Cons. Co.	5433943	54339.43	33480	20859.43
46	SSA/BHAV/62	Vinay Construction	7325733	73257.33	50460	22797.33
47	SSA/JUN/63	Vinay Construction	7564061	75640.61	36480	39160.61
48	SSA/MEH/53	Shri Ganesh Builder	5630852	56308.52	12915	43393.52
49	SSA/NAR/41	Yash Nand Eng. and Con.	7514709	75147.09	41160	33987.09
50	SSA/JUN/71	Krishna Con.	8382221	83822.21	15360	68462.21
51	SSA/PD/55	Samarth Builders	2023110	20231.1	12780	7451.1
52	SSA/BHAV/46	Bhoomi Cons.	10378788	103787.88	63540	40247.88
53	SSA/BHAV/47	Bhoomi Cons.	7319622	73196.22	47220	25976.22
54	SSA/JUN/69	Shanti Construction	10709739	107097.39	65820	41277.39
55	SSA/BK/52	Vasant Con.	11906230	119062.3	64650	54412.3
56	SSA/JUN/68	Vinay Construction	7083716	70837.16	25500	45337.16
57	SSA/RAJ/75	Katira Construction	5218252	52182.52	25110	27072.52
58	SSA/RAJ/74	Chetan Vyas and Associates	6972200	69722	21420	48302
59	SSA/JUN/58	Anand Associates	7178845	71788.45	41100	30688.45
60	SSA/JUN/64	Anand Associates	7379755	73797.55	54570	19227.55
61	BRC/SSA/11	Shri Ram Builders	891083	8910.83	0	8910.83
62	SSA/RAJ/81	Chetan Vyas and Associates	5632907	56329.07	31290	25039.07
63	SSA/BHA/87	Chetan Vyas and Associates	9152481	91524.81	52530	38994.81
64	SSA/RAJ/84	Chetan Vyas and Associates	8941128	89411.28	47610	41801.28
65	SSA/82	Chetan Vyas and Associates	3953959	39539.59	27480	12059.59
66	SSA/RAJ/80	Krishna Con.	7585552	75855.52	48667	27188.52
67	SSA/VAL/88	Anand Associates	5768909	57689.09	37830	19859.09
68	SSA/VAL/79	Anand Associates	4103325	41033.25	29490	11543.25
69	SSA/RAJ/83	Vinay Construction	7588455	75884.55	57450	18434.55
70	SSA/JUN/96	Krishna Con.	12082097	120820.97	69180	51640.97
71	SSA/JUN/93	Krishna Con.	6916005	69160.05	39480	29680.05
72	SSA/JUN/90	Krishna Con.	7839368	78393.68	55740	22653.68
73	SSA/JUN/95	Krishna Con.	7280801	72808.01	47340	25468.01
74	SSA/JUN/94	Anand Associates	8553788	85537.88	56610	28927.88
75	SSA/JUN/92	Anand Associates	4253748	42537.48	29850	12687.48
76	SSA/JUN/91	Krishna Con.	10203227	102032.27	52380	49652.27
77	SSA/JUN/89	Krishna Con.	10951961	109519.61	59010	50509.61
78	SSA/JAM/101	Standard Buildcon	7314399	73143.99	38280	34863.99
79	SSA/JAM/102	Shanti Construction	7459967	74599.67	55770	18829.67
80	SSA/MEH/105	Shri Ganesh Builder	2683907	26839.07	16710	10129.07
81	SSA/DANG/106	Shri Ganesh Builder	5049364	50493.64	5831	44662.64
82	KGBV/13	Yash Corporation	5758378	57583.78	36810	20773.78
83	KGBV/11	Yash Nand Eng. and Con.	1431932	14319.32	9750	4569.32

