



**Report of
the Comptroller and Auditor General of India
on
Social, General and Economic Sectors
(Non-Public Sector Undertakings)
for the year ended 31 March 2012**



**Government of Haryana
Report No. 3 of the year 2013**

TABLE OF CONTENTS

Description	Reference to	
	Paragraphs	Page/ Remarks
Preface		xi
Chapter - 1		
Introduction		
About this Report	1.1	1
Profile of Audited entities	1.2	1
Expenditure profile of the State Government	1.3	2
Authority for Audit	1.4	2
Planning and conduct of audit	1.5	3
Significant audit observations	1.6	
Performance audits of programmes/activities/departments	1.6.1	4
Thematic Audit	1.6.2	6
Audit of Transactions	1.6.3	6
CCO based Audit of a Government Department	1.6.4	9
Recoveries at the instance of Audit	1.7	10
Lack of responsiveness of Government departments to Audit	1.8	
Outstanding Inspection Reports	1.8.1	10
Response of departments to draft paragraphs	1.8.2	11
Follow-up on Audit Reports	1.8.3	11
Chapter – 2		
Performance Audit		
Labour Department		
Haryana Building and Other Construction Workers Welfare Board	2.1	13
Irrigation Department		
Working of Irrigation Department	2.2	31
Town and Country Planning, Urban Estates, PWD (B&R), Irrigation and PHED		
Land Acquisition and Allotment	2.3	58
Rural Development Department		
Mahatma Gandhi National Rural Employment Guarantee Scheme	2.4	88

Description	Reference to	
	Paragraphs	Page/ Remarks
Chapter – 3		
Thematic Audit		
Development and Panchayats Department Irregularities in disbursement and utilisation of discretionary grants	3.1	117
Town and Country Planning, Police, ULB, Revenue, PHED, Panchayat and Development and Power Departments Growth of unauthorised colonies	3.2	124
Social Justice and Empowerment Department Old Age Samman Allowance Scheme	3.3	130
Home Department Prisoners released on parole/furlough	3.4	134
Chapter – 4		
Audit of Transaction		
Non-compliance with rules	4.1	
Health and Family Welfare Department (District Red Cross Society) Embezzlement due to inadequate internal control	4.1.1 (a)	139
Public Health Engineering Department Embezzlement due to exercising inadequate monitoring and financial control	4.1.1 (b)	141
Irrigation Department Extra avoidable expenditure due to non-use of excavated earth in dam embankments	4.1.2	142
Education, Labour, Horticulture, Renewable energy and Transport Departments Irregular drawal of funds	4.1.3	144
Propriety audit/unjustified expenditure	4.2	
Legislative Department (Haryana Vidhan Sabha) Irregularities in payment of Free Travel Facility	4.2.1	146
Administration of Justice Department (Advocate General) Faulty selection of Law Officers	4.2.2	148

Description	Reference to	
	Paragraphs	Page/ Remarks
Public Works Department (Buildings and Roads) Avoidable expenditure on reconstruction of a portion of road	4.2.3	150
Public Health Engineering Department Avoidable expenditure on purchase of costly material	4.2.4	152
Food and Supplies Department Loss due to procurement of wheat with lustre loss	4.2.5	154
Transport Department Extra expenditure on purchase of bus chassis	4.2.6	155
Town and Country Planning Department (Haryana Urban Development Authority) Non-recovery of lease rent from petrol pumps	4.2.7	156
Failure of oversight/governance	4.3	
Education Department Non-functioning of terminals installed under EDUSAT programme	4.3.1	157
Public Health Engineering Department Loss of interest due to non-deposit of amounts in Government accounts	4.3.2	161
Unfruitful expenditure on construction of storm water drain	4.3.3	162
Unfruitful expenditure on sewerage scheme of Ambala City	4.3.4	164
Public Works Department (Buildings and Roads) Unfruitful expenditure on incomplete building	4.3.5	167
Transport Department Underutilisation of buses for want of drivers and conductors	4.3.6	169
Agriculture Department (Haryana State Agricultural Marketing Board) Blockade of funds on construction of incomplete buildings of Agro Malls due to ill planning	4.3.7	170
Town and Country Planning Department (Haryana Urban Development Authority) Undue benefit to contractors due to refund of cess	4.3.8	173
Undue favour to the Society	4.3.9	174

Description	Reference to	
	Paragraphs	Page/ Remarks
Town and Country Planning Department Grant of licenses to private colonisers	4.3.10	176
Chapter – 5		
Chief Controlling Officer based Audit of a Government Department		
Technical Education Department Department of Technical Education	5.1	179

APPENDICES

Sr. No.	Description	Reference to	
		Paragraphs	Page/ Remarks
1.1	Statement showing year-wise breakup of outstanding Inspection Reports and Paragraphs	1.8.1	217
1.2	Details of serious irregularities pointed out through outstanding Inspection Reports	1.8.1	218
1.3	Details of Audit Report paragraphs for which replies are awaited for the years 2006-07, 2007-08, 2008-09 and 2009-10 (Civil Reports) as on 31 May 2012	1.8.3	219
1.4	List of paragraphs where recovery has been pointed out but no action has been taken by the Administrative Departments	1.8.3	220
1.5	Details of outstanding recommendations of Public Accounts Committee on which the Government is yet to take final decision	1.8.3	221
2.1	Year-wise expenditure on the statutory schemes	2.1.11.1	222
2.2	Year-wise expenditure on the non-statutory schemes	2.1.11.1	223
2.3	List of selected Circles and Divisions	2.2.5	224
2.4	Statement showing the details of schemes included in Eleventh Five Year Plan	2.2.7	225
2.5	Statement showing the details of budget provision, revised budget and expenditure of the department	2.2.8.1	226
2.6	Details of silt clearances not done under Mahatma Gandhi National Rural Employment Guarantee Act	2.2.10.2	227
2.7	Statement showing the details of disposal of sewage/effluent in Western Jamuna Canal	2.2.10.4	228
2.8	Statement showing the details of Sub standard works	2.2.11.2	229
2.9	Statement showing the details of amount not refunded by Land Acquisition Officer	2.2.12.1	230
2.10	Statement showing the details of mutation of land	2.2.12.2	231
2.11	Statement showing the details of non-transfer of amounts lying in deposit to revenue head of the department	2.2.14.2	232

Sr. No.	Description	Reference to	
		Paragraphs	Page/Remarks
2.12	Statement showing the details of non-deposit of labour cess	2.2.14.3	233
2.13	List of test-checked units	2.3.5	234
2.14	Statement showing the detail of surplus land under encroachment	2.3.10.1	235
2.15	Statement showing the position of mutation of land	2.3.10.6	236
2.16	Statement showing sanctioned strength vis-à-vis men in position	2.3.12	237
2.17	Details of wrong payments received back in Land Acquisition Officer, Gurgaon	2.3.13.2	238
2.18	Details of Excess payments received back in Land Acquisition Officer, Gurgaon	2.3.13.2	239
2.19	List of districts, blocks and Gram Panchayat selected	2.4.5	240
2.20	Statement showing details of Gram Panchayats where Gram Rozgar Sahayaks not appointed	2.4.7.3	241
2.21	Statement showing details of funds kept out of bank account	2.4.9.6	242
2.22	Statement showing difference in job card issued as per Gram Panchayat Records and as per MIS Report	2.4.10.2	243
2.23	Details of GPs not maintaining job card registers	2.4.10.2	244
2.24	Statement showing delayed payment of wages	2.4.11	245
2.25	Statement showing details of cuttings, overwriting in muster rolls by the Gram Panchayats	2.4.11	247
2.26	Miscellaneous deficiencies noticed in muster rolls	2.4.11	248
2.27	Statement showing details of works Earth filling in rastas (Earthen roads) not providing all weather access	2.4.12	249
2.28	Details of ponds excavated/deepened under NREGS lying without water	2.4.12	251
2.29	Statement showing details of Cement Concrete/Interlocking Paver Block street works not allowed under the Act	2.4.12	252

Sr. No.	Description	Reference to	
		Paragraphs	Page/Remarks
2.30	Statement showing details of Overpayment of wages to workers due to less work done at increasing capacity of 'Rangoi Kharif Channel' (Block Ratia)	2.4.12	254
2.31	Statement showing details of payments to job card holders not on MIS Report	2.4.14	255
2.32	Details of GPs not maintaining Muster Roll Receipt Register	2.4.14	256
2.33	Statement showing details of Overpayment of wages to workers	2.4.14	257
2.34	Details of GPs not maintaining Complaint Register	2.4.15	259
2.35	Number of muster rolls where attendance of workers was marked more than once	2.4.16.2	260
3.1	District wise details of cases where the grants were given repeatedly by one or more than one minister to the same institutions	3.1.5.1(a)	261
3.2	Detail of grants disbursed to non-deserving institutions	3.1.5.1(a)(iii)	262
3.3	Detail of grants released for purposes not falling under the policy guidelines	3.1.5.1(b)	263
3.4	Details showing the allocation/distribution of grants by the minister in his/her own constituency	3.1.5.1(c)	265
3.5	Details of grants to the institutions constituted on Caste/Religion basis	3.1.5.1(e)	266
3.6	Details of cases where the grants were not utilised for the purposes for which the grant was sanctioned	3.1.5.2(a)	267
3.7	Details of the cases where the grants were not utilised by the beneficiaries	3.1.5.2(b)	270
3.8	Details of cases where Bank Accounts were not closed	3.1.5.2(c)	272
3.9	Detail of cases where utilisation certificates were not received	3.1.6 (a)	275
3.10	Statement showing the details of ineligible beneficiaries below the age of 60 years and non-residents of the State	3.3.5.1	276

Sr. No.	Description	Reference to	
		Paragraphs	Page/ Remarks
3.11	Statement showing number of convicts released/ reported back/ not reported back (March 2012)	3.4.4.1	277
4.1	Detail of delays in deposit of collected amount	4.1.1 (b)	278
4.2	Statement showing the detail of funds transferred to six societies and lying unutilised in FDRs/ Saving Bank account outside the government account	4.1.3	279
4.3	Statement showing the amount refunded by the suppliers/drawn from treasury and deposited with UTKARSH society in separate bank account	4.1.3	280
4.4	Statement showing the details of cases where TA claim was made during the period of journey performed under Free Travel Facility (FTF)	4.2.1 (a)	281
4.5	Statement showing the details of excess payment made on account of Free Travel Facility	4.2.1 (b)	283
4.6	Statement showing the details of subsequent journeys performed by the same family member(s) during the year	4.2.1 (c)	286
4.7	Statement showing the average distance covered in a single day	4.2.1 (c)	290
4.8	Details showing amount recoverable from various Petrol Companies on account of lease rent	4.2.7	293
4.9	Calculation of interest due to less funds deposited in State receipt head under YAP-II	4.3.2	294
4.10	Details showing Cess deducted and refunded to contractors	4.3.8	295
5.1	Statement showing list of schemes implemented by the Technical Education Department	5.1.2	296
5.2	List of Selected Units for audit	5.1.5	297
5.3	Statement showing details of bank accounts and funds lying therein	5.1.8.2	298
5.4	Statement showing details of unadjusted temporary advances	5.1.8.4	299
5.5	Details of rush of expenditure during the month of March	5.1.8.5	300
5.6	Details showing construction of New Polytechnics in the State	5.1.9.1	301

Sr. No.	Description	Reference to	
		Paragraphs	Page/Remarks
5.7	Expenditure upon guest teachers out of funds provided for Faculty Development Programme	5.1.9.4	302
5.8	Details of teaching Staff Posted in the institutions without trade and doing clerical work	5.1.11.3	303
5.9	Statement showing undisbursed security of students lying with the institutions	5.1.12.2	304
5.10	Details of cost of library books not returned by students	5.1.12.3	305
5.11	Details of Hostel accommodation available and provided to the students	5.1.13.2	306
5.12	Details of learning material lying undistributed with the polytechnics	5.1.15.2	307
	Glossary of Abbreviations		309-313

PREFACE

1. This Report is prepared for submission to the Governor of the State of Haryana under Article 151 (2) of the Constitution of India.
2. Chapter-1 of this Report covers auditee profiles, authority for audit, planning and conducting of audit and responses of the departments to draft paragraphs. Highlights of audit observations included in this Report have also been brought out in this Chapter.
3. Chapter-2 deals with the findings of Performance Audit of Haryana Building and Other Construction Workers Welfare Board, Working of Irrigation Department, Land Acquisition and Allotment and Mahatma Gandhi National Rural Employment Guarantee Scheme.
4. Chapter-3 covers theme based audit. Chapter-4 covers audit of transactions in various departments, autonomous bodies, local bodies, etc. and Chapter-5 includes Chief Controlling Officer based Audit of Technical Education Department.
5. The Report containing audit observations on the matters arising from examination of Finance Accounts and Appropriation Accounts is presented separately.
6. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2011-12 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 2011-12 have also been included, wherever necessary.
7. The audit has been conducted in conformity with the Auditing Standards issued (March 2002) by the Comptroller and Auditor General of India.

CHAPTER-1

INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (CAG) relates to matters arising from compliance audit of the transactions of the departments and autonomous bodies in Social Sector, General Sector and Economic Sector including performance/thematic audit of selected schemes, departments, etc. of the Government of Haryana.

The primary purpose of this Report is to bring the important results of audit to the notice of the State Legislature. Auditing standards require that the materiality level of reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executives of the Government to take corrective actions as also to frame policies and directives that result in improved financial management of the organizations, thus, contributing to better governance of the State.

Compliance audit refers to examination of the transactions relating to expenditure receipts, assets and liabilities of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with.

Performance audit is an independent assessment or examination of the extent to which an organization, programme or scheme operates economically, efficiently and effectively. Chapter-2 of this Report contains findings of performance audit, Chapter-3 contains thematic audit paragraphs, Chapter-4 contains observations on audit of transactions in Government Departments and Autonomous Bodies and Chapter-5 presents an assessment of the functioning of the Technical Education Department, Haryana.

1.2 Profile of Audited entities

There are total 56 departments in the State at the Secretariat level, headed by the Chief Secretary/Additional Chief Secretaries and Principal Secretaries/Commissioners and Secretaries, who were assisted by Special Secretaries/ Additional Secretaries/Directors and subordinate officers under them. There are 6,127 Audit entities inclusive of 49 Autonomous Bodies and 207 Other Autonomous Bodies substantially funded by the Government, which are under the audit jurisdiction of the Principal Accountant General (Audit), Haryana on behalf of the CAG. Under Panchayati Raj Institutions (PRIs) there were 21 Zila Parishads (ZPs), 119 Panchayat Samities (PSs) and 6,155 Gram Panchayats (GPs) functioning in the State out of

which records of five ZPs, 27 PSs and 374 GPs for the year 2008-11 were test-checked during the year 2011-12. Under Urban Local Bodies (ULBs) there were nine Municipal Corporations, 14 Municipal Councils and 53 Municipal Committees. During the year 2011-12, records of 28 ULBs (three Municipal Corporations, seven Municipal Councils and 18 Municipal Committees) were test checked in audit.

1.3 Expenditure profile of the State Government

The comparative position of expenditure incurred by the State Government during the year 2011-12 and in the preceding four years is given in **Table 1**.

Table 1: Comparative position of expenditure for the period 2007-12

(` in crore)

Expenditure	2007-08			2008-09			2009-10			2010-11			2011-12		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Revenue Expenditure															
General Services	41.63	5,188.05	5,229.68	54.16	5,970.31	6,024.47	68.02	7,687.33	7,755.35	65.84	9,262.30	9,328.14	64.36	10,155.47	10,219.83
Social Services	2,212.13	3,526.54	5,738.67	2,662.19	4,596.54	7,258.73	4,014.59	5,887.63	9,902.22	4,329.69	6,574.39	10,904.08	5,549.13	7,092.54	12,641.67
Economic Services	921.75	5,300.13	6,221.88	1,201.56	5,834.19	7,035.75	1,632.16	5,897.75	7,529.91	1,855.98	6,140.75	7,996.73	2,178.50	6,875.47	9,053.97
Grants-in-aid and Contributions	--	336.64	336.64	--	215.78	215.78	-	69.91	69.91	-	81.24	81.24	-	99.42	99.42
Total (1)	3,175.51	14,351.36	17,526.87	3,917.91	16,616.82	20,534.73	5,714.77	19,542.62	25,257.39	6,251.51	22,058.68	28,310.19	7,791.99	24,222.90	32,014.89
Capital Expenditure															
Capital Outlay	3,410.74	15.43	3,426.17	3,989.86	511.81	4,501.67	4,203.29	1,015.19	5,218.48	3,845.01	186.09	4,031.10	1,018.17	4,354.17	5,372.34
Loans and Advances Disbursed	25.92	259.58	285.50	20.44	311.87	332.31	615.76	213.93	829.69	538.5	183.37	721.87	262.86	364.21	627.07
Repayment of Public Debt	--	840.92	840.92	--	1,291.84	1,291.84	-	2,745.97	2,745.97	--	3,971.08	3,971.08	-	4,037.14	4,037.14
Contingency Fund	--	--	--	--	--	-	-	-	-	--	190	190	-	167.52	167.52
Total	3,436.66	1,115.93	4,552.59	4,010.30	2,115.52	6,125.82	4,819.05	3,975.09	8,749.14	4,383.51	4,530.54	8,914.05	1,281.03	8,923.04	10,204.07
Grand Total	6,612.17	15,467.29	22,079.46	7,928.21	18,732.34	26,660.55	10,533.82	23,517.71	34,051.53	10,635.02	26,589.22	37,224.24	9,073.02	33,145.94	42,218.96

Amount allocated to PRIs and ULBs out of State budget during the period 2007-08 to 2011-12 is given in **Table 2**.

Table 2: Comparative position of allocation to PRIs and ULBs during the period 2007-12

(` in crore)

Disbursement	2007-08	2008-09	2009-10	2010-11	2011-12
Municipal Corporations and Municipalities	103.22	464.45	306.24	291.43	894.67
Zila Parishads and other Panchayati Raj Institutions	93.88	412.16	366.26	267.83	722.40
Total	197.10	876.61	672.5	559.26	1,617.07

1.4 Authority for audit

The authority for audit by the CAG is derived from Articles 149 and 151 (2) of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The CAG conducts audit of

expenditure of the departments of the Government of Haryana under Section 13¹ of the CAG's (DPC) Act. CAG is the sole auditor in respect of 49 autonomous bodies which are audited under Sections 19(3)² and 20(1)³ of the CAG's (DPC) Act. In addition, CAG also conducts audit of 207 other autonomous bodies, which are substantially funded by the Government, under Section 14⁴ of the CAG's (DPC) Act. Principles and methodologies for various audits are prescribed in the Auditing Standards (March 2002) and the Regulations on Audit and Accounts issued by the CAG in 2007.

1.5 Planning and conduct of audit

Audit process commences with the assessment of risks of various Government departments/organizations/autonomous bodies and schemes/projects, etc., based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the unit/department. The units are requested to furnish replies to the audit findings within six weeks of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State of Haryana under Article 151 (2) of the Constitution of India.

During 2011-12, 7,698 party-days⁵ were used to carry out transaction audit of 1,414 out of 6,127 Audit entities and to conduct performance audits of three departments, one board, one district⁶ and on the topic "Acquisition and allotment of land" involving various departments. The audit plan covered those units/entities which were vulnerable to significant risks as per the assessment.

-
- 1 Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to the Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts.
 - 2 Audit of the accounts of Corporations (not being Companies) established by or under law made by the State Legislature in accordance with the provisions of the respective legislations.
 - 3 Audit of accounts of any body or authority on the request of the Governor, on such terms and conditions as may be agreed upon between the CAG and the Government
 - 4 Audit of all receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grants or loans to such body or authority from the Consolidated fund of the State in a financial year is not less than ₹ one crore.
 - 5 General Sector: party days- 948 (units Audited-116); Economic Sector: party days-2,721 (units Audited-228) and Social Sector: party days - 4,029 (units Audited-1070).
 - 6 The district audit results to be presented in a standalone report.
-

1.6 Significant audit observations

A synopsis of the important audit findings relating to the performance audit of Haryana Building and Other Construction Workers Welfare Board, Working of Irrigation Department, Land Acquisition and Allotment, Mahatma Gandhi National Rural Employment Guarantee Scheme, Functioning of Technical Education Department, Thematic audit paragraphs and transaction audit paragraphs included in the report are given as under:-

1.6.1 Performance audits of programmes/activities/departments

1.6.1.1 Haryana Building and Other Construction Workers Welfare Board

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996 were enacted by Government of India with a view to regulate the employment and conditions of service of building and other construction workers and for their welfare. The functioning of the Haryana Building and Other Construction Workers Welfare Board (The Board) and implementation of the provisions of the Acts was deficient. The performance audit of the Board revealed that there was delay of nine years in issuing notification about Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005, constitution of the Board and the Advisory Committee. As against the total receipt of ` 634.71 crore, only an expenditure of ` 15.11 crore was incurred during 2007-12 on welfare schemes. Cess amounting to ` 1.50 crore collected by six Public Health Engineering Divisions was not deposited with the Board. There was lack of initiative for registration of contractors as employers of construction workers and motivation for renewal of membership of registered workers. Statutory schemes such as pension, family pension, disability pension, etc. and also certain schemes such as free travelling facility for construction workers and students, coverage of chronic diseases formulated by the Board were not implemented. There was acute shortage of staff in the Board. Monitoring at the State level was not adequate as annual returns were not submitted by the Board to the Government. There was no internal audit system in the Board.

(Paragraph 2.1)

1.6.1.2 Working of Irrigation Department

Performance audit of the Irrigation Department brought out lack of planning, non-achievement of targets of covering of area under irrigation, inadequate control over expenditure, slow and tardy implementation of schemes, etc. As against the creation of irrigation potential over an area of 29.72 lakh hectares in the State, utilisation of irrigation potential was 21.13 lakh hectares. Due to delay in revising the scheme of flood protection works along river Yamuna, the State Government failed to avail of Central Assistance of ` 83.40 crore. Delay in submitting the case to Central Water Commission for finalisation of the cost of Hathnikund

Barrage resulted in non-receipt of share amounting to ` 122.52 crore from member States. Non-revision of tender fee by the department on the pattern of Public Works Department (Buildings and Roads) resulted in loss of revenue of ` 2.34 crore. Dadupur-Nalvi Irrigation Project on which an expenditure of ` 126.11 crore was incurred remained non-functional due to protest by farmers as water would be available to them only during rainy season when they did not require water. An expenditure of ` 13.11 crore incurred on increasing the capacity of canals proved unfruitful, as irrigated area had not increased. Sewage and effluent amounting to 26 cusecs was discharged in Western Jamuna Canal resulting in its further pollution. No system was evolved by the department to ascertain the balances from Land Acquisition Officers, as a result of which ` 4.92 crore remained blocked with them.