Sr. No	Package No.	Name of contractor	Amount paid to contractor	Cess recoverable @ one per cent of cost of construction	Cess recovered @ ₹.30 per sq.m of super built up area	Amount of cess short recovered
84	SSA/GNR/107	Yash Nand Eng. and Con.	6241340	62413.4	23250	39163.4
85	PTRQ/28	Samarth Builders	5640382	56403.82	30150	26253.82
86	SSA/123	Samarth Builders	17245453	172454.53	68010	104444.53
87	Repair/GIET	Yash Nand Eng. and Con.	1577399	15773.99	0	15773.99
88	SSA/125	Natraras Cons. Co.	8784431	87844.31	48510	39334.31
89	SSA/117	Vinod H. Patel	7053865	70538.65	40440	30098.65
90	SSA/143	Yash Corporation	15353364	153533.64	71490	82043.64
91	SSA/115	Anand Associates	4000156	40001.56	18540	21461.56
92	SSA/116	Anand Associates	9746302	97463.02	56370	41093.02
93	SSA/122	Monish Cons.	13791077	137910.77	67680	70230.77
94	SSA/120	Yash Nand Eng. and Con.	10988693	109886.93	68859	41027.93
95	SSA/119	Yash Nand Eng. and Con.	12383195	123831.95	72465	51366.95
96	SSA/142	K.B.Corporation	16251422	162514.22	60150	102364.22
97	SSA/127	Yash Nand Eng. and Con.	16563119	165631.19	62350	103281.19
98	SSA/118	Bhuptani Associates	3490000	34900	20107	14793
99	SSA/JAM/140	Shanti Construction	8109176	81091.76	52470	28621.76
100	SSA/124	Jay Construction	11372903	113729.03	46830	66899.03
101	SSA/137	Samarth Builders	13162320	131623.2	67909	63714.2
102	SSA/141	Hiral Construction	8455749	84557.49	46770	37787.49
103	SSA/149	Anand Associates	3340405	33404.05	18270	15134.05
104	SSA/145	K.R.Savani	5081338	50813.38	21236	29577.38
105	SSA/136	R.H.Shingala	6380121	63801.21	14400	49401.21
106	KGBV/14	Raghuvanshi Cons.	5614455	56144.55	29250	26894.55
107	SSA/146	Katira Construction	9909657	99096.57	55350	43746.57
108	SSA/131	R.H.Shingala	8340791	83407.91	52347	31060.91
109	SSA/135	Sanjiv N. Pandya	8739027	87390.27	23010	64380.27
110	SSA/121	K.B.Corporation	11488988	114889.88	57270	57619.88
111	SSA/114	Anand Associates	9512346	95123.46	50370	44753.46
112	SSA/138	K.R.Savani	6963647	69636.47	47710	21926.47
113	SSA/139	Bhuptani Associates	6978729	69787.29	41670	28117.29
114	SSA/152	Yash Nand Eng. and Con.	9580626	95806.26	42810	52996.26
115	SSA/136	Yash Nand Eng. and Con.	11187680	111876.8	27180	84696.8
116	SSA/155	Yash Nand Eng. and Con.	18664789	186647.89	75210	111437.89
117	SSA/154	Yash Nand Eng. and Con.	15217892	152178.92	64200	87978.92
118	SSA/128	Yash Nand Eng. and Con.	12996214	129962.14	54900	75062.14
119	SSA/129	Yash Nand Eng. and Con.	9265286	92652.86	42810	49842.86
120	SSA/150	Anand Associates	11064491	110644.91	68030	42614.91
121	SSA/153	Rakesh M. Shah	7475058	74750.58	54930	19820.58
122	SSA/132	Shanti Construction	10588027	105880.27	55102	50778.27
123	SSA/144	Bhuptani Associates	9979178	99791.78	59220	40571.78
124	SSA/156	Patel Foundation	7941597	79415.97	45960	33455.97
125	SSA/133	K.V. Barad	11543375	115433.75	52842	62591.75
126	SSA/157	Vinod Construction	6536081	65360.81	36150	29210.81
127	SSA/147	Katira Construction	7368020	73680.2	38460	35220.2
128	PTRQ/35	Krishna Con.	4098476	40984.76	20460	20524.76
129	SSA/134	K.V. Barad	11929336	119293.36	65655	53638.36
130	PTRQ/34	Krishna Con.	7499763	74997.63	40920	34077.63
131	PTRQ/30	N.S. Patel	5464243	54642.43	30690	23952.43