(Paragraph 2.2)

1.6.1.3 Land Acquisition and Allotment

Performance audit of land acquisition and allotment brought out deficiencies in planning, acquisition of land, irregular release of land from the process of acquisition by extending undue favour to individuals, trusts, builders, internal control system, etc. Besides, there was a case of grant of permission to sell land in violation of terms and conditions. Land compensation amounting to ` 6.49 crore was paid to 12 persons who were not owners of land, while ` 1.55 crore was paid to 15 persons in excess of their entitlements. Parking of funds outside the Government Account resulted in loss of interest of ` 1.56 crore. Delay in making payment of enhanced land compensation resulted in avoidable payment of interest of ` 5.19 crore. Due to unauthorised stand taken by the Additional Advocate General in the Apex Court regarding non-reduction of enhanced land compensation, the Government had to forego recovery of ` 40.62 crore. Proper mechanism was not evolved by Estate Offices of HUDA to watch recovery of external development charges, although huge recovery amounting to ` 167 crore was involved in the cases of release of land.

(Paragraph 2.3)

1.6.1.4 Mahatma Gandhi National Rural Employment Guarantee Scheme

Performance audit of the Mahatma Gandhi National Rural Employment Guarantee Scheme brought out improvement in the lives of workers with stability and assured income to some extent. However, there were number of cases of delayed payment of wages, preparation of bogus muster rolls, double payment of wages, etc. Difference in wages of the scheme notified by GOI and State Government amounting to ` 10.06 crore was not contributed by the State Government due to which large number of beneficiaries were deprived of benefits of the scheme. Only 23 to 42 *per cent* job card holders were provided employment, out of which only one to five *per cent* were provided guaranteed employment for 100 days. In two villages, fictitious engagement of workers involving payment of wages amounting to ` 2.60 lakh was noticed. In 25 cases tampering of muster rolls by way of cutting, overwriting, erasing, etc. and in 11 cases various deficiencies such as

non-recording of Bank Account number in the muster roll, mismatch of names of beneficiaries in muster roll and MIS report, non-recording of muster roll numbers in MIS, etc. were noticed in audit. An amount of ₹ 138.92 lakh spent on earthen roads were neither durable nor accessible in all weathers. An expenditure of ₹ 81.45 lakh was incurred on digging and deepening of 19 ponds without getting any water. ₹ 80.15 lakh were spent on Cement Concrete/ Interlocking Paver Block streets by 16 GPs which were not permissible under the Act. An amount of ₹ 23.82 lakh was spent on afforestation by the Forest Department, but during inspection the Additional Deputy Commissioner, Ambala found that no plantation had been carried out.

(Paragraph 2.4)

1.6.2 Thematic Audit

Discretionary grants amounting to ₹ 12.97 crore, sanctioned by Chief Minister, Deputy Chief Minister, Ministers, Speaker, Deputy Speaker, Chief Parliamentary Secretaries and Parliamentary Secretaries, were irregularly released to same institutions repeatedly. Twenty two grants of ₹ 1.93 crore were released for purposes not falling under the policy guidelines. In 23 cases, grants of ₹ 1.62 crore were utilised for works other than for which these were sanctioned. Sixteen grants of ₹ 1.60 crore were not fully utilised. Utilisation certificates had not been obtained in 89 per cent cases.

(Paragraph 3.1)

There was haphazard development of unauthorised colonies around towns/cities. Extant provisions in the Acts and Rules to control unauthorised colonies were not being enforced by various departmental authorities as the sale deeds of land were being registered, water supply and electricity connections were released without obtaining NOC from TCPD/MCs. The Police Department had also not taken action as provided in the rules to prevent the haphazard development of unauthorised colonies.

(Paragraph 3.2)

Faulty identification of beneficiaries resulted in payment of old age samman allowance amounting to ₹ 16.73 crore to ineligible persons.

(Paragraph 3.3)

Due to lack of co-ordination between Jail and Police Departments, 68 prisoners released on parole/furlough during 2007-11 remained at large, of which 49 were involved in heinous crimes. In 28 cases, the first information reports were registered after delay of 11 to 224 days and in 31 cases, surety bonds of ₹ 85.50 lakh were not forfeited.

(Paragraph 3.4)

1.6.3 Audit of transactions

The Report highlights several significant deficiencies in critical areas which impacted the effective functioning of Government departments and organisations.

These can be broadly categorised as:

- Non-compliance with rules
- Propriety audit/unjustified expenditure
- Failure of oversight/governance

1.6.3.1 Non-compliance with rules

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but also helps in maintaining good financial discipline. This Report contains instances of non-compliance with rules involving ` 230.58 crore. Some significant audit findings are given below:

Embezzlement of ` 18.46 lakh occurred in District Red Cross Society, Mewat at Nuh due to absence of internal control in receipt and deposit of service charges levied for issue of registration certificates of vehicles and driving licenses.

(Paragraph 4.1.1(a))

Failure of the Executive Engineer/Sub-Divisional Engineer, Public Health Engineering Divisions, Panipat and Mohindergarh in exercising necessary checks as provided for in financial rules facilitated embezzlement of ` 10.30 lakh in collection and deposit of water and sewerage charges.

(Paragraph 4.1.1(a))

In Ghaggar Water Services Division, Panchkula, earth excavated from the foundation was not used in embankments of Kaushalya Dam resulting in extra expenditure of ` 1.92 crore.

(Paragraph 4.1.2)

Education, Labour, Horticulture, Renewable Energy and Transport Departments had drawn funds of ` 228.38 crore at the strength of budgetary allocations and transferred the same irregularly to the societies, which kept these funds outside the Government Accounts resulting in not only violation of financial rules but also in falsification of Government accounts.

(Paragraph 4.1.3)

1.6.3.2 Propriety audit/unjustified expenditure

Audit detected instances of impropriety and extra expenditure involving ` 14.33 crore, some of which are highlighted below:

Fifteen members of Haryana Vidhan Sabha preferred travelling allowance bills for the same period during which they had claimed ` 23.20 lakh for free travel facility. Twenty six members were paid free travel facility twice in a financial year resulting in excess payment of ` 50.73 lakh. Twenty four members and their

family members performed more than one journey in a year and had drawn ` 47.61 lakh for subsequent journeys.

(Paragraph 4.2.1)

The Administration of Justice Department engaged Law Officers without assessing workload and without inviting applications resulting in payment of idle wages amounting to ` 2.22 crore.

(Paragraph 4.2.2)

Incurring of expenditure by Provincial Division No. 1, Rohtak and Haryana State Roads and Bridges Development Corporation Limited on widening and strengthening of the same road resulted in avoidable expenditure of ` 1.03 crore.

(Paragraph 4.2.3)

The Engineer-in-Chief, Public Health Engineering Department procured high cost Stainless Steel Cage Type Vee Wire Wound (SS) Screen instead of low cost Low Carbon Galvanized Cage Type Vee Wire Wound (LCG) Screen resulting in avoidable expenditure of ` 89 lakh.

(Paragraph 4.2.4)

District Food and Supplies Controllers, Kaithal and Kurukshetra procured wheat with lustre loss for Food Corporation of India on which a cut of ` 1.46 crore was imposed on refund resulting in loss to the State Government.

(Paragraph 4.2.5)

An extra expenditure of ` 2.26 crore was incurred by the Transport Department on purchase of 337 Tata make buses due to non-consideration of negotiated rates.

(Paragraph 4.2.6)

1.6.3.3 Failure of oversight/governance

The Government has an obligation to improve the quality of life of the people towards fulfillment of certain goals in the areas of health, education, development and upgradation of infrastructure, public service, etc. Audit, however, noticed instances where funds released by Government for creating public assets for the benefit of the community aggregating ` 197.64 crore remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and lack of concerted action at various levels. A few such cases are mentioned below.

Lack of monitoring by the UTKARSH Society led to non-functioning of 56 per cent terminals installed by spending ` 90.59 crore under EDUSAT programme. Non-identification of sites by the Society led to non-receipt of equipments worth ` 0.69 crore from ISRO. Further, funds of ` 0.61 crore meant for repair of ROTs remained blocked.

(Paragraph 4.3.1)

Non-deposit of funds in Government Account by Public Health Engineering Department resulted in loss of interest of ` 1.30 crore besides additional loss of ` 1.15 crore by keeping the funds in non-interest earning account in Bank.

(Paragraph 4.3.2)

Public Health Engineering Division No. 1, Kaithal spent ` 1.55 crore on construction of storm water drain and pumping house in Pundri Town without making proper arrangement for disposal of waste water rendering the expenditure unfruitful.

(Paragraph 4.3.3)

Executive Engineer, Public Health Engineering Division, Ambala Cantt. commenced the work of sewerage scheme for Ambala City without obtaining permission from National Highway Authority of India for laying trunk sewer along National Highway-1 with the result that scheme remained non-functional rendering the expenditure of ` 9.42 crore unfruitful.

(Paragraph 4.3.4)

The Provincial Division, Yamunanagar started the work for construction work of Zila Sainik Rest House without ascertaining the site conditions and scope of work, as a result of which the building remained incomplete leading to unfruitful expenditure of ` 88.89 lakh.

(Paragraph 4.3.5)

Transport Department procured 102 buses for Faridabad depot under city bus service scheme of Jawahar Lal Nehru Urban Renewal Mission without making arrangement for required operational staff which resulted in their underutilisation to the extent of 53 *per cent* besides non-achievement of the objective of the Mission.

(Paragraph 4.3.6)

The Haryana State Agricultural Marketing Board started construction of four Agro Malls at Panchkula, Karnal, Panipat and Rohtak without finalising their detailed project reports and drawings with the result that the buildings remained incomplete leading to blocking of ` 132.52 crore.

(Paragraph 4.3.7)

Refund of labour cess to contractors by five works divisions of Haryana Urban Development Authority resulted in additional expenditure of ` 63.62 lakh besides extending undue financial aid to contractors.

(Paragraph 4.3.8)

1.6.4 CCO based Audit of a Government Department

Department of Technical Education

The Technical Education Department provides trained manpower in various fields of engineering and technology encompassing diploma, degree and postgraduate level to meet the requirements of industries as well as other sectors. Performance audit of the department brought out deficiencies in planning, financial

management and implementation of the schemes. There was inadequate infrastructure for classrooms, hostels, dispensaries, etc. ` 14.53 crore, drawn by polytechnics without immediate requirement, remained outside the Government Account. ` 12.22 crore of Grant-in-aid released to Chaudhary Devi Lal Engineering College, Panniwala Mota remained unspent. Maintenance allowance of ` 17.17 lakh was paid in excess of their entitlement to SC students. Entire funds of ` 3.09 crore provided for Faculty Development Programme were diverted towards payment of salary to guest teachers. Payment of ` 15.88 crore on account of pre-admission coaching for entrance to AIEEE and DET examination to SC students was released without following proper procedure. Poor monitoring by the department facilitated many lapses which benefited the service provider. The department had not prepared any plan to utilise the services of teaching staff of closed vocational institutions while salary amounting to ` 1.03 crore was paid to them by three polytechnics during 2009-12.

(Paragraph 5.1)

1.7 Recoveries at the instance of audit

The audit findings involving recoveries that came to notice in the course of test audit of accounts of Government Departments were referred to the Departments/ State Government through Audit and Inspection Reports for further investigation and in case of overpayments/excess payment, recovery of the same is required to make under intimation to audit.

An amount of ` 1.38 crore was recovered in 10 cases during 2011-12 by Public Works Department (Building and Roads), Irrigation Department and Public Health Engineering Department after being pointed out by the Audit through Inspection Reports.

1.8 Lack of responsiveness of Government to Audit

1.8.1 Outstanding inspection reports

After periodical inspections of Government Departments, the Principal Accountant General (Audit) issues Inspections Reports (IRs) to the heads of the offices audited with copies to the next higher authorities. The executive authorities are expected to promptly rectify the defects and omissions pointed out and report compliance to the Principal Accountant General (Audit) within six weeks. Half-yearly reports of IRs pending for more than six months are also sent to the concerned Administrative Secretaries of Departments to facilitate monitoring and compliance of the audit observations in the pending IRs.

A review of IRs issued up to March 2012 of various offices of the Public Works Department (Buildings and Roads) and Social Justice and Empowerment Department disclosed that 1,154 paragraphs of 422 IRs with money value of

₹ 3,632.59 crore (*Appendix 1.1*) remained outstanding as on 30 June 2012. Of these, 186 paragraphs involving 124 IRs were more than five years old. Category-wise details of irregularities pointed out through these IRs which had not been settled as of 30 June 2012 are indicated in *Appendix 1.2*.

The Administrative Secretaries of the Departments, who were informed of the position through half-yearly reports, failed to ensure prompt and timely action on the audit observations. The matters were referred to the Additional Chief Secretaries to Government of Haryana, Social Justice and Empowerment Department and Public Works Department (Buildings and Roads) in July and August 2012 respectively.

1.8.2 Response of departments to draft paragraphs

Draft paragraphs/performance audit reports pertaining to the year 2011-12 were forwarded demi-officially to the Principal Secretaries/Secretaries of the concerned Departments between March and September 2012 with the request to send their responses within six weeks. Departmental replies for five out of five performance audit reports and 22 out of 25 thematic/transaction paragraphs included in this Report have been received. The replies, wherever received, have been suitably incorporated in the Report.

1.8.3 Follow-up on Audit Reports

According to the instructions issued (October 1995) by the Finance Department and reiterated in March 1997 and July 2001, the administrative Departments were required to initiate *suo moto* positive and concrete action on all audit paragraphs and performance audits featuring in the Comptroller and Auditor General's Audit Reports (ARs), regardless of whether the cases had been taken up for examination by the Public Accounts Committee or not. The administrative Departments were also required to furnish detailed notes, duly vetted by Audit, indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the ARs to the Legislature.

A review of the position regarding receipt of Action Taken Notes (ATNs) on the paragraphs included in the ARs up to the period ended 31 March 2012 revealed that the ARs for the period 2006-07, 2008-09, 2009-10 and 2010-11 were presented⁷ to the State Legislature. Of the 84 paragraphs and performance audits of 27 administrative Departments included in these ARs, ATNs on 46 paragraphs and performance audits in case of 18 administrative Departments were not submitted as per details given in *Appendix 1.3*.

The administrative Departments, viz Public Works (Buildings and Roads), Irrigation, Public Health, Education, Town and Country Planning and Home had not submitted ATNs in respect of 25 out of 46 paragraphs/performance audit reports. Nine administrative Departments, out of those which had submitted the

⁷ Audit Report 2006-07: March 2008, Audit Report 2008-09: March 2010, Audit Report 2009-10 : March 2011 and Audit Report 2010-11: February 2012.

ATNs, had not taken any action to recover a total amount of ` 208.03 crore in respect of 14 paragraphs and performance audits as per details given in ***Appendix 1.4***.

Further, the response of the administrative departments towards the recommendations of the Public Accounts Committee was not encouraging as 373 recommendations relating to Audit Reports 1970-71 to 2005-06 and 2007-08 were still awaiting final action by the concerned administrative departments as per details given in ***Appendix 1.5***.

CHAPTER 2

PERFORMANCE AUDIT

Labour Department

2.1 Haryana Building and Other Construction Workers Welfare Board

Highlights

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996 were enacted by Government of India with a view to regulate the employment and conditions of service of building and other construction workers. The State Government was required to implement various welfare schemes for the registered workers falling in the age group of 18 to 60 years. The functioning of the Haryana Building and Other Construction Workers Welfare Board and implementation of the provisions of the Acts was deficient. Important highlights are enumerated below:

There was delay of nine years in issuing notification about Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005, constitution of Haryana Building and Other Construction Workers Welfare Board and State Advisory Committee.

(Paragraph 2.1.8.2)

As against the total receipt of ` 634.71 crore, only an expenditure of ` 15.11 crore was incurred during 2007-12.

(Paragraph 2.1.9.1)

Cess amounting to ` 1.50 crore collected by six Public Health Engineering Divisions was not deposited with the Board. Out of this, ` 70.05 lakh was deposited in the State Receipt head.

(Paragraph 2.1.9.4)

There was lack of initiative for registration of contractors as employers of construction workers and motivation for renewal of membership of registered workers.

(Paragraphs 2.1.10.1 and 2.1.10.2)

Statutory schemes such as pension, family pension, disability pension, etc. and also certain schemes such as free travelling facility for construction workers and students, coverage of chronic diseases formulated by the Board were not implemented.

(Paragraph 2.1.11.1)

There was acute shortage of staff in the Board which was inadequate for the implementation of the provisions of the Act.

(Paragraph 2.1.12.1)

Monitoring at the State level was not adequate as annual budget and returns were not submitted by the Board to the Government. There was no internal audit system in the Board.

(Paragraphs 2.1.13.1 and 2.1.13.2)

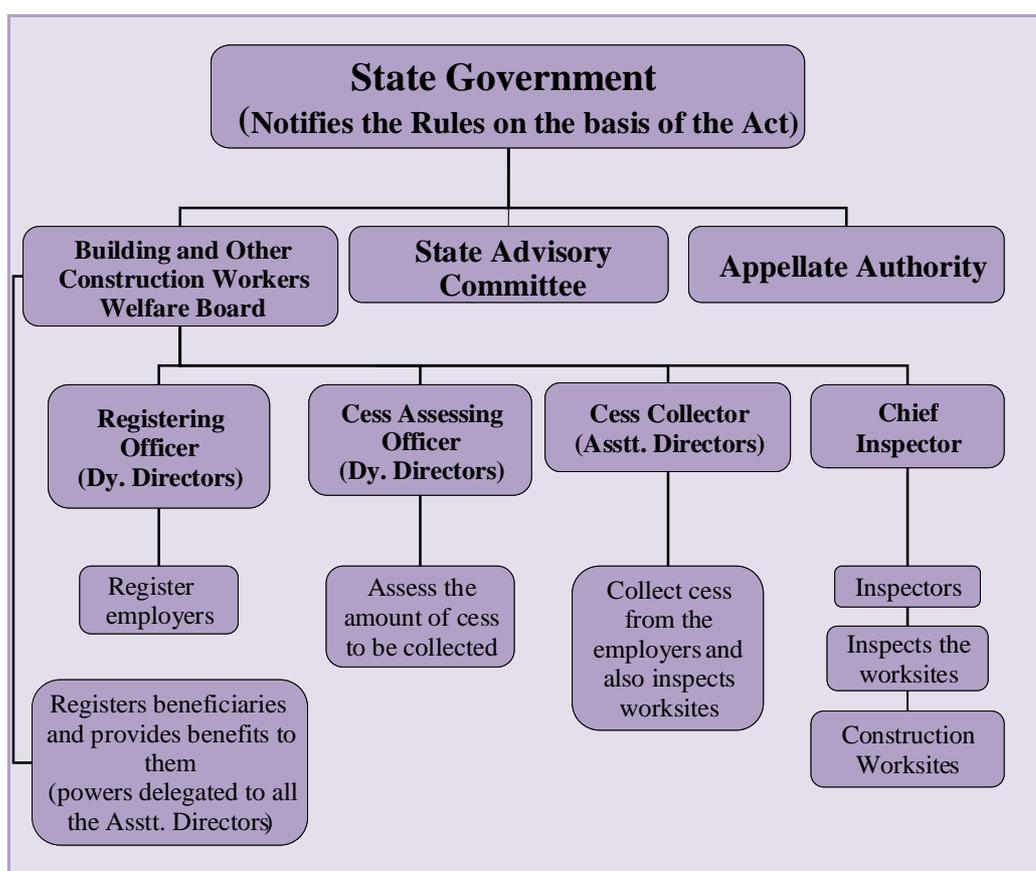
2.1.1. Introduction

The Government of India (GOI) enacted (August 1996) the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the Act) and the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act) with a view to regulate the employment and conditions of service of building and other construction workers. The Ministry of Labour, vide its notification dated 26 September 1996, stipulated levy of cess at the rate of one *per cent* of the total cost of construction on the employer. The State Government framed the Haryana Building and Other Construction Workers (Regulation of employment and Conditions of Service) Rules, 2005 (Rules) for implementation of the Building and Other Construction Workers Welfare Cess Act in the State. Further, the State Government constituted (November 2006) the Haryana Building and Other Construction Workers Welfare Board (the Board) to carry out welfare schemes for construction workers and imposed (January 2007) cess at the rate of one *per cent* in accordance with the requirements of the Cess Act. The cess so collected, was required to be spent for the welfare of construction workers on schemes like maternity benefits, pension, advances for purchase of construction of houses, disability pension, loans for tools, payments of funeral assistance, medical assistance, financial assistance for education and marriage of children, etc. Construction workers in the age group of 18 and 60 years, who registered themselves, were required to contribute ` five per month.

2.1.2. Organisational set-up

The Board headed by Labour and Employment Minister is responsible for administration of the fund and implementation of various welfare schemes. The

State Government had constituted (April 2007) the State Advisory Committee for a term of five years to advise the State Government on such matters arising out of the administration of the fund. The Labour Commissioner was designated as Chief Inspector and other officers of the Labour Department viz. Chief Inspectors of Factories, Additional Director and Assistant Director, Industrial Safety and Health, all Joint Directors, Industrial Safety and Health, etc. were appointed as Inspectors, Registering Officers, Cess Collectors, Assessing Officers, etc. under the Act. The organisational set-up has been depicted in the following chart:



2.1.3. Audit objectives

The objectives of audit were to assess whether:

- planning process for implementation of welfare measures was effective;
- financial management was effective;
- welfare measures were implemented effectively;
- human resource management was effective; and

- monitoring and internal control mechanism was in place and effective.

2.1.4. Audit criteria

The sources of audit criteria for assessing the implementation of various provisions of the Act/Rules were as under:

- Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996 and Haryana Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Rules, 2005.
- Cess Act 1996.
- Guidelines of various schemes and instructions issued by the Board from time to time.
- Agenda items of State Advisory Committee and the Board and minutes thereof.
- Annual Action Plans of the Board.

2.1.5. Audit scope

A performance review of Haryana Building and Other Construction Workers Welfare Board for the period 2007-12 was conducted during May and June 2012. The review included a test check of all the relevant records/documents of the Board i.e. levy and collection of cess, reports regarding registration of establishments/workers, progress reports of implementation of welfare schemes, administrative reports, annual action plans, periodical review, proceedings of the meetings, sanctions, budgetary documents, instructions and orders regarding implementation of the schemes, etc. Out of six Deputy Directors in the State, four¹ Deputy Directors (67 per cent) covering six² districts were selected for test check on random basis. Records of Municipal Corporation, Hisar, Guru Jambheshwar University, Hisar and six³ Public Health Engineering Divisions (PHED) located at Bhiwani, Faridabad, Gurgaon and Sohna were also test-checked to assess whether these cess deductors were depositing the cess amount with the Board. Apart from this, the audit alongwith officers of the Board also visited the 10⁴ construction sites to verify the registration of construction workers and establishments.