Sr. No	Package No.	Name of contractor	Amount paid to contractor	Cess recoverable @ one per cent of cost of construction	Cess recovered @ ₹.30 per sq.m of super built up area	Amount of cess short recovered
132	SSA/158	Krishna Con.	15851661	158516.61	69600	88916.61
133	PTRQ/32	Hiral Construction	4563096	45630.96	40920	4710.96
134	SSA/157	Krishna Con.	13775122	137751.22	59460	78291.22
135	SSA/159	K.B.Corporation	11036973	110369.73	53340	57029.73
136	SSA/108	Vinod Construction	7780351	77803.51	28800	49003.51
137	SSA/256	Jay Construction	13128292	131282.92	58195	73087.92
138	SSA/211	Samarth Builders	16738295	167382.95	67220	100162.95
139	SSA/254	Vasant Con.	29993480	299934.8	91561	208373.8
140	SSA/220	K.B.Corporation	12545260	125452.6	49050	76402.6
141	SSA/253	Vasant Con.	14416330	144163.3	44640	99523.3
142	SSA/228	Sanjiv N. Pandya	9747936	97479.36	46020	51459.36
143	SSA/239	Jivanbhai A Patel	12841346	128413.46	0	128413.46
144	SSA/174	New Bansari Cons.	5345439	53454.39	37080	16374.39
145	SSA/238	Shri Shakti Cons.	14588674	145886.74	34556	111330.74
146	SSA/237	Yash Nand Eng. and Con.	12834298	128342.98	66209	62133.98
147	SSA/230	Standard Buildcon	15916761	159167.61	56490	102677.61
148	SSA/229	Standard Buildcon	15913196	159131.96	56062	103069.96
149	SSA/232	Krishna Con.	9935106	99351.06	43587	55764.06
150	SSA/209	Jay Construction	12661624	126616.24	37734	88882.24
151	SSA/255	Samarth	19227070	192270.7	72559	119711.7
152	SSA/210	Samarth Builders	12739745	127397.45	55298	72099.45
153	SSA/215	Yash Nand Eng. and Con.	12841578	128415.78	47760	80655.78
154	SSA/258	Yash Nand Eng. and Con.	26846095	268460.95	79499	188961.95
155	SSA/216	Yash Nand Eng. and Con.	14717885	147178.85	56010	91168.85
156	SSA/148	Yash Nand Eng. and Con.	8189295	81892.95	53010	28882.95
157	SSA/242	Rudra Cons. Co.	9512923	95129.23	45607	49522.23
158	SSA/252	Vinod H. Patel	4142730	41427.3	14400	27027.3
159	SSA/263	Alpa Infrastructure	8983205	89832.05	46650	43182.05
160	SSA/233	K.V. Barad	14062008	140620.08	55440	85180.08
161	SSA/257	Yash Nand Eng. and Con.	25709105	257091.05	127060	130031.05
162	SSA/225	Anand Associates	10331409	103314.09	41970	61344.09
163	SSA/219	Alpa Infrastructure	12415790	124157.9	52920	71237.9
164	SSA/235	Shri Shakti Cons.	12607782	126077.82	48903	77174.82
165	SSA/236	Shri Shakti Cons.	14509365	145093.65	64297	80796.65
166	SSA/244	Vinod H. Patel	9719974	97199.74	52860	44339.74
167	SSA/245	Kalpana Builders	9629606	96296.06	41550	54746.06
168	SSA/247	Bhoomi Cons.	4175352	41753.52	16710	25043.52
169	SSA/240	Jivanbhai A Patel	10042287	100422.87	43320	57102.87
170	SSA/259	Yash Nand Eng. and Con.	18229137	182291.37	105405	76886.37
171	SSA/231	Rudra Cons. Co.	7461218	74612.18	28702	45910.18
172	SSA/268	Anand Associates	7271765	72717.65	42150	30567.65
173	SSA/243	Krishna Con.	3400755	34007.55	21120	12887.55
174	SSA/269	Anand Associates	9024840	90248.4	39990	50258.4
175	SSA/212	Yash Corporation	8072349	80723.49	32910	47813.49
176	SSA/213	Yash Corporation	5288189	52881.89	18540	34341.89
177	SSA/218	Vinay Construction	10640614	106406.14	42480	63926.14
178	SSA/270	Vinod H. Patel	5516733	55167.33	23750	31417.33
179	SSA/227	Sanjiv N. Pandya	11542437	115424.37	52770	62654.37
180	SSA/246	Alpa Infrastructure	1535393	15353.93	7350	8003.93
181	SSA/266	Vinod H. Patel	5010831	50108.31	24900	25208.31
182	SSA/251	K.B.Corporation	9056910	90569.1	38940	51629.1
183	SSA/234	Krishna Con.	14449250	144492.5	53100	91392.5
184	KGBV/23	K.R.Savani	2110480	21104.8	18443	2661.8
185	KGBV/22	Bhuptani Associates	2940875	29408.75	12540	16868.75
186	PTRQ/47	Vinod H. Patel	2229569	22295.69	13500	8795.69
		Total	1718054482	17180544.82	8448229	8732315.82

Source: Contractors register for the year 2007-08 and 2008-09

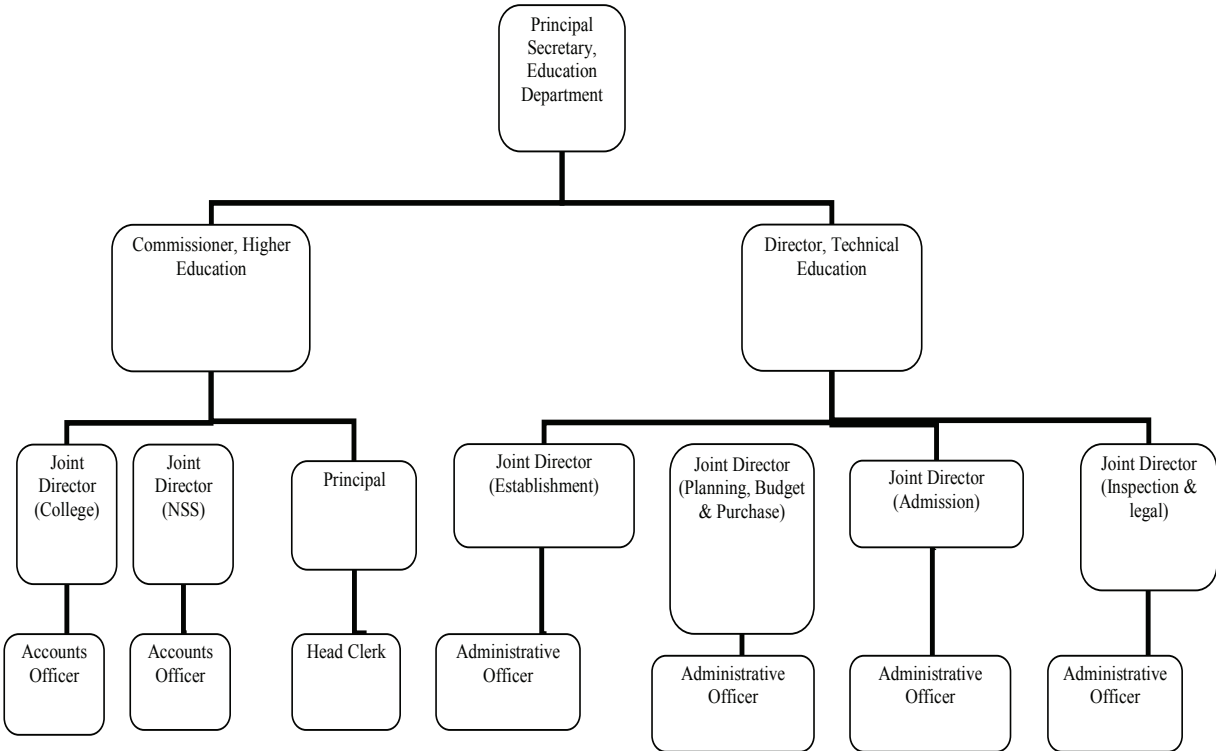
APPENDIX - XXII

Statement showing major irregularities noticed in District Rural Development Agencies