1 (i) Bhiwani, (ii) Faridabad, (iii) Gurgaon and (iv) Hisar.

2 (i) Bhiwani, (ii) Faridabad, (iii) Gurgaon, (iv) Hisar, (v) Palwal and (vi) Rewari.

3 Public Health Engineering Division No. 1, 2 and 3, Bhiwani; Public Health Engineering Division No. 1, Faridabad; Public Health Engineering Division, Gurgaon and Sohna.

4 Bhiwani: Construction work of two buildings on Kanina Road, Charki Dadri, Construction site of crown plaza shopping mall, old bus stand, Bhiwani and Construction

2.1.6. Audit methodology

Before commencing audit, audit objectives, criteria and scope of audit were discussed (May 2012) in entry conference with the Labour Commissioner-cum-Secretary of the Board. Information relating to implementation of schemes and other related information from the Haryana Building and Other Construction Workers Welfare Board and the State Government and replies furnished by them to audit memoranda were analysed to arrive at audit conclusions. Physical verifications were also taken into consideration to substantiate audit observations. The Audit findings were discussed in the exit conference held (October 2012) with the Labour Commissioner-cum-Secretary of the Board. Their replies have been duly considered in arriving at the conclusions in the report.

2.1.7 Acknowledgement

Office of the Principal Accountant General (Audit), Haryana acknowledges the co-operation of the Board and their subordinate offices in providing information and records for audit.

Audit findings

The performance audit of the Haryana Building and Other Construction Workers Welfare Board revealed that the Board had done well by deciding to implement schemes relating to health insurance, mobile dispensary vans, shelter for construction workers, financial assistance for marriage of daughters, crèches and mobile toilets, etc. and spent ₹ 6.31 crore upto 31 March 2012 apart from the schemes notified under Haryana Building and Other Construction Workers (Regulation of employment and Conditions of Service) Rules, 2005.

Important audit findings are discussed in the following paragraphs:

2.1.8. Planning process

2.1.8.1. *Perspective and annual plans*

For carrying out the welfare activities and to provide benefits to the construction workers, preparation of a long term perspective plan outlining the year-wise developmental activities was most essential. Audit, however, observed that Board had neither prepared any long term perspective plan nor annual plans. As such, implementation of the schemes could not be ensured in a proper manner. Further,

site of Sedimentation and Storage tank, Rohtak Road, VPO Ninan, District Bhiwani Hisar; Guru Jambheshwar University, Shopping Complex constructed near Hansi Road Bus Stand; Faridabad and Gurgaon: Construction sites of Ansal Properties and DLF.

no survey was conducted by the Board to identify the migrant/local labourers in the State to plan its activities.

Section 25 of the Act provides that the Board would prepare its budget for the next financial year showing the estimated receipts and expenditure and forward the same to the State Government and Central Government. Scrutiny of the records revealed that the Board did not prepare its budget since inception.

The Labour Commissioner-cum-Secretary of the Board while admitting the facts stated (October 2012) that annual budget for the year 2012-13 was under preparation and would be sent to the Government for approval.

2.1.8.2 *Delay in implementation of the provisions of the Act*

The GOI enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act in 1996 and the Building and Other Construction Workers Welfare Cess Act, in 1996. The State Government notified the Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005 i.e., after a gap of nine years of the constitution of the Act. Audit observed that Expert Committee was constituted for preparation of rules in April 2001 which took four years for finalization of rules.

Similarly, the State Government was required to constitute Haryana Building and Other Construction Workers Welfare Board immediately after the enactment of the ibid Act of Parliament. But the State Government constituted the Board in November 2006 i.e., after a gap of nine years of the constitution of the Act. As a result, the implementation of the provisions for the safety and welfare of the workers were not complied with upto March 2007.

Further, a State Building and Other Construction Workers Advisory Committee was to be constituted to advise the State Government on matters arising out of the administration of the Act. But the State Government had constituted the committee as late as in April 2007.

Thus, there were substantial delays in formulation of the rules, constitution of the Board and State Advisory Committee. The construction workers remained deprived of the benefits as defined in the Act during this period.

The Labour Commissioner-cum-Secretary while admitting the facts stated (October 2012) that the delay in implementation of the provisions of the Act existed in all the States. The reply was not convincing as the Government should have constituted the Board at the earliest in the interest of welfare of building and other construction workers.

2.1.8.3 *Delay in holding Meetings of the Board and Advisory Committee*

Rule 36 of the Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005 provides that board should ordinarily meet once in three months. Similarly, Rule 14 stipulates that the State Advisory Committee should meet at least once in six months. According to provisions of these rules, there should have been 20 meetings of the Board and 10

meetings of the Advisory Committee during the period of their inception to March 2012. It was, however, noticed that only nine and three meeting of the Board and Advisory Committee respectively were held during this period which is indicative of lack of commitment and seriousness on the part of the State Government in implementing the various provisions of the Act.

The Labour Commissioner-cum-Secretary while admitting the facts stated (October 2012) that meetings were held whenever any important issue was required to be placed before the Board for its approval. It was also stated during the exit conference that the meetings of the Board/Advisory committee would be held as per prescribed norms in future.

2.1.9. Financial management

2.1.9.1 Income and expenditure of the Board

In addition to Cess which was being collected at the rate of one *per cent* of the construction cost, it also collected membership fee from the members at the rate of ` five per month. As against the income of ` 634.71 crore, an expenditure of ` 15.11 crore was incurred during 2007-12. The details of income and expenditure as well as administrative expenses are given in **Table 1**.

Table 1: Statement showing details of income and expenditure

(Figures in crore)

Year	Cess	Members' contribution	Total	Expenditure on welfare scheme	Administrative expenses	Total	Percentage of administrative expenses to total expenditure
2007-08	24.49	0.03	24.52	0.05	0.04	0.09	44.44
2008-09	69.98	0.38	70.36	0.67	0.20	0.88	22.73
2009-10	102.06	0.14	102.20	2.18	0.35	2.52	13.89
2010-11	199.20	0.20	199.40	3.28	0.40	3.69	10.84
2011-12	237.93	0.30	238.23	7.30	0.64	7.93	8.07
Total	633.66	1.05	634.71	13.48	1.63	15.11	10.79

Source: Data supplied by the Board.

As per Section 24(3) of the Act, the administrative expenditure was to be kept within a limit of five *per cent* of the total expenditure. As is evident from the above table, the administrative expenditure ranged between 8.07 and 44.44 *per cent*, while meager expenditure (2.12⁵ *per cent*) was incurred on welfare schemes.

During the exit conference, the Labour Commissioner-cum-Secretary while admitting the facts stated (October 2012) that expenditure in excess of the prescribed norms was due to creation of initial infrastructure to start the smooth functioning of the Board. However, the Board would be able to comply with the said provision in coming years when the expenditure on welfare schemes would

5 ` 13.48 crore spent on welfare schemes/` 634.71 crore collected on account of cess and members' contribution during 2007-08 to 2011-12 X 100 = 2.12 *per cent*.

increase. The reply was not convincing as the expenditure should have been restricted to the prescribed norms as per Act.

It is pertinent to mention here that a para titled “Non-achievement of objectives due to non-utilisation of cess funds” was incorporated in the report of Comptroller and Auditor General of India (CAG) No. 2 Civil, Government of Haryana for the year ended 31 March 2011, wherein it was brought out that cess amount of ₹ 376.98 crore collected from Government and Public Sector Undertakings remained unutilised. It had increased to ₹ 619.60 crore at the end of 2011-12. Thus, the Board did not take adequate steps with required seriousness to implement the welfare schemes for construction workers despite pointed out by Audit.

The Labour Commissioner-cum-Secretary stated (October 2012) that about 20 schemes were in operation for the welfare of beneficiaries but limited claims under the schemes were coming from the beneficiaries as the claims were to be given with certain conditions attached to the schemes. Audit recommends that the Board should conduct proper survey to enroll more construction workers and pursue with registered workers to continue their memberships so as to provide benefits to them as envisaged in the Act.

2.1.9.2 Short realisation of Cess

Section 3(4) of the Building and Other Construction Workers’ Welfare Cess Act, 1996 (Cess Act) provides that the cess leviable under this Act including payment of such cess in advance would be subject to final assessment to be made on the basis of the quantum of the building or other construction work involved. Section 5(2) of the Cess Act provides that if the return has not been furnished to the officer or authority under sub-Section (2) of Section 4, he or it shall, after making or causing to be made such inquiry as he or it thinks fit, by order, assess the amount of cess payable by the employer.

Section 8 of the Act also provides that if any employer fails to pay any amount of cess within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two *per cent* for every month. Section 9 of the Act provides that if any amount of cess is not paid within the specified date (30 days), the authority may impose a penalty not exceeding the amount of cess. Section 10 of the Act provides that any amount due under this Act (including any interest or penalty) from an employer may be recovered in the same manner as an arrear of land revenue.

Audit scrutiny of the cess assessment files of establishments revealed (May 2012) that the Deputy Directors, Industrial Safety and Health of three districts had assessed ₹ 77.24 lakh as cess in 33⁶ cases during 2008-12. It was observed that an amount of ₹ 11.86 lakh was paid as advance cess in these cases but the remaining amount of ₹ 65.38 lakh along with interest had not been paid by these employers even though the period during which the cess was to be paid had already elapsed.

6 Bhiwani: 7 cases, Hisar: 22 cases and Gurgaon: 4 cases

The Deputy Directors of these districts had neither imposed penalty nor taken any action to recover the amount as arrears of land revenue from the defaulters.

The Labour Commissioner-cum-Secretary of the Board stated (October 2012) that recovery of ₹ 17.92 lakh in nine of 33 cases reported by audit had been made and efforts were being made to recover the balance amount.

2.1.9.3 Short collection of cess

Sections 4(1) and 4(2) of Cess Act 1996 provide that every employer shall furnish such return to such officers or authority, in such manner and at such time as may be prescribed. If any person carrying on the building or other construction work, liable to pay the cess under the Act, fails to furnish the return, the officer or the authority shall give a notice requiring such person to furnish such return before such date as may be specified in the notice. Further, Section 7 of the Cess Act empowers any authority of the State Government to enter at any reasonable time and place wherever considered necessary for carrying out the purposes of the Act including verification of correctness of any particulars furnished by the Employer.

Rule 7 of the Building and Other Construction Workers Welfare Cess Rules further provides that assessing officer would make an order of assessment within six months from the date of receipt of information.

Audit scrutiny of the records of selected offices of the Deputy Directors revealed that Assistant Directors (I, II and III) Faridabad and Palwal brought out after inspection to the Deputy Director, Faridabad that 246 establishments employing construction workers had neither intimated about the construction activities being carried out by them nor deposited the cess amount during the period from April 2007 to March 2012. Out of these 246 cases, the Deputy Director had completed the assessment only in 24 cases recovering an amount of ₹ 4.57 crore and in 80 cases an amount of ₹ 5.38 crore was paid by these establishments as advance cess but cess assessment was not completed to assess the balance outstanding amount of cess due. However, in remaining 142 cases neither the advance cess was paid by these establishments nor the cess assessments were completed to demand the outstanding cess payable. Thus, Deputy Director did not conduct assessment of 222 units (80+142 units) within the specified period of six months resulting in non-levy/short collection of cess. Non-assessment of cess also resulted into non-levy of interest and penalty as envisaged in the Section 8 and 9 of the Cess Act.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that delegation of powers for assessment/collection of cess to some more officers were under consideration of the department for speedy assessment in future.

2.1.9.4 Delayed/non-deposit of Cess

Section 3 of the Cess Act provides that cess would be collected at the rate of one per cent of the construction cost. Further, Rule 5 (3) of Cess Rules provide that the cess collected should be remitted to the Board within 30 days after deducting

the collection charges at the rate not exceeding one *per cent* of the cess collected. Audit scrutiny of selected cess deductors revealed that six⁷ PHED located at Bhiwani, Faridabad, Gurgaon and Sohna revealed that an amount of ` 1.50 crore deducted as cess during 2008-12 was kept in Public Works Miscellaneous Deposit during 2008-12. Of this, an amount of ` 70.05 lakh was transferred to 0230-Receipt head in March 2012 and the balance amount of ` 79.84 lakh was still lying in Public Works Miscellaneous Deposit (March 2012). Thus, transfer of amount to the receipt head of the State Government and keeping of funds in Public Works Miscellaneous Deposits was irregular.

Further audit scrutiny of records of Estate Officer, Haryana Urban Development Authority (HUDA), Gurgaon revealed that an amount of ` 11.07 crore deducted as cess on approval of their layout plans for construction of building and other construction works during the period from April 2010 to May 2012 was kept in a separate bank account. Audit observed that an amount of ` 10.31 crore was deposited (April 2012) with the Board after deducting collection charges of ` 10.41 lakh. The balance amount of ` 65.97 lakh was still lying with HUDA (June 2012). The action of HUDA retaining the amount beyond 30 days of its collection was irregular resulting in loss of interest. Further, HUDA had not collected cess whose layout plan for construction of building and other construction works were approved during the period from February 2007 to May 2010.

Similarly, Municipal Corporation, Gurgaon had also not levied/collected cess in respect of the plans approved for building and other construction works exceeding ` 10 lakh during the period February 2007 to March 2011. However, the corporation had started levy and collection of cess from April 2011. A scrutiny of records for the period from July 2010 to March 2011 revealed that the corporation had issued the approval of 277 layout plans for building and other construction works during this period. On the basis of plinth area and minimum construction cost per sq feet, the total non-collection of cess worked out to ` 50.46 lakh.

Audit also observed that the Board had not evolved any mechanism to ensure that the cess was being collected and deposited by deductors regularly with them.

The Labour Commissioner-cum-Secretary of the Board stated (October 2012) that the matter regarding deposit of cess had already been taken up with the Engineer-in-Chief, Chief Administrator, HUDA and other authorities.

2.1.10. Implementation of the provisions of the Act and Rules

2.1.10.1 Registration of establishments

According to Section 2(J) of the Act, establishment means any establishment belonging to, or under the control of Government, anybody corporate or firm, an

7 Public Health Engineering Division No. 1, 2 and 3, Bhiwani; Public Health Engineering Division No. 1, Faridabad; Public Health Engineering Division, Gurgaon and Sohna

individual or association or other body of individual which or who employs building workers in any building or other construction works and includes an establishment belonging to a contractor, but does not include any individual who employs such workers in any building or construction work in relation to his own residence and the total cost of such construction not being more than ` 10 lakh. Further, Section 7 of the Act provides that every employer would apply for registration with prescribed authority within sixty days of the commencement of the establishment.

The Deputy Directors, Industrial Security and Health (IS&H) Hisar, Gurgaon and Faridabad registered the Cess deductors such as Executive Engineers of Public Works Departments, Haryana Urban Development Authority, Haryana State Agricultural Marketing Board, colonizers, etc. but had not made any efforts to register the contractors as establishments who were the actual employers of the construction workers. In the absence of this, actual number of establishments and number of workers employed by them could not be assessed by the department.

The audit party visited (June 2012) 10 construction sites along with Assistant Director, IS&H, Bhiwani, Hisar, Gurgaon and Faridabad at random to assess the position of registration of establishments and workers. Audit observed that none of the contractors/building workers at six⁸ sites at Bhiwani and Hisar were found registered although they were engaging 16 to 40 workers. They were eligible workers who were required to be registered, in the absence of which they were deprived of the benefits envisaged in the Act. However, colonizers at four⁹ sites in Gurgaon and Faridabad had got themselves registered and workers employed by them were also registered with the Board on the basis of certificates issued by these colonizers.

During the exit conference while admitting the fact, Labour Commissioner-cum-Secretary stated (October 2012) that the process would be initiated to register the contractors also.

2.1.10.2 Registration of building workers

Section 12 of the Act provides that every building worker who is in the range of eighteen to sixty years of age, and who has been engaged in any building or other construction work for not less than ninety days during the preceding twelve months shall be eligible for registration as a beneficiary under this Act and shall pay contribution until he attains the age of sixty years. Further, Section 17 of the Act provides that when a beneficiary has not paid his contribution for a continuous period of not less than one year, he shall cease to be a beneficiary.

8 Bhiwani: (i) & (ii) Construction work of two buildings on Kanina Road, Charki Dadri, (iii) Construction site of crown plaza shopping mall, old bus stand, Bhiwani, (iv) Construction site of Sedimentation and Storage tank, Rohtak Road, VPO Ninan, District Bhiwani. Hisar: (v) Guru Jambheshwar University, (vi) Shopping Complex constructed near Hansi Road Bus Stand.

9 Two construction sites each of Ansal Properties and DLF.

Analysis of the data provided by the Board revealed that 1,63,343 workers were registered in the State during the period 2007-12. During this period, only 25,059 workers registered (15.34 *per cent*) had continued their membership and contributed to the fund.

Audit scrutiny of the records of the office of the Deputy Directors, Gurgaon and Faridabad revealed that 85,563 workers were registered during the period 2007-2012. Out of this, only 22,413 registered workers were active as on March 2012. Out of active registered workers, 21,969 were those who got themselves registered during 2011-12. Only 444 workers have paid regular contribution to the fund and were eligible for the benefits. Gurgaon and Faridabad districts had contributed the cess to a large extent but benefits under the schemes, launched by the board, were given to the extent of ` 6.51 lakh to 12 beneficiaries only.

The Board had not taken any cognizance of the situation and did not start any effective campaign/survey/advertisement to motivate the local as well as migratory workers for their regular contribution to the fund so that they could derive the optimum benefits of the welfare scheme. An expenditure of ` 44.22 lakh only was incurred on advertisement during 2007-12.

On this being pointed out in audit, the Assistant Directors, Faridabad Circle I & II (July 2012) stated that low renewal of registration by workers was due to their migration to their home States after five to six months. The reply was not tenable as there was lack of initiative on the part of department for renewal of registration of workers.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board while admitting the facts stated (October 2012) that low rate of registration/renewal was also due to excessive workload on the staff of Labour Department who was also looking after the work of the Board in addition to their normal duties. A proposal to recruit separate staff for Board had been made. It was also stated that awareness campaign for registration/benefits provided under welfare schemes run by the Board would be launched through All India Radio (through jingles).

2.1.10.3 Non-maintenance of workers' record

According to Rule 28(3) of Haryana Building and Other Construction Workers Rules 2005, a certificate from the employer or contractor indicating that the applicant is a construction worker is required to be produced along with the application for registration. In case, such a certificate is not available, a certificate issued by the registered construction workers' unions or a certificate issued by Labour Officer or Assistant Director, Industrial Safety and Health of the concerned area or by the Executive Officer of the Panchayat may also be considered. Further, Rule 31(1) provides that every employer would maintain a register showing the particulars of the building workers and a register of contribution.

Test check (May-June 2012) of the records of selected districts relating to registration of building and other construction workers revealed that in the offices of Assistant Directors, IS&H, Hisar and Bhiwani, all workers were registered in these districts on the basis of certificates issued by the branches of *Bhavan Nirman Kaamgar Union*, *Haryana Bhavan Nirman Mazdoor Union*, etc. Audit, however, observed that certificates issued by these unions did not bear any registration number of workers or serial number of the registers in which their names were recorded. Further, the proof that workers had completed 90 days of service as building workers during the preceding year had not been furnished to Audit.

Due to non-maintenance of register about the details of workers and records relating to completion of 90 days service as construction worker, genuineness of registered workers could not be verified in audit.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that necessary instructions for maintenance of record had been issued to the field staff/Unions.

2.1.11. Implementation of Welfare Schemes

The Board had launched 20 welfare schemes to provide incentives to the registered workers. Out of these 20 schemes, 11 statutory schemes were notified under Haryana Building and Other Construction Workers (Regulation of employment and Conditions of Services) Rules, 2005 and the remaining nine non-statutory schemes were launched by the Board though these were not notified under the Rules. Audit scrutiny of records relating to implementation of schemes revealed that the Board had not prepared any budget estimate for the various welfare schemes launched by it. As such, no funds were placed for each welfare scheme individually and expenditure was being incurred on the need basis. The shortcomings in implementation of the welfare schemes are discussed in the succeeding paragraphs:

2.1.11.1 Improper implementation of the schemes

The details of schemes implemented by the Board and number of beneficiaries covered upto 2011-12 are given in **Tables 2 and 3**.

Table 2: Details of Statutory Schemes implemented by the Board

(Amount in lakh)

Sr. No.	Name of Scheme	Number of cases	Amount spent	Number of cases	Amount spent
		up to March 2012		during 2011-12	
1.	Maternity Benefit Scheme	187	8.52	174	7.90
2.	Funeral Assistance	215	9.43	128	7.66
3.	Death Benefit	228	123.05	134	93.85
4.	Medical Assistance	2	0.02	2	0.02
5.	Financial Assistance for Education	577	25.48	389	20.28

Source: Data supplied by the Board. (Year-wise details given in Appendix 2.1)

Five statutory schemes i.e. pension, family pension, disability pension, advance for purchase/construction of house and loan for purchase of tools had not been implemented so far (March 2012). One scheme namely “Financial Assistance for Marriage” was implemented as a non-statutory scheme as “Financial Assistance for Marriage of Daughters” by making it more beneficial to the workers.

Table 3: Details of Non-statutory Schemes implemented by the Board
(Amount in lakh)

Sr. No.	Name of Scheme	Amount spent up	
		to March 2012	during 2011-12
1.	Health Insurance Scheme	140.40	48.16
2.	Mobile Dispensary Vans	81.60	38.45
3.	Shelters for Construction Workers	62.11	14.06
4.	Financial Assistance for Marriage of Daughters	262.99	153.90
5.	Workers Facilitation Centres	21.63	16.93
6.	Crèches and Mobile Toilets	62.63	25.07

Source: Data supplied by the Board. (Year-wise details given in Appendix 2.2)

Three non-statutory schemes i.e. Coverage of Chronic Diseases, Free Travelling Facility for Religious/Historical Places and Free Travelling Facility for Construction Workers and Students had not been implemented so far (March 2012) although these schemes were formulated by the Board in June 2008.

It was further observed that schemes at Sr. No. 2, 3 and 6 of the table were not implemented in the entire State. Instead these were implemented in limited areas as detailed in Table 4.

Table 4: Details showing the implementations of schemes

Sr. No.	Name of the scheme	Number of districts in the State	Number of districts where schemes implemented	Number of districts where schemes not implemented
1.	Mobile Dispensary Vans	21	5 ¹⁰	16
2.	Shelters for Construction Workers	21	4 ¹¹	17
3.	Crèches and Mobile Toilets	21	2 ¹²	19

Source: Data supplied by the Board.

Thus, the Board had not implemented the welfare schemes in line with the spirit of the Act covering all the areas.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that all the schemes had been implemented but claims were not received under some schemes due to non-renewal of membership. The reply was not convincing as the board had not taken any concrete steps to motivate the workers for continuation of their membership. Further, some of the schemes such as Mobile Dispensary Vans, Shelters for Constructions Workers and Crèches and

10 (i) Ambala, (ii) Faridabad, (iii) Gurgaon, (iv) Hisar and (v) Panipat.

11 (i) Faridabad, (ii) Hisar, (iii) Jind and (iv) Yamunanagar.

12 Faridabad and Gurgaon.

Mobile Toilets, etc. were not related to claims from workers, as these facilities were to be provided to the workers irrespective of claims.

2.1.11.2 Non-implementation of the decision of the board

The Board in its 9th meeting held on 3 March 2011 had approved the reduction in amount of contribution fee from ` 5 to ` 1 per month and also decided that the fees already deposited after 01 April 2010 for one year at the previous rate would be treated as fees for five years. Further, in future, registration shall be valid continuously for five years from the date of registration. Scrutiny of related documents revealed that the decision of the board had not been implemented.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that the matter had been referred to Government for obtaining approval but the same was awaited. The matter needed to be pursued with the Government to extend the benefit to the labourers.

2.1.11.3 Non-refund of contribution to the legal heirs of the deceased members

Rule 64(I) provides that on the death of a member, the amount of contribution standing in his credit would be given to his nominee. In the absence of a nominee, the amount would be paid to his legal heirs in equal shares.

Audit scrutiny revealed that though death assistance was given to family members of 228 members in the State during 2008-12, monthly contribution standing in their credit had not been refunded to the nominees/legal heirs of the deceased members.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that necessary directions had been issued to all the concerned officers to facilitate refund of contribution to the legal heirs of the deceased members.

2.1.11.4 Funeral assistance

Rule 56 and 57 provides for the funeral and death assistance to the nominees/legal heirs of the deceased member. Audit scrutiny revealed that death assistance of ` 1.23 crore was given in 228 death cases during 2008-12 in the State and 23 such applications were under process. Further, audit scrutiny revealed that funeral assistance amounting to ` 9.43 lakh was provided in 215 cases. The board had not taken any initiative to provide funeral assistance in remaining 36 cases.

The Labour Commissioner-cum-Secretary of the Board while admitting the facts stated (October 2012) that field functionaries had been directed to process the cases to pay the amounts to the nominees/legal heirs.

2.1.11.5 Delay in settlement of claims

According to Rule 45, the Board was responsible for the speedy settlement of the claims and sanction of advances and other benefits. Scrutiny of the records by

Audit revealed that 495 claims under various schemes were pending for the period ranging from 02 to 14 months as of May 2012 as detailed given in **Table 5**.

Table 5: Details of pending cases under various schemes

Sr. No.	Name of the Scheme	Period	Number of pending cases	Delay in months
1.	Maternity Assistance	2010-11	2	14
		2011-12	6	2
2.	Education scholarship assistance	2010-11	20	14
		2011-12	48	2
3.	Marriage Assistance	2010-11	37	14
		2011-12	359	2
4.	Death Assistance	2011-12	23	2
		Total	495	

Source: Data supplied by the Board.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that claims were not straight way rejected. There were some discrepancies in the claims as it was a continuous process to sanction the claim after fulfilling the requirements. It was assured that steps would be taken to curtail delay in settlement of claims.

2.1.12. Human Resources

2.1.12.1 Appointment of staff

The Board in its first meeting held in December 2006 and subsequent meetings held in June 2007 and August 2009 approved the creation of posts of Deputy Welfare Commissioner, Manager (Technical), Administrative Officer/Deputy Secretary, Assistant Welfare Officer, Accounts Officer/Manager Finance, Section Officer (Accounts)/Assistant Manager, Superintendent, Information Officer, Recovery/ Revenue Officer, Accountant, Deputy Superintendent/Head Assistant, Assistants (four posts), Junior Scale Stenographer (two posts), Clerks/Data Entry Operators (12 posts), Driver and Peons/Chowkidars (four posts) for making the Board functional. It was, however, observed that these posts had not been filled; the Board was functioning with the Skeleton staff i.e., Senior Accounts Officer, Accounts Officer, one Superintendent and six Clerks/ Data Entry Operators employed on contract basis. As against 34 sanctioned posts, only nine persons were in position. Thus, there was acute shortage of staff in the Board, which was inadequate for the implementation of the provisions of the Act. As a result, the Board could not exercise proper control over collection and levy of cess as well as implementation of the schemes.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that matter regarding appointment of regular staff for the Board had already been taken up with the Government.

2.1.12.2 Irregular appointment of advisor

Section 4(1) of the Act provides that the State Government shall constitute a State Building and Other Construction Workers' Advisory Committee to advise the State Government on such matters arising out of the administration of this Act. There was no provision in the Act for appointment of Advisor. In contravention of the Act, State Government had appointed an Advisor with effect from September 2008 on a consolidated salary of ₹ 25,000 per month (enhanced to ₹ 40,000 per month from 25 June 2010) resulting in an irregular expenditure of ₹ 13.90 lakh during September 2008 to March 2012.

During the exit conference, the Labour Commissioner-cum-Secretary of the Board stated that the advisor had been appointed with the approval of the Board/ Finance Department. The reply was not convincing as there was no provision for appointment of Advisor under the Act, as such the appointment was irregular.

2.1.13. Internal Control

2.1.13.1 Monitoring and evaluation

Section 57 of the Act provides that every Board would furnish from time to time to the Central and State Governments such returns as they may require. The State Government had prescribed submission of annual report and annual budget by the Board to oversee the proper implementation of the Act and functioning of the Board. But it was observed that the Board had neither submitted annual budgets nor any annual reports of the Board to the State Government. The Board had not prescribed any return for the cess deductors i.e. Municipal Corporations, Municipal Committees, HUDA, etc. (who were authorised to approve the layout plans of the buildings) about the number of layout plans approved alongwith estimated construction cost so as to ensure that the cess collected by them was being deposited with Board. As such, the monitoring at the Board level was not adequate.

The Labour Commissioner-cum-Secretary of the Board stated (October 2012) that the preparation of budget and annual report was under process.

2.1.13.2 Internal Audit System

With a view to improve the overall quality of work and reduce errors/irregularities, there should be an internal audit system in all Government organisations. Audit observed that there was no internal audit system in place in the Board.

The Labour Commissioner-cum-Secretary of the Board stated (October 2012) that the M/s Mehtani and Company, Chartered Accountant had been engaged for the purpose since 2008. The reply was not convincing as the Chartered Accountant was engaged for preparation of balance sheet and not for internal audit.

2.1.14. Conclusions

- The functioning of the Board and implementation of the provisions of the Acts was affected by inordinate delay in notification of Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005, constitution of Workers Welfare Board and Advisory Committee.
- Only ` 15.11 crore was spent during 2007-12 as against the availability of ` 634.71 crore. Contractors who employed construction workers were not registered and workers were not motivated to renew their registrations.
- Statutory schemes such as Pension, Family Pension, Disability Pension, etc. and also certain other schemes such as, Free Travelling Facility for Construction Workers and Students, Coverage of Chronic Diseases which were formulated by the Board were not implemented.
- There was acute shortage of staff in the Board which resulted in inadequate monitoring at the Board level.
- There was no internal audit system in the Board.

2.1.15. Recommendations

The Board may consider:

- conducting proper survey to enroll more construction workers and pursue with registered workers to continue their memberships so as to provide benefits to them as envisaged in the Act.
- evolving proper mechanism to ensure that the cess was being collected and deposited regularly by deductors.
- taking up the matter of appointment of regular staff for the Board with the Government.
- preparing annual budgets and submit annual reports to the State Government for proper implementation of welfare schemes for construction workers.
- strengthening monitoring mechanism for proper implementation of the Act and follow up of welfare schemes for the benefit of workers.

Irrigation Department

2.2 Working of Irrigation Department

Highlights

Haryana is primarily an agrarian economy State. The total agricultural area in the State is 38.09 lakh hectare. Canal irrigation is provided to 21.13 lakh hectare as against the total irrigation potential area of 29.78 lakh hectares in the State. Irrigation is also done through tube wells. Performance audit of the Irrigation Department brought out lack of planning, non-achievement of targets of covering of area under irrigation, inadequate control over expenditure, slow and tardy implementation of schemes, etc. Besides, there were instances of lack of co-ordination with line departments, splitting of works, inadequate control over disposal of sewage and effluent discharge in canals, execution of sub-standard works, etc.

Some of the significant audit findings are highlighted below:

Against the target of covering 1140.38 thousand hectare area, only 104.18 thousand hectare area was covered under irrigation during 2007-12.

(Paragraph 2.2.7.1)

Due to delay in revising the scheme of flood protection works along river Yamuna, the State Government did not avail of Central Assistance of ` 83.40 crore.

(Paragraph 2.2.8.2)

Delay in submitting the case to Central Water Commission for finalisation of the cost of Hathnikund Barrage resulted in non-receipt of share amounting to ` 122.52 crore from member States.

(Paragraph 2.2.8.4)

Dadupur-Nalvi Irrigation Project on which an expenditure of ` 126.11 crore was incurred remained non-functional as water would be available to farmers only during rainy season when they did not require water.

(Paragraph 2.2.9.1)

An expenditure of ` 13.11 crore incurred on increasing the capacity of canals proved unfruitful, as irrigated area had not increased.

(Paragraph 2.2.10.1)

No system was evolved by the department to ascertain the unspent balances lying with Land Acquisition Officers, as a result of which ₹ 4.92 crore remained blocked with them.

(Paragraph 2.2.12.1)

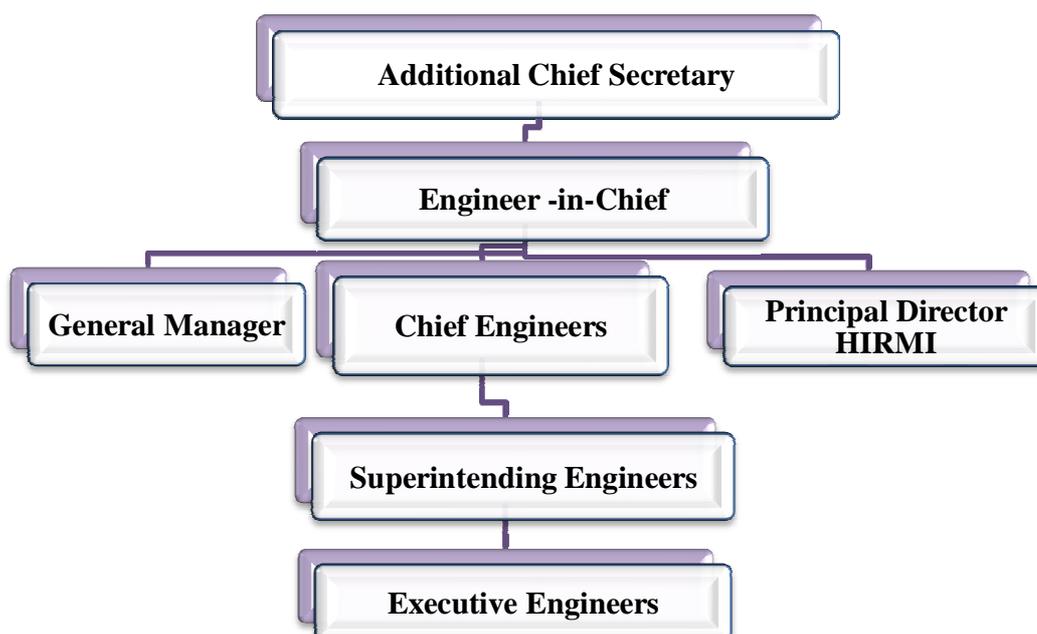
2.2.1. Introduction

The State of Haryana is primarily an agrarian economy. The Department of Irrigation is primarily responsible for operation and maintenance of canals, drainage network, execution of flood protection works including water logging and river projects. The Department also provides raw water to Public Health Engineering Department (PHED) for water supply schemes.

The total geographical area of the State is 44 lakh hectares with agricultural area of 38.09 lakh hectares. As against the creation of irrigation potential over an area of 29.72 lakh hectares in the State, utilisation of irrigation potential was 21.13 lakh hectare. Irrigation is also done through tube wells. Canal irrigation is provided through a network of 1,439 canals. The canal network is divided into three systems namely; (i) Bhakra Canal System (453 canals covering command area of 13.71 lakh hectares) (ii) Yamuna Canal System (498 canals covering command area of 11.64 lakh hectares) (iii) Lift Canal System (488 canals covering command area of 4.37 lakh hectares). Yamuna and Ghaggar rivers are two drainage systems in the State. There are 694 drains covering a length of 4,641 Kms.

2.2.2. Organisational set-up

The Additional Chief Secretary to Government of Haryana, Irrigation Department is the administrative head at the Government level and is responsible for implementation of policy decisions, programmes, schemes etc. The Engineer-in-Chief (EIC), Irrigation Department is head of the department and is assisted by six Chief Engineers (CEs) with 25 Circles headed by Superintending Engineers (SEs) and 88 Divisions headed by Executive Engineers (EEs) who are responsible for execution of construction/maintenance works of canals and drains at division level. Besides, the Principal Director, Haryana Irrigation Research and Management Institute (HIRMI) is responsible for research and training. The organisational set up of the department is depicted below:



2.2.3 Audit objectives

The main objectives of performance audit were to assess whether:

- the planning for implementation of the schemes was efficient;
- the financial management was sound and effective;
- the implementation of the schemes was effective, efficient and economical;
- the human resource management was effective and efficient; and
- an effective monitoring and evaluation mechanism was in place.

2.2.4. Audit criteria

Provisions of followings documents were used as criteria to conduct performance audit:

- Haryana Public Works Department Code.
- Irrigation manual of orders (IMO).
- Guidelines of Central Water Commission (CWC).
- Policy and Plan documents of State Government.

- Government notifications and instructions for the implementation of State and Centrally sponsored schemes.
- Provisions of Punjab Budget Manual and Punjab Financial Rules/Treasury Rules as adopted by the State.

2.2.5. Audit scope and methodology

Performance audit was conducted during January 2012 to June 2012 covering the Offices of the Engineer-in-Chief, Irrigation Department, 10¹ out of 25 circles (40 per cent) and all 38 divisions in the selected circles (*Appendix 2.3*) for the period 2007-12. The selection of the units was done by adopting the Probability Proportional to size Without Replacement (PPSWOR) method. An entry conference was held with Chief Engineer (Co-ordination), Irrigation Department in April 2012 wherein the audit objectives, audit criteria and scope of audit were discussed. Audit findings were discussed in the exit conference held (November 2012) with Additional Chief Secretary to the Government of Haryana, Irrigation Department and EIC. Their replies have been duly considered in arriving at the conclusions.

2.2.6 Acknowledgement

Office of the Principal Accountant General (Audit), Haryana acknowledges the co-operation of the Irrigation Department and their subordinate offices in providing information and records for audit.

Audit findings

2.2.7. Planning

i) The Department is required to prepare long-term Perspective Plan for the developmental works to be undertaken after taking into account the requirement of various projects and availability of funds. Further, the targets should be prepared project-wise annually so that the completion of the projects within a specific period can be monitored.

The Department submitted (September 2006) a proposal for Eleventh Five Year Plan (2007-12) for ` 4,176.11 crore to Planning Department. Against this, an

¹ (1) Bhakra Water Services, Sirsa, (2) Bhakra Water Services, Kaithal, (3) Yamuna Water Services, Bhiwani, (4) Hathni Kund Barrage, Jagadhri, (5) Yamuna Water Services, Rohtak, (6) Jawahar Lal Nehru Water Services, Narnaul, (7) Yamuna Water Services, Jind, (8) Yamuna Water Services, Karnal, (9) Workshop, Karnal and (10) Construction Hisar.

outlay of ₹ 3,835 crore (₹ 3,373 crore for major and medium irrigation schemes and ₹ 462 crore for flood control schemes) was approved by Planning Commission. The works of minor irrigation were being executed by Command Area Development Authority. Besides ongoing schemes, 19 new schemes were approved under major and medium irrigation. The Department prepares annual plans taking into consideration the Five Year Plan.

ii) Out of 19 new schemes (4 major Irrigation and 15 medium Irrigation) approved in Eleventh Five Year Plan for irrigation (*Appendix 2.4*), only three schemes were completed. Out of these three schemes, only one medium Irrigation scheme 'National Capital Water Supply Channel' had been made functional and the infrastructure of two schemes was lying unutilized (November 2012). The details of these schemes are given in **Table 1**.

Table 1: Details of non-functional schemes

Name of the Scheme	Estimated cost	Expenditure incurred	Month of start	Month of completion	Status of work
	(₹ in crore)				
Bhakra Main Line-Hansi-Butana Branch (Major Irrigation)	392.00	383.28	February 2006	December 2008	Non-functional due to court case pending in the Supreme Court.
Kaushalya Dam (Medium Irrigation)	217.00	188.35	March 2008	December 2011	Pipe line for carrying water has not been completed by HUDA.
Total	609.00	571.63			

Source: Departmental records.

As is evident from above, scheme at Sr. No. 2 was lying non-functional due to lack of co-ordination with HUDA. The photographs given below show non-functional Bhakra Main Line-Hansi Butana Branch.



Further, six² schemes with estimated cost of ₹ 787.99 crore did not take off due to non-obtaining of clearance from State Government and the Ghaggar committee. The Department did not get these schemes cleared in the period of five years.

² (i) Construction of Dewan Wala Dam on Ghaggar River, (ii) Construction of Dangrana Dam on Ghaggar River, (iii) Renovation and Modernisation of Kotla lake, (iv) Renovation and Modernisation of Bhindawas lake, (v) Mewat Irrigation Scheme and (vi) Ambala Irrigation Scheme.

Three³ schemes with an estimated cost of ` 56.95 crore were dropped as these schemes were no more required. The works of seven schemes were in progress.

The Eleventh Five Year Plan though was prepared in 2006-07, yet proper plan to execute the works within a specified period was not prepared. Priority of schemes was not fixed. As a result, the Department could complete only three schemes, out of 19 planned in the Eleventh Five Year Plan. As such, intended benefits of irrigation and supplying drinking water could not be derived.

An amount of ` 462 crore was approved for flood protection and drainage control works for the Eleventh Five Year Plan (2007-12). It was essential to prepare a plan for execution of various works, indicating priorities, time frame for each work, estimate for expenditure, sources of funds, etc. Audit, however, observed that instead of preparing a comprehensive flood control plan, individual works estimating to ` 1,199 crore were got approved from Haryana State Flood Control Board year by year but only an expenditure of ` 479.11 crore was incurred during 2007-12. As a result, there was no link with the plan outlay and expenditure likely to be incurred on the approved schemes; which ultimately hampered the completion of works in a time bound manner.

During the Exit Conference, the Additional Chief Secretary, Irrigation Department stated that the number of schemes planned to be executed was always more than those actually approved. However, audit recommends that the Department should make efforts for early clearance of schemes so that the benefits of the schemes are derived in a timely manner.

2.2.7.1 Targets and achievements

The Department fixes the targets for increasing the area under irrigation on the basis of schemes to be implemented. The targets and achievements for covering area under irrigation under Plan Schemes during Eleventh Five Year Plan 2007-12 were as given in **Table 2**.

Table 2: Details of targets and achievements for covering area under plan schemes

Sr. No.	Name of the scheme	Target (In 000 hectare)	Achievement (In 000 hectare)	Percentage achievement
1	National Bank for Agriculture and Rural Development Schemes	65.397	62.397	95
2	Dadupur-Nalvi Irrigation Scheme	40.708	15.350	38
3	Bhakra Main Line-Hansi-Butana Channel	1000.000	Nil	Nil
4	Accelerated Irrigation Benefit Programme Scheme	28.822	21.432	74
5	Jawahar Lal Nehru Canal Project	5.450	5.000	92
	Total	1140.377	104.179	9

Source: Records of the Department.

Bhakra Main Line (BML)-Hansi-Butana Channel could not be made functional due

³ (i) Renovation and Modernisation of Masani Reservoir, (ii) Gharaunda Irrigation Scheme and (iii) Ladwa Irrigation Scheme.

to Inter-State dispute and the pendency of case in the Hon'ble Supreme Court of India. It was observed that the achievements shown under Dadupur-Nalvi Scheme were incorrect as the canal was not complete. Neither the minors required for irrigation as planned had been constructed nor under bridge/siphon at Railway crossing had been completed. As discussed in paragraph 2.2.9.1, the scheme remained non-functional.

- **Flood control and drainage works**

The Department executes flood protection works such as construction of drains, construction and repair of bunds, retaining walls and stone studs. Details of flood and drainage works approved, completed and in progress are given in **Table 3**.

Table 3: Statement showing the progress of flood and drainage works

Year	Opening Balance	New	Total	Completed	Dropped	Balance
2007-08	93	92	185	79	20	86
2008-09	86	75	161	67	8	86
2009-10	86	74	160	67	16	77
2010-11	77	69	146	36	7	103
2011-12	103	252	355	126	36	193
Total		562		375	87	

Source: Departmental records.

Audit observed that out of 193 incomplete flood control protection works, 39 works (approved in 2006-07 to 2009-10) were pending for more than two to five years. Delay in acquisition of land and lack of co-ordination with Railway, Public Works Department, Mining Department, etc. affected implementation of these schemes. A total of 87 schemes were dropped due to dispute between farmers for alignment, change in river course and technical non-feasibilities. As such, flood protection measures were not undertaken as planned.

2.2.7.2 Coverage of area under irrigation

The details of total irrigation potential created vis-a-vis irrigation potential utilized during 2007-11 are given in **Table 4**.

Table 4: Details of cultivable command area and irrigated area

Year	Length of canals	Total irrigation potential	Irrigation potential utilised
		(In lakh hectares)	
2007-08	13641.08	29.66	22.04
2008-09	14287.78	29.36	21.64
2009-10	14688.43	30.29	21.23
2010-11	14754.25	29.78	21.13
Average		29.77	21.51

Source: Data supplied by the Department.

As can be seen from the table 4, though total length of canals increased from 13,641 Km to 14,754 km during 2007-11, there was no increase in area irrigated by canal water. Audit observed that less utilisation of irrigation potential area was

due to non-functioning of the irrigation projects as discussed in paragraphs 2.2.7, 2.2.7.1 and 2.2.9.1.

2.2.8. Financial management

2.2.8.1 Budget provision and expenditure

As laid down in para 5.3 of the Punjab Budget Manual as adopted by Haryana, the budget estimates of ordinary expenditure should be framed as accurately as possible. Budget provisions for all items of expenditure that can be foreseen should be made and included under the proper sub-heads. The budget provision for implementation of various schemes/programmes and expenditure incurred thereagainst during 2007-08 to 2011-12 was as given in **Table 5**.