(Reference : Paragraph 2.6.1; Page 89)

Sr. No.	Year	Name of DRDA	Major Irregularities noticed during year	
1	1996-97	DRDA, Vadodara	1	Non Commissioning of Ganga Kalyan Yojana ₹ 58.94 lakh.
			2	Non commissioning of Intensified Jawahar Rojgar Yojana. ₹ 54.10 lakh.
			3	Infructuous expenditure on employment Assurance Scheme for the year 1996-97. ₹ 31.77 lakh.
			4	Unfruitful expenditure due to non-completion of work under Million Wells Scheme (MWS) ₹ 58.80 lakh.
			5	Non Commissioning of Gokul Gram Yojana in spite of availability of funds. ₹ 71.00 lakh.
2	1997-98 and 1998-99	DRDA, Vadodara	1	Irregular work carried out under employment Assurance Scheme T.D.O. Dabhoi. ₹ 35.76 lakh.
3	1999-2000	DRDA, Vadodara	1	In admissible expenditure incurred from Gokul Gram Yojana towards Electrification work in respect of village selected under Gokul Gram Yojana, ₹ 33.03 lakh.
			2	Blocking up of Government fund on account of non implementation of special employment programme. ₹ 69.10 lakh.
			3	Unfruitful expenditure under employment Assurance Scheme. ₹ 45.31 lakh.
4	2002-03	DRDA, Vadodara	1	Irregular adjustment of ₹ 235.22 lakh received under Indira Awas Yojana, (IROPS).
			2	Non claiming of 2 nd addl. Central assistance for 2003-04. ₹ 127.70 lakh
5	2004-05	DRDA, Vadodara	1	Irregular expenditure of ₹ 87.34 lakh from 22.5 <i>per cent</i> for portion of SGRY in construction of Bath Room.
6	2005-06	DRDA, Vadodara	1	Poor progress of SGSY special project "Self reliance through self help Group" ₹ 143.67 lakh.
7	2006-07	DRDA, Vadodara	1	Blocking up of Government fund of ₹ 269.23 lakh due to poor planning and poor implementation of works under "Total Sanitation Campaign".
8	2007-08	DRDA, Vadodara	1	Idle investment construction of "District Gram Hat Vadodara" through DRDA Vadodara. ₹ 65.00 lakh.
			2	Self reliance through self Help group under SGSY special project Shroff Foundation Trust (SFT). ₹ 42.00 lakh.
9	1999-2000	DRDA, Bhavnagar	1	Irregular expenditure of ₹ 29.40 lakh under S.G.S.Y.
10	2000-2001 to 2001-02	DRDA, Bhavnagar	1	Unauthorised clubbing of funds in accounts (₹ 275.53 Lakh) (AGY)
11	2002-03	DRDA, Bhavnagar	1	Creation of interest Fund. No provision thereof ₹ 320.11 lakh.
			2	Non utilisation of funds resulted in cut of grant. ₹ 140.48 lakh.
12	2004-05	DRDA, Bhavnagar	1	Difference in opening balance under various scheme amount to ₹ 44.06 lakh.
13	2006-07	DRDA, Bhavnagar	1	Inflated expenditure on Indira Awas Yojana ₹ 46.69 lakh.
			2	Unspent balance of closed scheme. ₹ 178.76 lakh.
14	2007-08	DRDA, Bhavnagar	1	Excess payment of cash ₹ 30.06 lakh.
			2	Loss of Central Assistance under IAY ₹ 622.779 lakh.
			3	Non recovery of unspent balance from PIA ₹ 43.74 lakh.