Table 5: Details of budget provision and expenditure incurred during 2007-12

(` in crore)

Year	Budget	Revised Budget	Expenditure	Saving (-)/ excess (+) w.r.t Revised Budget
2007-08	1236.37	1429.82	1520.84	(+) 91.02
2008-09	1366.41	1692.70	1472.73	(-) 219.97
2009-10	1643.42	1724.32	1485.71	(-) 238.61
2010-11	1513.93	1635.14	1519.07	(-) 116.07
2011-12	1558.96	1842.94	1733.38	(-) 109.56

Source: State Government Budget.

An analysis of data of budget provision and expenditure revealed wide variations between budget provision and expenditure. There was also excess expenditure during 2007-08 to 2010-11 under capital voted and savings under revenue expenditure during this period (*Appendix 2.5*). Though, these deficiencies were pointed out in earlier Audit Reports of CAG, Government of Haryana (Civil 2007-08 and Report on State Finance 2008-09 to 2010-11), the deficiencies continue to persist year after year.

It was further observed that there were substantial savings or nil expenditure under Scheduled Caste Sub Plan (SCSP). Only an expenditure of ` 54.69 crore was incurred against the provision of ` 453.85 crore during 2007-12 as detailed in **Table 6**.

Table 6: Details of budget provision and expenditure incurred under SCSP

(` in crore)

Year	Budget	Revised Budget	Expenditure	Saving w.r.t Revised Budget
2007-08	Nil	Nil	Nil	Nil
2008-09	20.05	19.30	13.95	5.35
2009-10	21.55	127.55	Nil	127.55
2010-11	99.55	125.00	12.15	112.85
2011-12	120.00	182.00	28.59	153.41
Total		453.85	54.69	

Source: Budget of Government of Haryana.

It was noticed that the Department had not conducted any survey to identify the areas/schemes which could benefit the scheduled castes population.

During the Exit Conference, EIC stated that pro-rata booking of establishment charges by office of Principal Accountant General (Accounts & Entitlement) led to excess under capital expenditure and saving under revenue expenditure head. Regarding less expenditure under SCSP component, the Department stated that there were less number of schemes running under the SCSP component. The reply was not acceptable because provision for pro-rata charges is required to be factored while preparing the budget. As regards SCSP component, the Department should have conducted proper survey to identify the schemes/areas which could benefit the SC population.

2.2.8.2 Central assistance for floods

The Government of India (GOI) provides Central assistance to the flood affected States to undertake critical flood control and river management works. Funds for these works were to be shared between GOI and State Government in the ratio of 75:25. GOI approved (August 2009) "Flood protection works along river Yamuna in the State" for ` 173.75 crore. Funds amounting to ` 130.31 crore were to be provided by GOI and balance amount of ` 43.44 crore was to be borne by the State Government. The project was required to be completed by March 2012. These flood protection works were to be carried out in five⁴ districts situated along river Yamuna. GOI released first installment of ` 46.91 crore in December 2009. There were heavy floods in 2010 and the State Government spent ` 139.81 crore without submission of revised estimates of flood control works to GOI. Thus, assistance of ` 83.40 crore from GOI was awaited.

During the Exit conference, Additional Chief Secretary while admitting the facts stated that revised project estimate had been submitted to CWC in November 2012.

2.2.8.3 Grant under Accelerated Irrigation Benefit Programme

As per Accelerated Irrigation Benefit Programme (AIBP) guidelines (revised in 2006), project cost is shared between GOI and the State Government in the ration of 25:75. GOI used to release funds in two installments, the first 90 *per cent* based on the project outlay and second 10 *per cent* on submission of utilization certificate of 70 *per cent* of the first installment. For release of funds under Central schemes, investment clearance from Planning Commission was also required.

The proposal under AIBP was sent to CWC in July 2007 with an outlay of ` 100.28 crore. The Department implemented the project in 2008-09 in anticipation of sanction. However, GOI approved (March 2010) the project at a cost of ` 67.28 crore under AIBP. It was noticed that the Department had spent an expenditure of ` 47.70 crore on the project during 2008-10. State Government

⁴ (i) Faridabad, (ii) Karnal, (iii) Panipat, (iv) Sonapat and (v) Yamunanagar.

requested GOI (December 2010) for release of Centre's share amounting to ₹ 16.82 crore. The GOI did not release the grant as investment clearance from Planning Commission was not obtained by the department. The State Government received the investment clearance only in June 2011 and re-submitted the claim in August 2011. But the grant amounting to ₹ 16.82 crore had not been received as of November 2012. Thus, delay in obtaining clearance from Planning Commission had resulted in non-receipt of grant from GOI. Further, the expenditure was incurred before the approval of project by GOI.

During the Exit Conference, Additional Chief Secretary, Irrigation Department while admitting the facts clarified that GOI had not released the funds as expenditure was incurred before obtaining the approval of the project from GOI and Investment Clearance from the Planning Commission. He further stated that efforts would be made to obtain the Grant from GOI. The fact remains that the State Government could not avail the grant from GOI due to delay in clearance of project by Planning Commission and incurring expenditure before the approval of project by GOI.

2.2.8.4 Non-receipt of share from other States

An agreement for construction of Hathnikund Barrage on river Yamuna was entered into by five⁵ States in September 1994. According to Clause 4 of the agreement, the cost of the barrage was to be shared by four States except Himachal Pradesh. The share was to be decided by the CWC within one year of the completion of the barrage.

The construction of barrage was completed in June 1999 at a cost of ₹ 295.64 crore. The revised estimates were submitted by the Department to CWC in August 2011 and the final cost was decided (October 2011) by the CWC for ₹ 251.91 crore after disallowing departmental charges. The share of member States was as given in **Table 7**.

Table 7: Details of share of member States for construction of Hathnikund Barrage

State	Per cent share	Share of States (₹ in crore)
Haryana	49.38	124.39
Uttar Pradesh	34.74	87.51
Rajasthan	9.64	24.29
Delhi	6.24	15.72
Total		251.91

Source: Data supplied by the Department.

Audit noticed that the member States had not reimbursed the expenditure incurred by the Haryana Government except ₹ five crore deposited by the Delhi Government in March 2012. Thus, due to delay in submission of case to CWC for deciding the cost of the project, the State Government could not get the share amounting to ₹ 122.52 crore from the member States. Besides, the State Government sustained loss of interest as the project was implemented out of its own resources.

⁵ (i) Haryana, (ii) Uttar Pradesh, (iii) Himachal Pradesh, (iv) Rajasthan and (v) Delhi.

During the exit conference, Additional Chief Secretary admitted the delay in submitting the case to CWC and intimated that the case for obtaining reimbursement of share from other states was being pursued.

2.2.8.5 *Non-utilisation of grant ` 1.94 crore*

Para 2.10 (b) (5) of Punjab Financial Rules (Volume-1) provides that no money should be drawn from treasury in advance of requirement and to avoid lapse of budget grant.

An amount of ` 8.50 crore was released (March 2010) to Haryana Irrigation Research and Management Institute (HIRMI) through Water Services Division, Kurukshetra for completion of ongoing schemes of Twelfth Finance Commission (TFC). HIRMI kept the above amount in bank account and payment was made for works executed by various divisions. An expenditure of ` 6.56 crore was incurred from this account (May 2012) and balance amount ` 1.94 crore was lying with HIRMI. Drawal of funds in advance of requirement and keeping the same with HIRMI was against the codal provisions.

During the exit conference, Additional Chief Secretary admitted that funds were drawn to avoid lapse of funds. The action of the Department was in contravention to Punjab Financial Rules.

2.2.8.6 *Excess release of grant to HIRMI*

Irrigation Department releases grants-in-aid to HIRMI to meet establishment expenditure every year on the basis of their demand.

It was noticed that establishment grants amounting to ` 16.62 crore were released during 2007-12 against which an expenditure of ` 13.63 crore was incurred, whereas an amount of ` 2.99 crore was lying unutilized at the end of March 2012. The year-wise details are given in **Table 8**.

Table 8: Details of grants received and expenditure incurred by HIRMI

(` in crore)

Year	Opening Balance	Grant received	Total funds	Expenditure	Balance
2007-08	Nil	1.70	1.70	1.65	0.05
2008-09	0.05	2.30	2.35	2.26	0.09
2009-10	0.09	3.32	3.41	3.21	0.20
2010-11	0.20	3.80	4.00	2.88	1.12
2011-12	1.12	5.50	6.62	3.63	2.99
Total		16.62		13.63	

Source: Utilisation certificates submitted by HIRMI.

Audit observed that though the amounts were shown as unspent in the utilization certificates, grants were released without taking into consideration the balances already lying with HIRMI and likely expenditure to be incurred.

During the Exit Conference, the Additional Chief Secretary while admitting the facts stated that excess grant would be adjusted in future.

2.2.8.7 Non-revision of tender document fee

There was no policy regarding revision of tender document fee in the Department. The Department follows the rates for sale of tender forms fixed by Public Works Department (PWD) (Building and Roads) (B&R). The PWD (B&R) revised the rate for sale of tender forms in 2008 which ranged between ₹ 500 and ₹ 50,000 per tender. But rates were not revised by the Irrigation Department. Old rates fixed in March 1997 ranging between ₹ 250 and ₹ 15,000 per tender were being charged. This resulted in less generation of revenue amounting to ₹ 2.34 crore in test-checked circles during 2008-12.

During the Exit Conference, the Additional Chief Secretary intimated that the rates would be revised soon.

2.2.9. Implementation of schemes

Haryana receives 4.645 million acre feet⁶ (MAF) water from Yamuna, 4.4 MAF water from Sutlej, 1.62 MAF from Ravi-Beas and 4.12 MAF from tube wells. Thus, total availability of water is 14.785 MAF against the requirement of 36 MAF.

To overcome the shortage, reduce water losses and to have equal distribution of available water among of all the areas of State, various schemes i.e. BML to Hansi Branch-Butana Branch, Kaushalya Dam, Dadupur-Nalvi Irrigation Scheme, Rehabilitation of Ottu Lake, National Capital Region (NCR) Water Supply Channel, Rehabilitation and Modernization of exiting canals under AIBP, other schemes financed by National Bank for Agriculture and Rural Development (NABARD), etc. were executed during 2007-12 for which funds of ₹ 2,742.10 crore were sanctioned and ₹ 3,858.31 crore had been spent on all these schemes during the performance audit period. Shortcomings noticed in the implementation of Major and Medium Irrigation schemes are discussed below:

Major Irrigation Schemes

2.2.9.1. Unfruitful expenditure on Dadupur-Nalvi Irrigation Project

Dadupur-Nalvi Irrigation Scheme was administratively approved in October 2005 for ₹ 267.27 crore. According to project report, 590 cusecs of surplus water from Dadupur complex was to be carried through Shahabad feeder. On completion, the project was to provide irrigation to 92,532 hectares besides recharging of ground water. The scheme was to be completed in three phases. Phase I (Shahabad Feeder and Shahabad Distributary, revival of Saraswati Nadi and Rakshi Nadi and minors), Phase II (Nalvi Distributary and minors) and Phase III (minors linking to Shahbad Feeder).

6 As depicted in activities/achievement report for the year 2010-11 of the department.

The work of Phase-I started in April 2006 and was completed in June 2009 at a cost of ` 126.11 crore except 'RCC Box Railway Bridge' which was to be constructed by Railways. The Department had deposited ` 2.47 crore till July 2010 with the Railways but the work was not started by Railways. The Railways demanded (June 2011) additional amount of ` 2.29 crore to construct the bridge which were also deposited in December 2011. However, the Railway authorities had not started the work (November 2012).

The work of phase III including minors of phase I and II off taking from main canals was deferred due to protests by farmers as water would be available to them only during rainy season when they did not require water. In the absence of minors and distributaries channels, the main canal constructed at a cost of ` 126.11 crore remained non-functional (November 2012) and the benefits of irrigation to 92,532 hectares as envisaged in the scheme could not be derived.

Audit observed that the project was conceived without survey of the area about the usefulness of the project and ascertaining the views of the villagers. As a result of this, the entire expenditure of ` 126.11 crore incurred on the scheme was rendered unfruitful.

During the Exit Conference, the Department stated that the project had helped in recharging the ground water of the area. The reply was not convincing as the primary objective of the project of providing canal irrigation to 92,532 hectares of land could not be fulfilled.

2.2.9.2 *Jawahar Lal Nehru Lift Irrigation Scheme*

Jawahar Lal Nehru (JLN) Lift Irrigation Scheme envisaged extension of irrigation facilities to chronically drought affected areas and providing drinking water in Mahendergarh and Rohtak districts. In Mahendergarh district, the scheme covered Mahendergarh canal and minors, Narnaul Branch and minors and Satnali Feeder and its system. Mahendergarh canal gets its share of water from JLN Feeder. In this system, 68 pump houses to lift the water were also constructed. Important audit findings noticed are discussed below:

- **Unfruitful expenditure on repair and maintenance**

Satnali *Feeder*, having a length of 36.523 Km, off takes from Mahendergarh Canal at 15.650 Km. Canal runs on gravity from 0 to 23.823 Km and thereafter through lift system. Eight minors off take from Satnali Feeder up to 23.823 km and 14 distributaries and minors are beyond 23.823 Km.

Scrutiny of records revealed that an amount of ` 0.51 crore was spent on rehabilitation, restoration and maintenance of nine canals during 2007-12 under Satnali Feeder which falls beyond 23.823 Km, but water was not available during 2007-12 in these canals/minors due to scarcity of water in Satnali Feeder. Only 20-120 cusecs of water was available for eight days in a circle of 32 days in this feeder up to 23.823 Km only. As all the eight minors off take before 23.823 Km having a capacity of 100 cusecs also run at the same time, water was not available

to feed the balance length of the channel. The Department had not prepared any plan to make available water in the areas beyond 23.823 Km by reducing the supply of water in the minors falling upto 23.823 Km.

Thus, expenditure of ` 0.51 crore incurred on rehabilitation, restoration and maintenance of canals was injudicious.

During the exit conference, EIC stated that water was available beyond 23.823 km also and the expenditure on maintenance of the channel beyond 23.823 km was fruitful and necessary. The reply was not convincing as water was not reaching beyond 23.863 km. Neither any area was irrigated with canal water beyond 23.823 km nor any ponds /tanks were filled in that area during 2007-12.

- **Non-pursuance for release of electric connection for pump houses**

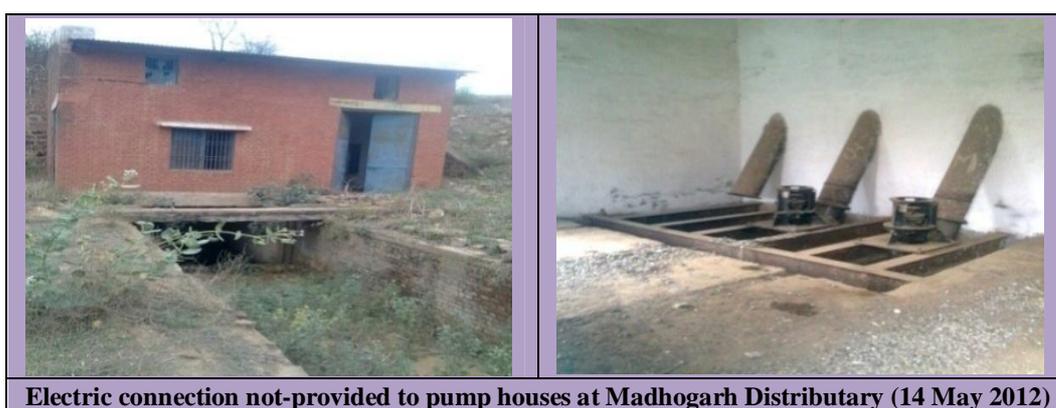
Lift irrigation system runs with the help of pump houses installed on the canals. These pump houses run on electric system.

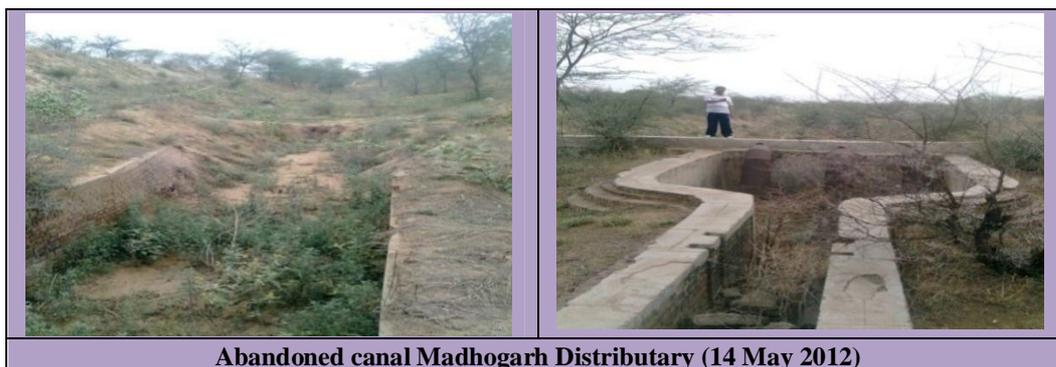
Audit observed that pump houses constructed during 1982 were not working for want of electric connections as given in **Table 9**.

Table 9: Details of non-functional pump houses for want of electric connections

Name of pump house	Name of canal on which pump house situated	RD where pump house situated	Date of deposit	Amount deposited (₹ in lakh)
MGD-1	Madhogarh Distributary	2.173 KM	-	Not-deposited
MGD-2	Madhogarh Distributary	3.265 KM	-	Not-deposited
MGD-3	Madhogarh Distributary	4.447 KM	-	Not-deposited
AM-2	Ateli Minor	4.000 KM	December 2000	5.76
RPM-1	Rampur Sub Minor	5.800 KM	March 1999	14.50
DNM-2	Dancholi Minor	4.000 KM	December 2000	6.58
DSPM-1	Dostpur Minor	2.400 KM	December 2000	6.73
			Total	33.57

A few non-functional pump houses are depicted in the following photographs:





Abandoned canal Madhogarh Distributary (14 May 2012)

Although a sum of ₹ 33.57 lakh was deposited with Dakshin Haryana Bijli Vitran Nigam Limited as security deposit for release of electric connections in March 1999 and December 2000, the connections were not released by the electricity supplying company and the division had not pursued for release of the connections so as to make the pump houses functional. As a result of this, the lift irrigation system, in these areas remained non-functional and minors were lying abandoned.

During the exit conference EIC stated that due to shortage of water, amount was not deposited in respect of Madhogarh Distributary and matter was not pursued for electricity connection. The reply was not acceptable as the Department was not able to supply the available water in an equitable manner in the absence of electricity connections to run its pump houses as lifting of water was part of the scheme besides benefits of the scheme did not reach intended population.

Medium Irrigation Scheme

2.2.9.3 Ottu Lake

A project for increasing capacity of Ottu Lake (a water body in Sirsa district) was administratively approved (December 2007) at a cost of ₹ 69.69 crore. It had scope for tourist potential due to creation of water body. The project was to be financed by NABARD. As per project report, the lake area of about 1,000 acre was to be de-silted with average depth of 5.95 feet to bring down the crest level of the lake. As per project report, 75,50,732 cum of earth was to be excavated and a portion of the excavated earth was to be dressed on *bundh* on both sides of River Ghaggar. The main objectives of the project were:

- Availability of about 6125 acre feet extra water for irrigation purposes.
- Recharging the ground water of the area.
- Improve the quality of underground water which is salty.
- Creating tourism potential due to huge water body and large scale fish farming.
- Increase in *Kharif* output.

Audit scrutiny of records revealed following shortcomings:

- **Splitting of work**

Para 2.21 of Public Works Code provides that works should not be split up. Scrutiny of records revealed that work of de-silting of Ottu Lake was allotted to 13 agencies at different rates ranging from ` 53.65 to ` 62.10 per cum in phase I during 2007-08 and to another 13 agencies at the rate ranging from ` 65.50 to ` 102 per cum in second phase II during 2008-09. The works of both phases were completed.

Audit observed that had the work been allotted after calling consolidate tender for Phase I and II, the rates would have been lower than the rates at which the works were executed. The splitting of works and not inviting consolidated tender resulted in extra expenditure of ` 6.99 crore.

During the Exit Conference, the Additional Chief Secretary stated that the some officers had been charge sheeted in this case and the matter was under investigation.

- **Non-sale of fertile earth of Ottu lake**

The Ghaggar Water Services Division, Sirsa got executed the work of de-silting of Ottu lake in two phases during 2007-08 and 2008-09 and a total of 70.04 lakh cum earth work was executed by incurring an expenditure of ` 44.57⁷ crore. It was observed that the division did not invite the tenders for sale of fertile earth. The division, however, invited tenders in May 2012 for sale of earth in reach RD 0 to 3000. Besides the contractors excavated the earth also themselves.

As the excavated earth was fertile and the contractors had paid for the earth during 2012-13 besides excavating the earth themselves, the Department should have explored the possibility of selling the earth in 2007-08 and 2008-09 to earn revenue and saving the expenditure incurred on excavation.

On this being pointed out, the Additional Chief Secretary while accepting the facts during the exit conference stated that the matter was under investigation and necessary action would be taken against the delinquent officials and officers.

2.2.10. Other points

2.2.10.1 Expenditure on increasing capacity/remodeling of canals

To enhance the irrigated area during *Kharif* season, the capacity of nine minors/ canals was enhanced by 30 *per cent* after incurring an expenditure of ` 13.11 crore during 2007-12. Scrutiny of records of the divisions revealed that even after increasing the capacity of these canals, irrigated area under these canals

⁷ Phase I : 29.46 lakh cum for ` 16.78 crore and Phase II : 40.58 lakh cum for ` 27.79 crore.

had not increased to the desired level, even in some cases, the irrigated area had decreased. The details of expenditure incurred on increasing the capacity and area irrigated before and after increasing the capacity are given in **Table 10**.

Table 10: Details of expenditure incurred on increasing the capacity of canals viz-a-viz area irrigated

Name of division	Name of canal	Expenditure (` in lakh)	Date of completion	Irrigated Area				
				2007-08	2008-09	2009-10	2010-11	2011-12
Sampla Water Services Division, Rohtak	Dulhera Distributary	530.85	May 2009	10578	10112	7837	8499	-
	Jhajjar sub branch	116.50	March 2010	6344	6106	5796	6520	-
	Barhana Minor	50.05	January 2010	2934	2411	2136	2007	-
Jind Water Services Division, Jind	Jind Distributary 6 A	25.98	March 2009	2016	1946	1877	1906	1935
	Karsola Minor	68.98	January 2010	9204	8574	8813	8731	9262
	Ramkali Minor	142.46	March 2009	2497	2708	2667	2686	3176
	Brarkhera Minor	60.41	November 2009	2322	2363	2194	2258	2178
	MSL link channel	149.93	July 2010	3954	3693	3791	3904	4133
	Sunder sub branch	165.36	March 2010	12944	13243	12771	12705	12927
Total		1310.52						

Source: Departmental records.

The above data indicates that feasibility study was not conducted properly to assess the usefulness of increasing the capacity of minors/canals. This rendered the expenditure of ` 13.11 crore unfruitful.

During the exit conference EIC stated that capacity was increased to utilize the surplus water of Western Jamuna Canal (WJC) system in rainy season and increase of capacity of channels was not directly linked to irrigated area.

2.2.10.2 Non-utilisation of funds under Mahatma Gandhi National Rural Employment Guarantee Act

The GOI enacted Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to provide employment to rural people. Under this scheme, entire cost of wages for unskilled manual workers is provided by GOI. The State Government decided (March 2007) to take silt clearance of drains and minors as a focus area under the scheme. The scheme was implemented in two districts (Sirsa and Mahendergarh) from April 2007 and in the whole of the State from April 2008.

Scrutiny of records of eight circles revealed that five⁸ circles had got done 6 to 52 per cent works of silt clearance work valuing ` 9.42 crore under the MGNREGA scheme during 2007-12 while three circles had not got the silt clearance done under the scheme although silt clearance work valuing ` 34.25 crore was executed through contractors (**Appendix 2.6**). Had these three circles executed the silt clearance under the scheme, an amount of ` 34.25 crore could have been saved from State resources besides generation of employment under the MGNREGS.

During the exit conference, the Department stated that due to non availability of labour in some districts, silt clearance was done through contractors. Reply of the Department was not acceptable as not even a single work was done under the

⁸ (i) YWS, Jind, (ii) YWS, Karnal, (iii) BWS, Kaithal, (iv) BWS, Sirsa and (v) JLN, Narnaul.

scheme by these three circles. In these three districts, there were 61,098⁹ households having job cards under the scheme out of which 23,610¹⁰ households were given jobs during 2009-10.

2.2.10.3 Damage of head regulator costing ` 1.35 crore

The work of construction of remodeling of Head Regulator of Augmentation Canal at RD 68036 of WJC (Main Line Lower) was done by a contractor for ` 1.35 crore in November 2008. The work had a defect liability for a period of one year after completion.

The structure got damaged on 10 June 2009 due to settlement of piers and abutments. A committee was formed (June 2009) to inquire into the reasons about the damage of the structure which decided to get the matter investigated from Central Water and Power Research Station (CWPRS), Pune (March 2012). CWPRS Pune had submitted the report in November 2012 and the same was under consideration of the Government. Further developments were awaited (January 2013).

The position of damaged head regulator is depicted in the following photographs:



Water Pollution

2.2.10.4 Disposal of sewage and effluent water in Western Jamuna Canal causing environmental hazards

According to Canal and Drainage Act, discharge of sewage and effluent into WJC was not permitted. The water of WJC is used for drinking water supply in Delhi and southern parts of Haryana. The Hon'ble Supreme Court of India had also banned discharge of effluents into canals. The physical verification at the sites of WJC and scrutiny of record at Dadupur Water Services Division, Dadupur (June 2012) revealed that sewage and other effluent were being discharged into WJC at various locations.

⁹ Bhiwani: 31,983, Jagadhri (Yamunanagar): 19,723 and Rohtak: 9,392.

¹⁰ Bhiwani: 13,580, Jagadhri (Yamunanagar): 7,398 and Rohtak: 2,632.

To take care of the problem of discharge of excess effluent of Yamuna Nagar and Jagadhri towns, a ditch drain was constructed during 2008. Even thereafter, effluent was being discharged over the spill ways of ditch drain. Study of records further revealed that 26 cusecs sewage and effluent was being discharged in WJC at 11 other places (*Appendix 2.7*). The position of discharge of sewage and effluent water is shown in the following photographs:



No steps had been taken by the Department to stop discharge of sewage and effluent in Western Jamuna Canal except taking up the matter with Haryana State Pollution Control Board and Deputy Commissioners.

During the exit conference, the Additional Chief Secretary stated that matter had already been taken up at higher level to stop the disposal of sewage in WJC.

2.2.11. Drainage and Flood control

Haryana State is covered under three basins namely the Yamuna basin (16330 sq Km), Ghaggar basin (10675 sq Km) and internal basin (17207 sq Km). There are two drainage systems in Haryana i.e. one drain through river Yamuna and other through river Ghaggar. These rivers often experience flood in monsoon. The rain water also tends to accumulate in depression areas of the State causing flood and submergence of large areas. In order to save the State from recurring losses caused by floods, flood control and drainage works are executed by the Irrigation Department duly approved by Haryana State Flood Control Board (HSFCB).

Audit scrutiny of records of the flood control works revealed the following lapses/irregularities:

2.2.11.1 Extra expenditure due to lack of coordination with Mining Department

Three flood protection works i.e. repairing of damaged bund at RD 1100 to 1700, RD 1900 to 3750 and RD 4270 to 5920 at Tajewala on river Yamuna were sanctioned (October 2010) at a cost of ₹ 1.43 crore. The works were allotted to contractors in December 2010 and January 2011 to be completed in three months. These bunds were to be repaired with gravel to be lifted from the river bed. Mining Department intimated (January 2011) the Department to take short term permit and give undertaking for deposit of royalty by the contractor but permit was not obtained by the Department. Therefore, Mining Department stopped (February 2011) the works on the grounds that mining was banned in the State by the Punjab and Haryana High Court. However, the Mining Department gave permission in April 2011 to lift material for these bunds. But the contractors refused to start the work as the time limit of three months had already expired. The works were finalized and balance works were allotted to another agency at higher rates which resulted in extra expenditure of ₹ 1.86 crore. Thus, lack of coordination with the Mining Department resulted in extra expenditure of ₹ 1.86 crore.

During the exit conference, EIC stated that the earlier contractors left the work midway due to stoppage by the Mining Department. Later on when permission was received from Mining Department, the contractors refused to execute the work at old rates, therefore, the works were re-allotted. The reply was not convincing as the permission from Mining Department could have been taken in the first instance with proper co-ordination and avoided an extra expenditure of ₹ 1.86 crore.

2.2.11.2 Execution of work without Administrative Approval and sanction of estimate

As per Paragraph 9.1.1 of PWD Code, no work should be started before obtaining Administrative approval. Further, Paragraph 9.5.1 provides for commencement of works only after ensuring that detailed cost estimates are technically sanctioned by the competent authority after satisfying that the proposals are structurally sound and estimates are correct. Test check of records revealed that 43 works at an estimated cost of ₹ 53.73 crore were approved by HSFCB in its 42nd meeting in 2010-11 for district Yamuna Nagar. An expenditure of ₹ 33.97 crore was incurred during 2010-11 and 2011-12 on these works, but administrative approval and sanction of estimates had not been obtained from the competent authority. The details of expenditure are given in **Table 11**.

Table 11: Details of expenditure incurred without administrative approval and estimates
(₹ in crore)

Name of division	Number of works	Estimated cost	Revised Cost	Expenditure
Dadupur Water Service Division, Dadupur	8	24.61	33.63	18.08
Jagadhri Water Service Division, Jagadhri	31	12.13	15.09	11.99
Hathni Kund Barrage, Division No 1, Jagadhri	4	4.85	5.01	3.90
Total	43	41.59	53.73	33.97

Source: Departmental records.

During the exit conference, EIC while admitting the facts clarified that keeping in view the urgency, the works were executed in anticipation of approval. The reply was not tenable as the action of the Department was in violation of codal provisions.

Audit further observed the following shortcomings:

- **Submission of fake/improper performance guarantee**

Para 13.12 of Public Works Code provides that successful tenderers should furnish a performance security at the rate of 5 *per cent* of the contract price, which may be in the form of bank guarantee. The divisional officers were required to obtain independent confirmation about the genuineness of bank guarantee directly from the issuing bank.

Two works were allotted (March 2011) for a contract price of ` 6.86 crore and ` 5.76 crore respectively to a firm. The firm deposited two number of Special Term Deposit Receipts (STDR) for ` 34.80 lakh and ` 29 lakh towards performance guarantee. The agency completed the works of ` 4.32 crore upto July 2011 and left the work of ` 8.30 crore unexecuted. A penalty of ` 1.66 crore being 20 *per cent* of the balance work was required to be levied on the agency. The division belatedly checked the genuineness of STDRs and the bank intimated (August 2011) that no such STDR were issued by them.

Thus, the Department had no means to recover the penalty from the agency. Laxity on the part of Department in verification of SDRs resulted in loss of ` 63.80 lakh.

During the exit conference, the Additional Chief Secretary stated that FIR had been lodged against the contractor (May 2012) and that the contractor had been blacklisted (August 2012). The fact, however, remains that the department had not followed the prescribed system of verifying the genuineness of bank guarantee leading to the State exchequer suffering loss.

- **Sub-standard execution of works**

The HSFCB in its 42nd meeting approved (December 2010) 43 works for Yamuna Nagar District which were executed by various divisions of Hathni Kund Barrage (HKB) Circle Jagadhri. Samples of material used on these works were taken (June/July 2011) by HIRMI. The results of samples were received in August 2011 and eight works executed in HKB Circle Jagadhri, (seven work executed by Water Services Division, Dadupur and one by Water Services Division, Jagadhri) were found to be sub-standard. The revised cost of the works was ` 33.61 crore against which an expenditure of ` 18.01 crore had been incurred as of July 2011 (*Appendix 2.8*).

A committee, comprising of three Chief Engineers, was constituted (February 2012) to examine the issue.

The EIC stated that the report of the Committee had been submitted to the Government (July 2012) and action against defaulting officers and contractors would be taken after approval of the Government but no action had been taken till date (November 2012).

2.2.12. Land acquisition and management

Land is acquired for construction of canals/drains through Land Acquisition Officers (LAOs) as per State Government policies. Audit observed:

2.2.12.1 Non-recovery of balance amount from LAO

For acquisition of land for various works, 14 divisions deposited ` 155.86 crore with LAOs during 2007-12, out of which, awards for ` 148.14 crore were announced and ` 2.80 crore were refunded. Balance amount of ` 4.92 crore was not refunded by LAOs even after lapse of one to four years of the announcement of awards of lands (*Appendix 2.9*). Non-recovery of balance amount resulted in blockade of funds amounting to ` 4.92 crore.

Audit observed that no system was evolved by the department to ascertain the balances lying with LAOs and getting refund of unspent amounts.

During the exit conference, EIC assured that the proper system would be evolved to get back the unspent amounts from LAOs.

2.2.12.2 Mutation of land not made

Department acquired agriculture land for construction of minors/drains from farmers. Mutation of land was required to be made in the name of the Department in revenue records. Scrutiny of the records revealed that 1455.8623 acre of land (*Appendix 2.10*) was acquired by test-checked divisions/circles during 2007-12, out of which mutation of 764.62 acre land had not been made in the name of the Department (June 2012) which may cause unnecessary litigations about the ownership of land in future.

The EIC stated (November 2012) that all out efforts were being made to get the mutation done in favour of Department.

2.2.13. Human Resource Management

2.2.13.1 Shortage of staff

The manpower position of the department as on 31 March 2012 was as given in **Table 12**.

Table 12: Details of shortage of staff in various cadres

Sr. No.	Name of post	Sanctioned strength	Men in position	Shortage/ Excess	Percentage of shortage
1	Engineer-in-Chief	1	1	-	Nil
2	Chief Engineer	6	6	-	Nil
3	Superintending Engineer	28	25	3	11
4	Executive Engineer	132	114	18	14
5	Sub-Divisional Engineer	328	204	124	38
6	Junior Engineer	1323	854	469	35
7	Circle Head Draftsman/Division Head Draftsman/ Draftsman/Tracer	651	380	271	42
8	Revenue staff	1946	1185	761	39
9	Clerical/Class IV staff	3399	2559	840	25
10	Workmen	8367	6403	1964	23

Source: Data supplied by the department.

Audit observed that there was shortage of staff in field cadres in the Department which affected the execution of various works, recovery of revenue, etc.;

The EIC stated (November 2012) that requisition for recruitment of staff had been sent to Haryana Public Service Commission and Staff Selection Commission.

2.2.13.2 Construction Divisions with heavy establishment charges

Para 6 of Appendix II of Department Financial Rules provides for 24 per cent of the total outlay on works on establishment expenses.

Test check of records of selected circles/divisions revealed that in the seven divisions during 2007-12 the establishment expenditure exceeded the norms. There were no norms for allotment of work to Construction Divisions. The details of works expenditure vis-a-vis establishment expenditure in Construction Divisions under selected circles during 2007-12 are given in **Table 13**.

Table 13: Percentage of establishment expenditure incurred in construction divisions

Sr. No.	Name of circle	Name of Division	Per cent of establishment expenditure to works expenditure				
			2007-08	2008-09	2009-10	2010-11	2011-12
1	Yamuna Water Services,, Rohtak	Construction Division No. 21, Rohtak	14	66	43	30	92
2		Construction Division No. 30, Gohana	19	14	914	42	381
3	Yamuna Water Services,, Karnal	Construction Division No. 17, Karnal	5	55	41	21	35
4	Construction, Hisar	Construction Division No. 6, Hisar	54	79	1053	41	53
5		Construction Division No. 7, Hisar	16	39	344	30	66
6	Yamuna Water Services, Jind	Construction Division No. 28, Jind	--	--	--	13	36
7.	Hathni Kund Barrage, Jagadhri	Construction Division No. 14, Kurukshetra	5	14	25	1183	23

Source: Departmental records.

Audit observed that the Department had not evolved any mechanism to utilise the manpower in a rational manner. The EIC stated (November 2012) that proper exercise would be carried out to merge /relocate the construction divisions as per requirement.

2.2.14. Internal control and monitoring

2.2.14.1 Non-recovery/adjustment of amount lying in MPWA against staff and others

Article 54 of Account Code Volume III provides that amount kept in Miscellaneous Public Works Advances (MPWA) should be watched through the regular account. Test check of records of selected circles/ divisions revealed that an amount of ₹ 160.62 lakh was pending in MPWA. Out of this, ₹ 59.30 lakh remained outstanding on account of shortage of material, sub-standard work, etc. against the officials/officers of the Department. Age-wise details of outstanding amount are given in **Table 14**.

Table 14: Details of outstanding amount in MPWA

(₹ in lakh)

Up to 5 years		5 to 10 years		Above 10 years		Total	
Total	Staff	Total	Staff	Total	Staff	Total	Staff
39.65	5.64	18.31	5.07	102.66	48.59	160.62	59.30

Source: Departmental records.

Concrete steps were not taken by the Executive Engineers to recover/ adjust the amount outstanding against the staff and others.

The EIC stated (November 2012) that recovery was not feasible because whereabouts of the persons concerned were not known. The reply indicated that the Department had not taken appropriate action to adjust/recover the amount lying in MPWA.

2.2.14.2 Non-transfer of amounts lying in deposit to revenue

Para 12.7 of Punjab Financial Rules (Volume-I) provides that the entire amount lying in deposit for more than three years should be credited to revenue head of the Department. Test check of the records of selected circles revealed that an amount of ₹ 6.19 crore which was more than three years old was lying under deposit. The details are given in **Table 15**.

Table 15: Details showing non-transfer of amounts lying in deposit

(₹ in lakh)

3 to 5 year	5 to 10 year	Above 10 year	Total
498.16	62.59	58.26	619.01

Source: Departmental records.

The division-wise details are given in **Appendix 2.11**. The amount was required to be credited in revenue head but no steps had been taken to credit the same.

The EIC stated (November 2012) that the instruction would be issued for the transfer of funds to revenue.

2.2.14.3 Non-deposit of labour cess with Labour Welfare Board

Building and Other Construction Workers Welfare Cess Act 1996 (Act) provides deduction of labour welfare cess at the rate of one *per cent* of the total bill of Contractors. The proceeds of the cess collected were required to be deposited with the Haryana Building and Other Construction Workers Welfare Board.

Scrutiny of records of test-checked divisions/Circles revealed that instead of depositing cess with the Board, an amount of ` 3.06 crore was credited to receipt Head of the department and an amount of ` 71.59 lakh were kept in Deposit (*Appendix 2.12*) in violation of the provisions of the Act.

The EIC stated (November 2012) that the instructions would be issued to the divisions to deposit the amount of Labour welfare cess with the Board in a timely manner.

2.2.14.4 Lack of seriousness towards making payments of land compensation

The Additional District Judge, Bhiwani decided (June 2009) for making payment of enhanced land compensation to the petitioners. Thereafter, the case remained pending in the Department for administrative approval. Due to non-payment, execution petitions were filed (April 2010 and August 2010) by the land owners. The Court directed (June 2009) the Department to make payment but the Department did not make the payment.

The Court attached (March 2011) vehicles of the department for non-payment of compensation to land owners. The Siwani Water Services Division, Bhiwani again submitted (March 2011) the case for release of Letter of Credit (LOC) to Chief Engineer and also sent reminders for the same with copy to EIC and Financial Commissioner and Principal Secretary, Irrigation Department. The matter regarding release of LOC remained under correspondence during this period between the division and the EIC. As a result, the division was not able to make payment of enhanced compensation in time to get the vehicles released. The Court subsequently auctioned (May and July 2011) four vehicles (HR-16-C-4430, HR-16C-4569, HR-16-C-4617 and HR-16G-7234) of Yamuna Water Services Circle, Bhiwani and an amount of ` 2.48 lakh realised and deposited into treasury. Thereafter, the payment of ` 33.06 lakh was made in September 2011.

Similarly, there were substantial delays in making payment on account of enhanced land compensation after the decision of the courts. Due to delay in making payment to land owners, the Department had to make extra payment on account of interest. Details of such cases noticed during test-check are given in **Table 16**.

Table 16: Details showing payment of interest to land owners

Name of Division	Enhanced amount (₹ in lakh)	Month Decision of	Interest paid up to	Period of delay (In months)	Amount of Interest (₹ in lakh)
Sirsa Water Services, Sirsa	138.71	November 2010	June 2011	7	12.14
Nehrana Water Services, Sirsa	84.92	September 2008	March 2010	18	18.78
	9.06	September 2008	December 2009	15	1.70
	2.20	September 2008	January 2010	16	0.44
	11.43	September 2008	November 2009	14	2.00
	0.44	September 2008	October 2009	13	0.07
	43.09	September 2008	October 2009	13	7.00
				Total	42.13

Source: Data compiled from divisional record.

As is evident from the above table, due to delay in making payment of land enhanced compensation to land owners, the Department had to make extra payment of ₹ 42.13 lakh on account of interest.

This indicated lack of seriousness in making payment towards enhanced compensation despite orders of the courts.

The EIC stated (November 2012) that care would be taken so that such incidents do not take place in future.

2.2.14.5 Non-preparation of Annual Administrative Report

As per provision contained in Para 6.2.7 of PWD Code, Engineer-in-Chief was to arrange the preparation of Annual Administrative Report of his department, giving:

- A brief and clear account of its operations.
- Significant milestones achieved.
- Initiatives taken and lessons learnt, etc.

The Report was required to be sent to the Government by June end.

Test check of records in the office of EIC, Irrigation revealed that the Department had not prepared the Administrative Reports for the years from 2006-07 to 2011-12. In the absence of Annual Administrative Reports, the activities/performance of the Department during these years were not known to the Government. Due to non-compliance of codal provisions, the Government could not evaluate the performance of the Department, so as to take timely remedial action.

The EIC stated (November 2012) that administrative reports would be prepared soon.

2.2.15. Conclusions

- The planning of the Department was inadequate as comprehensive plan was not prepared for irrigation and flood control works.
- As against the creation of irrigation potential over an area of 29.72 lakh hectares in the State, utilisation of irrigation potential was 21.13 lakh hectare. The Department could not achieve the target of covering 1140.38 thousand hectare area under irrigation despite spending ` 7731.71 crore during 2007-12.
- The performance of the Department was deficient in several areas such as inadequate control over expenditure, slow and tardy implementation of schemes, lack of co-ordination, execution of sub-standard works and delay in making payment of land acquisition cases.
- There was lack of control over disposal of sewage and effluent in canals, the water of which was being supplied for drinking purpose in the State as well as to the National Capital of Delhi. There was lack of coordination between Pollution Control Board and Irrigation Department to control the Water Pollution in WJC.
- There were shortage of staff in field cadres and inadequate internal control and monitoring system.

2.2.16. Recommendations

The Government may consider:

- preparing proper plans for completion of ongoing works so as to increase the coverage of areas under irrigation.
- strengthening the expenditure control mechanism to avoid excess expenditure over budget provisions.
- co-ordinating with line departments/organisations to ensure that the intended benefit of the scheme reaches the targeted beneficiaries.
- activating its vigilance mechanism to avoid the cases of sub-standard works, wasteful/extra expenditure in execution of works.
- taking adequate steps to stop the disposal of sewage and effluent in canals.
- implementing effectively directives of the Apex Court.

Town and Country Planning, Urban Estates, Public Works (Buildings and Roads), Irrigation and Public Health Engineering Departments

2.3 Land Acquisition and Allotment

Highlights

The Government acquires land from private landowners for public purposes under the Land Acquisition Act, 1894. The Government has been providing a number of benefits such as annuity, no litigation incentives, etc. under the Resettlement and Rehabilitation Policy to the landowners in addition to land compensation as provided in the Land Acquisition Act, 1894. In the process of acquisition of land, various provisions of Land acquisition Act, 1894 were not adhered to which resulted in judicial interventions to resolve the disputes relating to land acquisition. The Government released the notified land from the acquisition process in violation of the Land Acquisition Act which adversely affected the development plans of HUDA. Further, due to deficiencies in the process of land acquisition, the concerned departments had to make extra payment on account of interest, bear loss of interest due to parking of funds outside the Government account, etc. Besides, there were cases of grant of permission to sell industrial plot in violation of terms and conditions. Proper mechanism was not evolved to watch recovery of external development charges. Highlights of some of the important audit observations are given below:

Delay in making payment of enhanced land compensation resulted in avoidable payment of interest of ` 5.15 crore.

(Paragraph 2.3.8.4)

Release of land from the process of acquisition to individuals, builders, trusts, etc. in violation of provisions of Land Acquisition Act was observed.

(Paragraphs 2.3.9.1 to 2.3.9.3)

Transfer of an industrial plot was allowed by HUDA in violation of Government policy.

(Paragraph 2.3.10.7)

There was absence of mechanism in the Estate Offices of HUDA to watch recovery of external development charges in the cases of release of land.