APPENDIX - XXIII
Organisational Chart of Higher Education and Technical Education wings of the Education Department
(Reference : Paragraph 3.1.2; Page 92)



APPENDIX – XXIV

**Statement showing number of units covered in performance audit review of
Integrated Audit of Higher Education and
Technical Education wings of the Education Department**

(Reference: Paragraph 3.1.5; Page 93)

(A) List of selected universities (Three out of 10 universities)

1	Gujarat University, Ahmedabad
2	Ambedkar University, Sola, Ahmedabad
3	KSKV Kutchh University, Bhuj

(B) List of selected colleges in higher education (12 out of total 48 colleges)

1	M.N. College, Visnagar (North Gujarat)
2	Government Commerce College, Gandhinagar
3	Bahauddin Science College, Junagadh
4	Bahauddin Arts College, Junagadh
5	Government Arts and Commerce College, Netrang
6	M.P Shah Arts and Science College, Surendranagar
7	Law College, Maninagar, Ahmedabad
8	R.R Lalan College, Bhuj
9	Government Science College, Chikhli
10	Government Arts and Commerce College, Naswadi
11	Government Science College, Gandhinagar
12	Gujarat Arts and Commerce College (Evening), Ahmedabad

(C) List of selected colleges in technical education (11 out of total 43 colleges)

1	L.D. College of Engineering, Ahmedabad
2	Government Engineering College, Modasa
3	Government Engineering College, Surat
4	Government Engineering College, Rajkot
5	Government Polytechnic, Ahmedabad
6	Government Girls Polytechnic, Ahmedabad
7	Government Polytechnic, Rajkot
8	Government Polytechnic, Gandhinagar
9	Government Polytechnic, Surendranagar
10	Government Girls Polytechnic, Surat
11	Government Polytechnic, Morbi

APPENDIX – XXV

Statement showing savings under Plan schemes

(Reference: Paragraph 3.1.6.1; Page 94)

(A) Higher Education

		2006-07	2007-08	2008-09
1	EDN 27-Commissioner of Higher Education	23.75 per cent	46.41 per cent	--
2	EDN 28-Higher Education Government College	18.67 per cent	39.10 per cent	21.83 per cent
	EDN 28-Development of Universities	64.54 per cent	--	--
3	EDN 31-Non Government Colleges	--	43.98 per cent	--
4	EDN 33-Free education of girls	--	--	85.97 per cent
5	EDN 40-Sanskrit University	28.15 per cent	--	--
6	EDN 71-Kutchh University	33.34 per cent	--	--
7	EDN 77-Scholarship to ECBC	--	--	39.16 per cent

(B) Technical Education

(₹ in lakh)

2005-06				
No. of Scheme	Name of scheme	Total Provision	Total Expenditure	Total savings in percentage
TED 2	Tech High Schools	85	70.61	16.93
TED 2 TASP	Tech High Schools	44.5	6.55	85.28
TED 3	Government Poly & GGP	1187	1081.01	8.93
TED 3	Government Poly & GGP	45	40	11.11
TED 3 TASP	Government Poly & GGP	247	139.35	43.58
TED 5	Government Engineering College	1485.2	1150.85	22.51
TED 5	Government Engineering College	715.4	457.4	36.06
TED 5 TASP	Government Engineering College	95	17.05	82.05
TED 7	Teachers training	10	3.56	64.40
TED 9	Government Pharmacy College	5	3.86	22.80
TED 11	PG Courses	43	27.2	36.74
TED 13	Earth quake relief fund	4000	1883	52.93
2006-07				
TED 2	Tech High Schools	110.7	73.73	33.40
TED 2 TASP	Tech High Schools	58	16.89	70.88