(Paragraph 2.3.10.8)

Land compensation amounting to ` 6.49 crore was paid to 12 persons who were not owners of land while ` 1.55 crore was paid to 15 persons in excess of their entitlements.

(Paragraph 2.3.13.2)

Parking of funds outside the Government Account resulted in loss of interest of ₹ 1.56 crore.

(Paragraph 2.3.13.6)

2.3.1. Introduction

‘Land Acquisition’ means acquisition of land for public purpose by Government/Government agency, as authorized by law, from the individual land owners after paying compensation fixed by the Government. The acquired land is used by the Government for development purposes such as setting up of offices, schools, hospitals and other facilities or for creation of infrastructure such as construction of link roads, widening of existing roads, construction of bridges, residential, commercial and industrial estates, etc. The acquisition of privately held land for public purposes is governed by the provisions of the Land Acquisition Act, 1894 (the Act) as amended from time to time.

The land is acquired in the State for usage of urban development and infrastructure development for industries by the UED and the Industries Department respectively, for water works by the Public Health Engineering Department (PHED) and in a linear strip form for construction of roads and canals by Public Works Department (PWD) and Irrigation Department. The acquisition of land for infrastructure development for industries had been dealt with separately in Audit Report (PSUs) for the year ended 31 March 2012.

In the process of acquisition of land, various provisions of Land acquisition Act, 1894 were not adhered to which resulted in judicial interventions to resolve the disputes relating to land acquisition. The Government released the notified land from the acquisition process in violation of the Land Acquisition Act which adversely affected the development plans of HUDA. Further, due to deficiencies in the process of land acquisition, the concerned departments had to make extra payment on account of interest, bear loss of interest due to parking of funds outside the Government account, etc. These issues have been highlighted in the audit findings.

2.3.2. Organisational set-up

The Urban Estates Department (UED) is responsible for acquisition of land for HUDA. UED is working under the administrative control of Principal Secretary (PS), Town and Country Planning Department (TCPD) and UED. The Director General (DG), UED is responsible for the overall management of matters relating to acquisition and release of land to landowners, builders and developers. He is assisted by an Additional Director. There are five Land Acquisition Officers (LAOs) located at Faridabad, Gurgaon, Hisar, Panchkula and Rohtak.

Land for the Public Works Department (PWD), Buildings and Roads (B&R) is acquired by LAOs stationed at Ambala, Bhiwani, Gurgaon and Hisar. The LAOs located at Ambala and Bhiwani acquire land for use by the Irrigation Department. Apart from this, land for PHED and Irrigation Department is also acquired by the District Revenue Officers-cum-Land Acquisition Collectors (DROs-cum-LACs) of respective districts. The departments of Irrigation, PHED and PWD (B&R) are under the administrative control of respective PSs/Additional Chief Secretaries and Engineers-in-Chief (EICs) of respective departments are heads of departments.

2.3.3. Audit objectives

A performance audit was carried out to evaluate the economy, efficiency and effectiveness in the acquisition and development of land by the selected departments. The main objectives were to ascertain whether:

- there was proper planning for the acquisition of land for various development purposes;
- the process of land acquisition was efficient, effective and economical in accordance with the land acquisition Act and policy framed thereunder;
- allotment and utilisation of acquired land was efficient and effective;
- human resources and infrastructure for acquisition and release of land were adequate; and
- internal controls and monitoring mechanism were in place and were effective.

2.3.4. Audit criteria

The following were the sources of audit criteria:

- Master Development Plans of various towns and cities.
- Provisions of the Land Acquisition Act, 1894 and Standing Orders of Revenue Department.
- Rehabilitation and Resettlement Policy of the State Government.
- Provisions of HUDA Act, 1977.
- Allotment and lease policies of HUDA.
- Executive instructions and circulars issued by the State Government and judicial pronouncements from time to time.

2.3.5. Audit Scope and methodology

During performance audit, the records relating to financial management, land acquisition and allotment pertaining to the period 2007-12 were test checked between April and June 2012.

Three¹ out of five LAOs, seven² out of 18 Estate Offices of HUDA in six³ districts out of 21 districts, were selected by using the Probability Proportionate to Size Without Replacement (PPSWR) method. Similarly, 15 works divisions and four LAOs / DRO-cum-LACs falling in these districts were also covered during audit (*Appendix 2.13*). A joint Entry Conference was held with the EIC of PWD (B&R), PHED and Irrigation Department while separate Entry Conference was held with PS, TCPD in April 2012. Important issues regarding land acquisition, audit objectives and audit criteria were discussed in these conferences. Exit Conferences were held separately with PS, TCPD, Additional Chief Secretary, Irrigation Department and Additional Chief Secretary, PWD (B&R) in November 2012 where the audit findings were discussed. The replies of the department have been suitably incorporated in the report.

2.3.6 Acknowledgement

Office of the Principal Accountant General (Audit), Haryana acknowledges the co-operation extended by the UED, TCPD, HUDA, PWD (B&R), Irrigation and PHED and their subordinate offices in providing information and records for conducting audit.

Audit Findings

The audit findings in the implementation of Land Acquisition Act 1894 and policy framed thereunder are discussed in succeeding paragraphs below:

2.3.7 Status of Acquisition and Allotment of Land at State Level

Land is an asset of finite magnitude. Therefore, it is important to regulate land use through a policy framework that optimises public good and reconciles with various competing demands for land. The Government had not made any nodal department for maintaining information about the land acquired, funds provided for acquisition of land by various departments and the expenditure incurred thereon in the State. A consolidated detail of Government land allotted/leased was

-
- 1 (i) Faridabad, (ii) Gurgaon and (iii) Rohtak.
 - 2 (i) Rohtak, (ii) EO-1 Gurgaon, (iii) EO-2 Gurgaon, (iv) Faridabad, (v) Panipat, (vi) Rewari and (vii) Sonapat.
 - 3 (i) Faridabad, (ii) Gurgaon, (iii) Panipat, (iv) Rohtak, (v) Rewari and (vi) Sonipat.

not available with any department. Audit further observed that data regarding total available land and utilisation thereagainst was also not maintained by the PWD (B&R), Irrigation and PHED. Thus, in the absence of this vital information, total Government land available with different departments and its utilisation could not be verified in audit. The Government may prepare land pool for management of Government land for its economical and effective use.

2.3.7.1 *Inadequate planning for urban development*

The State of Haryana is stretched over an area of 44, 212 sq. km⁴, out of which 2,347 acres is wasteland. Thus, most of the land in the State is suitable for agriculture and more than three-fourth of the population is engaged in agriculture. The TCPD is responsible for regulation, development and checking the haphazard development in and around towns. For this purpose, Development plans of cities are prepared for a period of 20 years. Audit observed that there was no proper system in place for Mid-term corrections. However, Mid-term corrections were carried out by TCPD on need basis. It was further observed that TCPD had not formulated any land use policy defining its sector-wise priorities in utilization of wasteland for the present and future needs for development purposes so as to release the pressure on the fertile land.

The PS, TCPD stated (November 2012) that although greenfield towns were envisaged by declaring controlled areas, the growth of existing towns cannot be wished away. Therefore, the expansion of the towns in surrounding agricultural areas was inevitable.

Audit recommends that the Government may consider developing wastelands for industrial, commercial, residential, educational and other purposes in order to reduce coverage of fertile land for urban development.

2.3.7.2 *Unplanned release of land to land developers and builders*

The process of land acquisition by UED is initiated at the instance of Administrator, HUDA in accordance with the proposal contained in its development plan. After carrying out the survey of the proposed land by the Joint Site Inspection Committee, the declaration under Section 6 is issued by UED. In order to involve private colonizers and developers in urban development, TCPD issues licences under the Haryana Development and Regulations of Urban Areas Act, 1975.

Audit observed that for developing residential sectors 58 to 63 and 65 to 67 in Gurgaon, notification under Section 4 for acquiring 1407.07 acres of land from private land owners was issued on 10 June 2009. Declaration under Section 6 was made on 31 May 2010 for acquiring 850.10 acres of land. Considering the fact that HUDA had not floated any sector in Gurgaon for more than six years, the Chief Administrator, HUDA emphasized (November 2010) that no application for

⁴ Source: Statistical abstract of Haryana for the year 2010-11.

issue of licenses to colonizers and builders for land development should be considered after issuing declaration under Section 6.

Administrative approval of ₹ 831.38 crore was accorded in December 2010 by the PS, TCPD for acquisition of 850.10 acre land with the direction that pending applications for issue of licenses should be processed but no fresh application for licenses involving release of land should be considered.

The case was re-examined in a meeting of the High Power Committee held on 23 May 2012 under the Chairmanship of PS, TCPD wherein it was observed that after issue of notification under Section 6, only 491.10 acres of land could be considered for announcement of award as the balance area was under consideration of High Power Committee for the grant of licenses to developers. The Committee also observed that a large chunk of the land had been excluded from the acquisition proceedings between Sections 4 and 6 and even after issuance of declaration under Section 6.

The Committee further observed that area released to developers was not planned properly with the result that land available for the announcement of award was scattered in approximately 153 pockets ranging from few *Marlas* to few acres. Keeping in view the opinion of Apex Court given on 19 April 2012 against the large scale exclusion of land from acquisition proceedings in favour of the developers, the Committee decided to abandon the acquisition of land for development of sectors.

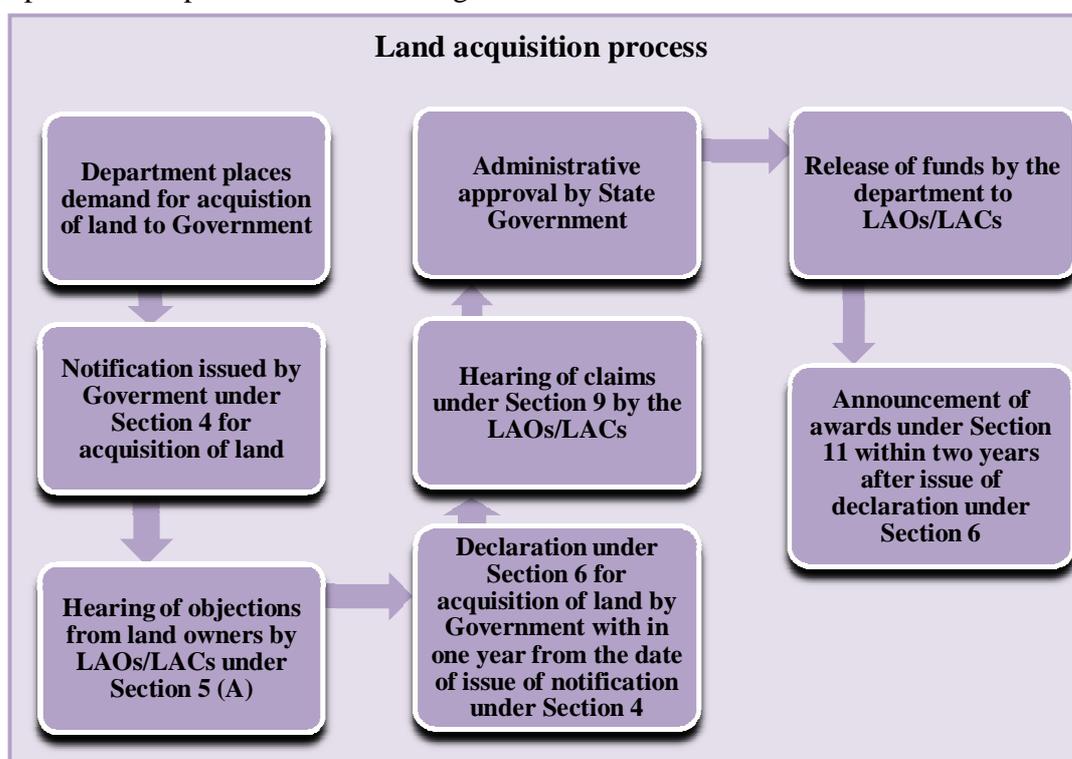
It would be seen from the above that after starting the proceedings for acquiring land by the UED for a public purpose, 359 acre land was released to the developers. As the meaningful urban development was not possible with the balance 491.10 acre of land, the land acquisition proceedings were abandoned. Thus, due to inadequate planning in issuance of licences to private colonizers and developers, HUDA could not develop the area in accordance with the development plan.

The PS, TCPD stated (November 2012) that release of land was not in violation of the Land Release Policy, 2007 and no fresh application for release of land was considered after instructions were conveyed by DG, UED. However, the pending applications were considered in accordance with the policy and as per directions of Director, TCPD. The reply was not appropriate as after starting the proceedings for acquiring land for a public purpose by UED, a major part of the land was released to the developers, which was indicative of ill planning.

2.3.8. Acquisition of land

The process of land acquisition starts with issue of a notification under Section 4 of the Land Acquisition Act, 1894 to be published in the official gazette for survey of land. Any person interested in land notified under Section 4, may object to such acquisition before the Collector, who shall give the applicant/aggrieved

person an opportunity of being heard. After hearing the objections, the Collector shall make a report together with record of proceedings held by him to the Government, with his recommendations. Thereafter, a declaration shall be made under the signature of an officer of the level of Secretary to Government under Section 6 for publication of notification to the effect that the land is needed for public purpose. The Collector shall then obtain an order from Government for acquisition of land under Section 7 of the Act. The Collector shall make appropriate award under his hand, within two years from the date of declaration under Section 6 (1), provided that no award shall be made by the Collector without the previous approval of Government. In cases of urgency, whenever the Government so directs, the Collector, though no such award has been made, may, on the expiration of 15 days from the publication of notice under Section 9(1) take possession of any land needed for a public purpose. Such land shall, thereupon, vest absolutely in Government, free from all encumbrances. The Land Acquisition process is depicted in the following chart:



The centralized data with regard to total land acquired and compensation paid was not available with Irrigation Department, PWD (B&R) and PHED. The data was lying scattered in the works divisions. It was not consolidated even at circle level. However, UED was maintaining such data in respect of HUDA.

Audit compiled the data in respect of land acquisition and compensation paid from the records of works divisions and collected the data from UED in respect of HUDA. The details of land acquired by UED for HUDA and Irrigation Department, PWD (B&R) and PHED, compensations paid during the period 2007-12 are given in **Table 1**.

Table 1: Details of land acquired and compensations paid during 2007-12

Year	Land acquired by (In acres)			Compensation paid by (` in crore)		
	UED for HUDA	PWD (B&R), Irrigation and PHED	Total land acquired	UED for HUDA	PWD (B&R), Irrigation and PHED	Total
2007-08	2480	1492	3972	557	417	974
2008-09	828	1141	1969	129	233	362
2009-10	5272	425	5697	2660	87	2747
2010-11	5546	852	6398	3360	200	3560
2011-12	1205	914	2119	735	292	1027
Total	15331	4824	20155	7441	1229	8670

Source: Data provided by Additional Director, Urban Estates, Panchkula and data compiled by Audit in respect of works division.

2.3.8.1 Provisions of Land Acquisition Act not followed

Scrutiny of records of Land Acquisition Officers/Land Acquisition Collectors in the test checked districts revealed that the mandatory provisions of the Land Acquisition Act were not followed in acquisition of private land.

In Panipat district, the work of project for extension of Chamrara Minor was executed during 1984-85. An area about 9.41 acre of village Mandi was under extension portion of the channel. The construction of the channel was done without acquiring the land as per provision of Land Acquisition Act. Subsequently, the land owners went to the court for land compensation and the department paid ` 11.16 lakh as land compensation in December 2010. Thus, the land was acquired by the department without following laid down procedure under the Land Acquisition Act.

2.3.8.2 Delay in land acquisition proceedings

A notification under Section 4 was issued by Government in September 2007 for acquiring 7 acre, 6 kanal and 1 marla land for construction of Nosuha minor in district Jhajjar. As per the Act, declaration under Section 6 was to be made within one year from the date of issue of notification under Section 4. Declaration under Section 6 was, however, issued in April 2009. As the declaration under Section 6 was issued after one year of the issue of notification under Section 4, it was not valid. As such, fresh notification under Section 4 was issued in April 2010 and declaration under Section 6 in February 2011 and awards were announced in November 2011. Lapse of original notification issued under Section 4 in September 2007 resulted in avoidable expenditure of ` 42.23 lakh due to escalation in price of land.

The EE, Mahendergarh Canal Water Services Division, Charkhi Dadri stated (May 2012) that notification under Section 6 of the Act could not be published within the prescribed time limit due to non-settlement of objections under Section 5A of the Act in respect of land of village Bhagot by the LAC, Narnaul. The reply was not acceptable as the objections of the landowners were required to be settled within the time limit of one year as prescribed in the Act. During the Exit

Conference, the Additional Chief Secretary, Irrigation Department also attributed the delay on the part of LAC concerned.

2.3.8.3 Delay in acquisition of land due to inadequate survey

Section 17 of the Act *inter alia* lays down that in cases of urgency, whenever the Government so directs, the Collector may, after fifteen days from the publication of the notice mentioned in section 9, sub-section (I), take possession of any land needed for a public purpose. The Government may direct that the provisions of section 5-A which require hearing of objections of landowner, shall not apply in these cases.

Scrutiny of records of LAO, Faridabad revealed that a notification under Section 4 was issued on 14 August 2008 for acquiring 1170.51 acre for the development of Master road for Sectors 75-89, Faridabad by invoking emergency clause under section 17. Later on, the said area was corrected as 1168.48 acres due to arithmetical mistake. As envisaged under section 4 of the Act, before issuing notification, preliminary survey of the proposed land was not carried out. While giving demarcation of Sector roads, thickly populated areas were also notified. Revised demarcation plan was approved in May 2010. Declaration under Section 6 was issued on 30 August 2008 for acquiring 1029.63 acres of land after excluding thickly populated areas. The Director, UED directed Senior Town Planner (July 2009) to hold a preliminary enquiry for the *faux pas* and gross negligence on the part of District Town Planner, Faridabad in demarcating the area. The outcome of the inquiry was not shown to Audit.

It was observed during audit that rates of ` 16 lakh per acre were fixed by the committee (August 2009) headed by the Commissioner, Gurgaon and administrative approval of ` 241.46 crore was accorded by PS, TCPD on 10 March 2010 for acquiring land measuring 1029.63 acres. Due to delay in finalization of demarcation plan, rates in the surrounding areas increased with the result that land owners started agitation demanding higher compensation of land. Another Committee constituted (May 2010) under the Chairmanship of the Commissioner, Gurgaon increased the rates from ` 16 lakh to ` 42 lakh per acre. On the basis of the recommendations of the Committee, the award was announced by LAO, Faridabad in August 2010 for 1029.63 acre of land and administrative approval of ` 241.46 crore was increased to ` 659.70 crore (August 2010).

Scrutiny of the records further revealed that the award had to be restricted to 934.50 acres and an amount of ` 470.54 crore was disbursed to the farmers by the LAO up to March 2012. The remaining land could not be acquired as eight writ petitions were filed (2010) by landowners in the High Court to quash the notification under section 6 by invoking emergency clause on the plea that the public purpose cannot be termed as such an emergency where the State could not wait for 30 days to give the benefit of Section 5 A of the Act to the land owners. The Court quashed (May 2011) the notification issued under Section 6 in respect of the land of these landowners and directed the land owners to file objections under Section 5 A of the Act against the proposed acquisition with the result that

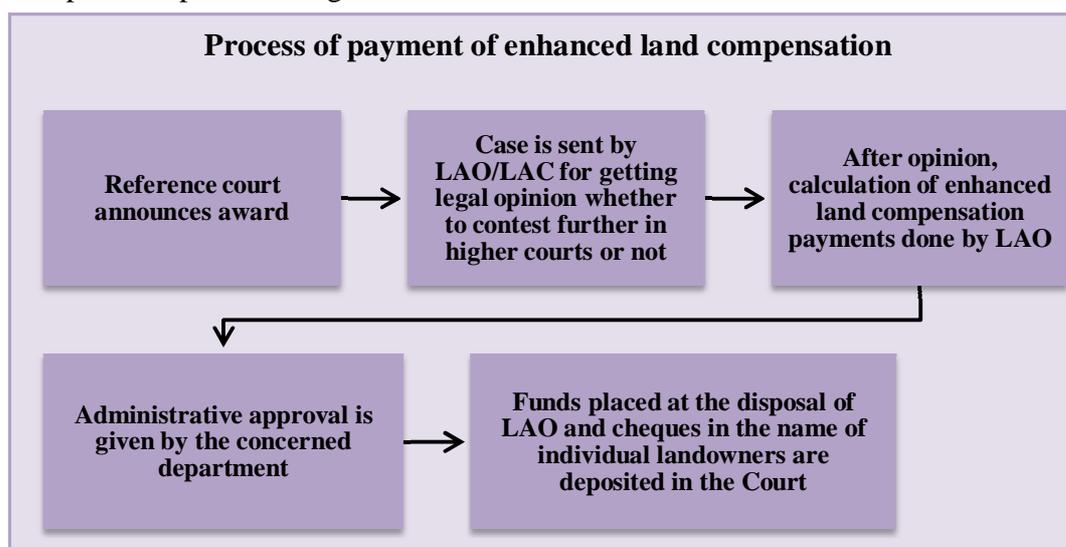
the objective of the acquisition of land could not be achieved even after four years of acquisition of land by invoking emergency clause (November 2012).

Thus, inadequate preliminary survey for land acquisition resulted in delay in announcement of award and consequent escalation in cost of land by ` 418.24⁵ crore. Further, invoking emergency clause without any emergent situation resulted in blocking of funds of ` 470.54 crore as the Master Road had not yet been developed (January 2013).

While admitting the lapse regarding inadequate survey, the DG, UED intimated that disciplinary action had been initiated against DTP for this lapse. Final outcome of the disciplinary case was awaited (December 2012).

2.3.8.4 Delay in payment of enhanced land compensation

As per Section 28 of the Act, the LAC was required to pay interest on the enhanced compensation awarded by the court at the rate of nine *per cent* for the first year and 15 *per cent* per annum for the subsequent years from the date on which the Collector had taken possession of the land to the date of payment. The steps in the process are given in Chart below:



It was observed that there was inordinate delay in making payments of enhanced land compensation awarded by Courts during the period under audit. As a result of this, extra payment of interest of ` 4.93 crore had been made and liability amounting to ` 21.84 lakh had been created on this account. The extra payment has been calculated after giving time of 90 days, which is reasonable, in the opinion of Audit, for processing the cases for payment from the date of award. The details are given in **Table 2**.