TED3	Government Poly & GGP	60	50	16.67
TED 3 TASP	Government Poly & GGP	769.5	184.87	75.98
TED 4	GIA Poly	3.5	0.5	85.71
TED 7	Teachers training	10	0.1	99.00
TED 9	Government Pharmacy College	9.6	4.8	50.00
TED 11	PG Courses	54	20.51	62.02
TED 13	Earth quake relief fund	1500	555	63.00
2007-08				
TED1	Direction & Administration	353	290.6	17.68
TED 2	Tech. High Schools	63	31.7	49.68
TED 2 TASP	Tech. High Schools	23	7.17	68.83
TED 3	Government Poly & GGP	3687.33	2602.31	29.43
TED 3 TASP	Government Poly & GGP	1487.58	335.91	77.42
TED 6	GIA Engineering College	1070	320.6	70.04
TED 9	Government Pharmacy College	104.51	7.35	92.97
TED 11	PG Courses	87.75	58.47	33.37
TED 12	EM TDD	110.7	82.28	25.67
TED 13	Earth quake relief fund	1000	710.07	28.99
2008-09				
TED2	Tech High Schools	9.3	4.91	47.20
TED 3	Government Poly & GGP	4066	2050.38	49.57
TED 3	Government Poly & GGP	1643	0	100.00
TED 3 TASP	Government Poly & GGP	566.56	276.82	51.14
TED 5	Government Engineering College	3033.67	1751.15	42.28
TED 5	Government Engineering College	500	0	100.00
TED 5 TASP	Government Engineering College	170	99.14	41.68
TED 9	Government Pharmacy College	50.51	16.23	67.87
TED 10	GIA Pharmacy College	85	75	11.76
TED 11	PG Courses	70	58.29	16.73
TED 12	EM TDD	127.31	0	100.00
TED 14	Tech. Exam. Board	171	112.25	34.36
TED 15	Tech. Exam. Board	5	0	100.00
TED 16	Tech. High School V	36	27.02	24.94
TED 16 TASP	Tech. High School V	10	5.49	45.10
TED 17	Government Poly & GGP	5	0	100.00
TED 18	PG Courses MCA	7	1.68	76.00

TED 19	Government Engineering College	5	0	100.00
TED 20	GIA Engineering College	5	0	100.00
TED 22	Cons Government poly	6514.45	461.94	92.91
TED 23	Cons Government Engineering	4884.9	3688.22	24.50
TED 24	Cons TSH GP GEC	1871	1630.82	12.84
2009-10				
TED 1	Direction & Administration	262.5	119.49	54.48
TED2	Tech. High Schools	24.3	9.05	62.76
TED 3	Government Poly & GGP	7026.34	5025.7	28.47
TED 5	Government Engineering College	8330.21	4531.71	45.60
TED 6	GIA Engineering College	90	68.24	24.18
TED 7	Teachers training	30	1.75	94.17
TED 8	CEC	1	0	100.00
TED 9	Government Pharmacy College	77.57	54.83	29.32
TED 10	GIA Pharmacy College	95	35.22	62.93
TED 12	EM TDD	127.31	0	100.00
TED 14	Tech. Exam. Board	130	106.52	18.06
TED 15	Tech Education CSS	1	0	100.00
TED 16	Tech. High School V	71.7	62.99	12.15
TED 17	Government Poly & GGP	1	0	100.00
TED 18	PG Courses MCA	18.36	0.91	95.04
TED 19	Government Engineering College	5	0	100.00
TED 22	Cons Government poly	4448.5	1121.3	74.79
TED 23	Cons Government Engineering	12136.8	3723.42	69.32
TED 24	Cons TSH GP GEC	4108.89	3206.53	21.96
TED 25	GTU	906.01	342.63	62.18
TED 26	PG Course CSS	1	0	100.00

APPENDIX – XXVI**Statement showing rush of expenditure in the last quarter of the financial years in 2005-10**

(Reference: Paragraph 3.1.6.2; Page 95)

Technical Education

Year	Total Expenditure (₹ in crore)	Expenditure during last quarter (₹ in crore)	Percentage of last quarter	Percentage of March
2005-06	53.98	18.40	34	37
2006-07	111.66	51.37	46	5
2007-08	154.24	65.18	42	34
2008-09	153.85	62.67	41	16
2009-10	187.17	103.04	55	39

Higher Education

Year	Total Expenditure (₹ in crore)	Expenditure during last quarter (₹ in crore)	Percentage of last quarter	Percentage of March
2008-09	66.86	37.73	56	46
2009-10	94.04	49.37	52	36