5 ` 659.70 crore minus ` 241.46 crore

Table 2: Details of extra payment of interest

Name of the office	Name of the LAO/DRO/LAC	Month of Court's Decision	Month of payment	Delay in months	Extra interest paid (₹ in lakh)
PHED-III, Palwal	Palwal	February 2009	February 2011	24	49.99
Rewari Lift Irrigation Division, Rewari	Gurgaon	August 2011	Not paid upto May 2012	9	21.84
Ghaggar Water Services Division, Sirsa	Sirsa	October 2010	April 2012	18	7.33
HUDA					
HUDA, Gurgaon	Gurgaon	1 October 2010	March to December 2011	10 to 15	87.32
HUDA, Rohtak	Rohtak	Between November 2008 and April 2010	Between December 2010 and April 2011	8 to 29	169.89
HUDA, Faridabad	Faridabad	May 2006 to October 2010	Between May 2010 and September 2011	9 to 60	178.53
Total					514.90

Source: Data compiled from departmental records.

The EE, PHED-III, Palwal stated (June 2012) that enhanced land compensation was deposited late due to litigation in the High Court. The DRO-cum-LAC, Gurgaon stated (May 2012) that the Executive Engineer concerned was being asked to calculate the amount payable to the land owners.

Further in case of Ghaggar Water Services Division, Sirsa, the Additional Chief Secretary, Irrigation department stated (October 2012) that there were some procedural delays in getting the sanction about enhanced land compensation and it was not intentional on the part of any officer/official. The reply was not acceptable as the delay should have been avoided since it involved payment of interest out of Government funds.

Similarly, funds for land acquisition for a drinking water supply scheme for 64 villages of Nangal Chaudhary Block (District Mahendergarh) were deposited late (October 2011) by the department with DRO-cum-LAC, Narnaul, as a result of which awards were delayed for the period ranging from two to four months which led to avoidable payment of interest of ₹ 40.85 lakh.

While accepting the delay in the release of LOC, the EIC stated (October 2012) that due to procedural formalities involved, there was a gap between the period when demand for LOC was made by Executive Engineer-2, Narnaul and the date on which payment was actually released to the beneficiaries. The PS, TCPD stated during Exit Conference that the process of awarding the enhanced compensation by the courts depends upon decision on the references filed under Section 18 of the Land Acquisition Act, 1894 by the Reference Court, decision on the Regular First Appeals (RFAs) filed either by the land owners or by the State in the Hon'ble High Court and SLPs in the Apex Court. As such, the delay can be accounted for only after final settlement of the case by the Apex Court.

The reply was not convincing as only those cases have been mentioned in the paragraph where there were abnormal delays in making payment after announcement of decisions and period of delay has been calculated after giving of

rebate of 90 days. During Exit Conference, the PS requested to provide necessary details which were provided. Further reply was awaited (December 2012). Thus, there is a need to review and put in place a proper and effective system for payment of land cost to avoid payment of interest.

2.3.8.5 Payment of enhanced land compensation

Section 18 of the Act envisages that any person who has not accepted the award may give a written application to the Collector. The Collector is required to refer the matter to the Court for resolving the dispute regarding measurement of the land, the amount of the compensation, the persons to whom it is payable or the apportionment of the compensation among the persons interested. Further, the affected parties can approach Higher Courts for the redressal of their grievances.

Scrutiny of records of UED revealed that the amount of compensation awarded by District judges between 31 March 1988 and 5 May 1993 in respect of nine cases was challenged by the department in the High Court of Punjab and Haryana, Chandigarh. The court had reduced the enhanced land compensation resulting in recovery of ` 89.85 crore. The landowners filed Special Leave Petitions (SLPs) in the Apex Court. The SLPs filed by landowners were dismissed in four cases. The department could recover only ` 20.52 crore from some of the landowners. The remaining cases involving recovery of ` 69.33 crore were pending before the Apex Court (August 2008). Some of the landowners approached the Chief Minister for the waiver of recovery. However, the proposal about waiver was not accepted by a committee headed by PS, TCPD stating that such an action would set a bad precedent. Contrary to the decision taken in the meeting held on 18 August 2009, the Additional Advocate General made a statement on 11 November 2009 in the Apex Court that the Government had taken a decision 'in principle' to accept the award of the Reference Court and would file an affidavit within two weeks in this regard. However, the TCPD did not accept the submission made by the Additional Advocate General (AAG) stating that it was not based on an approved decision of the Government. Therefore, Director, TCPD formed a sub-committee headed by Additional Director, UED to examine the issue and submit further recommendations for consideration of the Government to decide about course of action on the submission made before the court. The sub-committee in its meeting held on 1 February 2010 discussed two alternatives viz; whether to honour the submission made by AAG or deny the submission stating that the same was not based on the decision of the Government.

Scrutiny by Audit revealed that the State Government decided not to retract the statement made by the Standing Counsel despite the fact that the Apex Court had already upheld the orders of the High Court in four similar cases in which the High Court had reduced the enhanced land compensation awarded by Reference Courts. Instead, based upon the negotiations held with the landowners in the Lok Adalat appointed by the Apex Court, it was decided to settle the matter by agreeing for award of enhanced land compensation at the rate fixed by the Reference Court minus ten *per cent* of the amount. On the basis of the agreed amount, the Apex Court

ordered (March 2010) that the land owners would be entitled to all statutory benefits along with interest on compensation amount.

The PS, TCPD stated during Exit Conference that the observation regarding fixation of the land cost on the basis of statement made by the Standing Counsel was not correct. After the said statement, the Apex Court had directed the Standing Counsel to file an affidavit on behalf of the State Government in this regard. The matter was deliberated within the State Government through different committees and negotiations were held with land owners. After deliberations, a mutually agreed one time settlement was offered in the Apex Court to grant the compensation at 10 *per cent* less than the award given by the Reference Court without treating it as a precedent. This settlement was agreed to by the Apex Court and the cases were accordingly disposed of. Hence the statement of the standing counsel had no effect on the outcome of the case.

Thus, due to unauthorised statement given by the AAG before Apex Court, the matter had to be resolved through Lok Adalat and the Government had to forego recovery of ` 40.62⁶ crore.

2.3.8.6 Acquisition of land under prohibited area

As per notification of the Government of Haryana, Forest Department, issued in August 1992, the area falling under the *Aravalli* Hills ranges, Faridabad was notified under Punjab Land Preservation Act 1900, as applicable to Haryana, on which no buildings can be constructed.

A mention was made in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2005 (Civil), Government of Haryana regarding acquisition of 483.69 acre prohibited land in Mewla Mehrajpur, Faridabad in February 1995 for development of residential Sectors 44 and 47. In pursuance to a Public Interest Litigation filed in 2002 with the Apex court, the DFO, Faridabad had issued notices to HUDA and DTP, Faridabad stopping construction activities on this land blocking ` 62.37 crore on acquisition of land. In the Action taken note, HUDA assured the Public Accounts Committee that it had been decided to take action for de-notification of land covered under Section 4 of Punjab Land Preservation Act. The Audit, however, noticed that the land had not been de-notified (February 2013). HUDA has further paid a sum of ` 190.45 crore to the landowners upto March 2012 on account of enhanced land compensation awarded (May 2007) by Hon'ble High Court to the land owners with the result the total amount invested in this project had increased to ` 252.82 crore (March 2012).

The PS stated during Exit Conference that request of HUDA had not been considered favorably by the Apex Court and HUDA had taken up the matter at appropriate level and had agreed to implement the recommendations of Central

⁶ (Total award of Reference Court: ` 4,92,35,92,822 less 10 *per cent* ` 49,23,59,282) =
` 4,43,12,33,540 less award announced by High Court ` 4,02,50,63,204 =
` 40,61,70,336.

Empowered Committee appointed by the Supreme Court. He also stated that there was a difference between Reserve Forest Land and area notified in August 1992 under section 4 and 5 of Punjab Land and Preservation Act, 1900 (PLPA). He further intimated that the Apex Court interpreted treatment of reserve land as Forest Area in March 2004 whereas the notification under Section 6 of Land Acquisition Act, 1894 was issued in September 1993.

The reply was not convincing as notification under section 6 of the Act was issued in September 1993 i.e. after one year of the notification of the land under section 4 and 5 of Punjab Land Preservation Act 1900 (August 1992). Thus, due to acquisition of land notified under Punjab Land Preservation Act 1900, an expenditure of ₹ 252.82 crore proved to be unfruitful as the residential sectors could not be developed even after 20 years of acquisition of land.

2.3.9. Release of land out of land acquisition process

The acquisition of private land is regulated by Land Acquisition Act, 1894. Section 48 of the Act *inter alia* lays down that after the initiation of Land Acquisition proceedings, the Government shall be at liberty to withdraw from the proceedings of acquisition of any land, the possession of which has not been taken. Thus, if possession of land has been taken following the due procedure under the LA Act, Government has no power to withdraw from land acquisition proceedings. Accordingly, the Government framed a comprehensive Land Release Policy in September 2007 which *inter alia* lays down as under:

- requests regarding release of land to the applicants would be considered within one year from the date of announcement of award.
- only those requests would be considered where the ownership of land was with the applicants prior to the issuance of notification under Section 4.
- Objections had been filed by the landowners under Section 5 A.
- Government may release any land under Section 48 (1) of the Act under exceptionally justifiable circumstances for the reasons to be recorded in writing.

The details of land acquired and land released during 2007-12 are given in **Table 3**.

Table 3: Details of land released from land acquisition process

Year	Private Land acquired	Land released to private colonizers	Built up structures	Vacant land	Total
(In acres)					
2007-08	2480	252	171	Nil	423
2008-09	828	371	38	6	415
2009-10	5272	661	37	135	833
2010-11	5546	554	11	Nil	565
2011-12	1205	233	7	Nil	240
	15331	2071	264	141	2476

Source: Data provided by DG, Urban Estates, Haryana

It would be seen from the above table that out of 15,331 acre of land notified for acquisition, 2,476 acre was released to land owners. Out of this, 2,071 acre was released to the private colonizers. Cases of deficiencies in the release of land in contravention to the Land Acquisition Act are discussed in the succeeding paragraphs:

2.3.9.1 Release of land from acquisition process

A notification under section 4 of the Act was issued (February 2002) for acquisition of 126.39 acres of land in village Ratgal and 1.17 acres in village Dara Kalan (Kurukshetra). Declaration under Section 6 of the Act was made (February 2003) for acquisition of 118.52⁷ acre land. The LAO, Panchkula announced (February 2005) the award for 116.85 acre land and released 1.67 acres land of Ratgal village at the time of announcing award.

One of the landowners represented (June 2005) to the Director, UED for the release of land from acquisition on the grounds that there was an orchard measuring 34 Kanal 7 Marlas and 65 Kanal 1 Marla, which was not considered favourably as there was no justification to release the land since the area was proposed to be developed as commercial belt of Kurukshetra. However, the issue was reconsidered (October 2005) and release of the said land was recommended under section 48 of the Act. Following above orders, an area of 326 Kanal and 8 Marla (40.80 acre) belonging to 31 persons was released from the land acquisition process.

Audit observed that while reconsidering the case, the Government's authority under Section 48 of the Act was wrongly interpreted. In fact, Section 48 deals with the withdrawal of the Government from the acquisition of any land, the possession of which has not been taken. But in this case, the award had been announced by the LAO for the entire land and hence the title of the land had transferred from the landowners to HUDA. Consequent to the above action, another 30 land owners filed Civil Writ Petitions in the High Court of Punjab and Haryana for quashing the land acquisition awards in respect of their respective land on the grounds of discrimination. While defending the case of release of land in the High Court, the Advocate General contended that land of the petitioners and other similarly situated persons would be released from acquisition process. The Advocate General contended that with a view to keep the religious character of Kurukshetra intact, the acquisition of land in Kurukshetra would be confined to maintenance of essential services in future. In view of this, the High Court disposed of the petitions and passed directions (October 2007) that keeping in view the religious character of Kurukshetra, the future acquisition of land would be limited to maintenance of essential services.

It was observed that out of ` 5.07 crore disbursed to landowners after the announcement of the awards, ` 4.45 crore had been recovered and ` 0.62 crore were yet to be recovered (October 2012). The release of land hampered the

7 Ratgal: 117.48 acre and Dara Kalan: 1.04 acre.

development of the area, besides blocking of funds of HUDA for more than five years.

The PS, TCPD stated during Exit Conference that 31 petitions were filed against the acquisition of 118.52 acres of land notified under Section 6 on 10 February 2003 and the area under the writ petitions was not contiguous but was scattered all over the sector making it almost impossible to use the same for development. It was decided by the State Government to acquire 38.5 acres of land for sewerage treatment plant and cremation ground only. He further stated that the Advocate General accordingly made the statement in the Hon'ble High Court. The order about not taking up any further acquisition in the town of Kurukshetra was modified after intervention by the State Government through Advocate General. Therefore, it was wrong to say that Advocate General had made any wrong statement in the Court. Subsequently, the owners who had earlier obtained the compensation also filed writ petitions for return of their land. After due deliberation, the decision was taken to return their land also.

The reply of the PS was not appropriate as after the vesting the title of land and its ownership with HUDA, the notification about acquiring the land cannot be withdrawn or cancelled in exercise of powers under Section 48 of the Land Acquisition Act. The action of the Government to release the said land was, as such, against the provisions of the Act.

2.3.9.2 Release of land in violation of provisions of the Act

The Land Release Policy 2007 stipulates that only those requests can be considered by the Government under Clause 1 where objections under section 5A have been filed. Further, Clause 5 of the said policy stipulates that the ownership of the land should be with the applicant prior to the issuance of notification under section 4 of the Act. Scrutiny of records of UED revealed that notification to acquire 166.44 acres of land in Village Ullahwas (District Gurgaon) under Section 4 was issued on 2 June 2009 for developing residential sectors 58 to 63 and commercial Sectors 65 to 67 in Gurgaon. The area included *Shamilat Deh* of Gram Panchayat (GP).

After the issue of notification under Section 4, Rajiv Gandhi Charitable Trust requested (July 2009) the GP, Ullahwas for leasing land measuring 5 acre 3 marla for 33 years for opening an eye hospital. The GP passed a resolution (July 2009) for leasing the notified land to the Trust for 33 years and sent the case to the Government for approval. The State Government approved the proposal of GP on 14 December 2009 and the land was leased at a rate of ` 3 lakh per acre with progressive increase of 5 *per cent* every year. The lease agreement was signed in January 2010.

Declaration under Section 6 was made on 31 May 2010. The Trust applied on 20 October 2010 to TCPD for Change of Land Use (CLU) for establishment of an eye hospital after issuance of notification under Section 6. As per the Development Plan, the site had been earmarked for residential zone whereas the application for

CLU was for establishment of an eye hospital. The Trust was asked to get the land released before applying for CLU. The Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Rules, 1965 relating to CLU was modified by issuing a notification (08 November 2010) making the lessee of Panchayat Land eligible for applying for CLU. The proposal for the grant of CLU to the Trust was accepted (1 December 2010) subject to the condition that the land would be released by the Government. The proposal about release of land was submitted on 3 December 2010 and was granted on the same day.

Instructions issued (March 2008) by the State Government inter alia laid down that the lessee shall put the leased land to the permitted use within two years from the date of commencement of lease period. Audit observed (December 2012) that even after two years, work regarding construction of the eye hospital had not been started by the Trust thereby defeating the very purpose for which CLU was granted and land leased.

The PS, TCPD stated during Exit Conference that the land was released in favour of the GP which was the owner of the land, but CLU had been granted in favour of the Trust as per policy of the department. He further stated that the grant of CLU had been processed as per policy of 08 November 2010 which permitted CLU to the lease holders of GP's land. He further stated that the Government had powers to consider release of land under Section 48 of the Act where award of the same had not been announced and therefore, the release of land had been done in accordance with the policy dated 26 October 2007.

The contention of the PS was not in order as the GP had leased the land after issue of notification under Section 4 which was against the provisions of the Act as the owners cannot create any encumbrance on the land after the issue of notification under Section 4. Further, GP which was the owner of the land, had not approached the Government for the release of land at any stage; the Government changed the relevant rules on 8 November 2010 whereas the application of the Trust was made on 20 October 2010; the department granted CLU for establishing an eye hospital by the Trust in violation of its Development Plan as the area had been demarcated as residential area; the Government released land in contravention to the land release policy as no objection was filed by the GP under section 5-A and before leasing its land, the GP had not given proper publicity/advertisement for calling applications from the interested parties, as required under Rule 10 of the Punjab Village Common Lands (Regulation) Rules, 1964, to participate in the competition for ensuring transparency in the bidding process.

2.3.9.3 Release of land to M/s Uddar Gagan Properties Private Limited after handing over possession of land by HUDA

Clause 1 of Land Release Policy 2007 prescribes that no request for release of land out of the land acquisition process would be considered after one year of announcement of award. Notifications for acquisition of 135.026 acre of land to develop Sectors 6 and 7 of Urban Estate, Rewari was issued (January 2006) under Section 4 of the Act. After hearing objections, notification under Section 6 was issued on 9 August 2006. M/s Uddar Gagan Properties Private Limited (firm) had

applied on 29 August 2006 for grant of license for developing a residential colony on 136.269 acre land on the above notified land. The request of the firm was examined and rejected (8 December 2006) on the ground that development plan had not yet been published, which was a pre-condition before issuing license. The award was announced on 7 December 2006 and possession of 135.026 acre land was handed over to HUDA on the same day. Out of 136.269 acres of land, for which colonizer (firm) had applied for issue of license, HUDA was in possession of 135.026 acre land and no area was left for being released to the developer.

Aggrieved with the decision about the rejection of its application for issue of license, the firm filed (16 December 2006) a petition in the Punjab and Haryana High Court. The High Court observed (19 August 2008) that application of petitioner may be considered on merits in the light of existing policy as question of discrimination under Article 14 of the Constitution of India can be raised at any stage. It was recorded (29 January 2009) by DTCP that no powers were vested in the Government to consider release of land, the possession of which had already been taken by HUDA, therefore, the application for release of land should be rejected. It was ordered by the Government to re-examine (16 June 2009) the case in the light of the orders of the High Court and on the advice of the Advocate General on the plea of application of Article 14 of the Constitution. The entire land was released (3 July 2009) from land acquisition process.

Audit observed that the basis for the decision was not correct as neither the High Court nor Advocate General had opined that there was any discrimination with M/s Uddar Gagan vis-a-vis M/s Ansal Housing and Construction Private Limited at any stage. Further, the issue of discrimination had already been examined at length (28 January 2009) by the department where it was concluded that there was no issue of discrimination in this case attracting Article 14 of the Constitution. Moreover, the action of the department in releasing the land in favour of the colonizer was not in consonance with the land release policy of the Government as the land was released after two and half years of the acquisition of land. Due to release of land, the objective of notifying the land for acquisition i.e. for development of Sectors 6 and 7 of Urban Estate, Rewari could not be achieved.

The PS, TCPD stated during Exit Conference that the High Court had stayed (August 2007) the dispossession of land on the CWP filed by M/s Uddar Gagan Pvt. Limited challenging the rejection of licence and acquisition of land. While disposing of the CWP vide orders dated 19 August 2008, the High Court had directed the State to decide the licence application on merits in the light of existing policy. In view of the fact that the possession of land was with the land owners/developer, the matter was examined on merits taking into consideration the order of High Court as well as per existing policy and it was decided to grant the licence after release of land. The PS, TCPD further mentioned that the State Government decided the matter in view of the existing policy because the dispossession of the land was stayed in favour of land owners, therefore, Government was empowered to invoke section 48 (1) of the Act.

The reply given by the PS does not address the issue as the High Court, while disposing of the petition, had ordered that application for release of land could be

considered under Article 14 of the Constitution if the developer had been discriminated against. In fact, the issue of discrimination had already been dwelt at length by the department in January 2009 and it was clearly established that no discrimination had been done against the developer. The LR had also not given his opinion at any stage that the developer had been discriminated against. Thus, despite the fact that there was no case of discrimination, the Government released the land in favour of the developer more than two years after the announcement of award which was against the provisions of Land Acquisition Act.

2.3.9.4 Extension of time to developers

Section 8 of the Haryana Development and Regulation of Urban Areas Act, 1975 prescribes that a license granted under this Act, shall be liable to be cancelled by the Director if the colonizer contravenes any of the conditions of the license or the provisions of the Act or the rules made thereunder. Further, LOI issued is valid for 30 days and could be extended for another 60 days

An area of 504.57 acres of land was notified for acquisition of land under Section 4 on 15 December 2006 for developing a housing colony in Sector 36A, Rohtak and declaration under Section 6 was issued in December 2007. Land measuring 14.813 acres was released in favour of M/s Sonika Properties. Besides, the firm was also issued (September 2008) LOI for the purpose.

The LOI was withdrawn (December 2009) by the Director, TCPD as the applicant company had failed to fulfill any of the terms and conditions of LOI. The Director, UED proposed (May 2010) that the land released to the colonizer should be notified for acquisition. However, without recording any reason, the applicant was given '*one more opportunity*'. Accordingly, the matter of acquisition of land was dropped.

The PS, TCPD stated in his reply (November 2012) that the grant of one more opportunity to the owners after the expiry of LOI was not against the practice being followed in the TCPD where requests were considered on merits of the case. The reply was not convincing as LOI issued is valid for 30 days and could be extended for another 60 days. In the instant case, the LOI was issued in September 2008 and one more opportunity was given in May 2010. Giving '*one more chance*' on the basis of practice was against the provisions of the Act as also against the terms and conditions of the LOI. As a result of this, the area could not be developed as housing colony (January 2013).

2.3.10 Allotment and end use of land

2.3.10.1 Utilisation of Acquired/Allotted Land and Management of Government Land

As per guidelines issued (May 2001) by State Government for disposal of surplus land, surplus capital assets of one department which could be used by other departments/boards/corporations should be transferred to them and surplus assets which could not be used and were susceptible to encroachment, should be

disposed of in the market through open auction.

Audit observed that Irrigation department had a total of 3286.61 acre of surplus land. The land was acquired earlier for brick kilns, rest houses and minors or drains which were abandoned. The land had not been disposed of as per policy of the State Government. No action was taken to dispose of or transfer surplus land to other departments as per guidelines of the State Government. It was observed that out of this land, 265.03 acre of land (*Appendix 2.14*) was under encroachment/ litigation.

The EIC stated (November 2012) that the list of the surplus land was circulated to all departments and hosted on website of the department. The surplus land would be transferred as and when any request is received after following due procedure. The reply was not acceptable as no action to dispose of the surplus land has since been taken as per policy of the Government. During the exit conference, the Additional Chief Secretary assured to expedite the matter regarding removal of encroachment from the land.

2.3.10.2 Non-recovery of cost of land

A total of 10.04 acre surplus land was transferred by Irrigation department to HUDA, Karnal for developing a park and Municipal Committee (MC), Karnal for construction of a slaughter house. The cost of above transferred land amounting to ₹ 22.60 lakh had not been realized even after a lapse of 10 years. It was observed that matter was not taken up regularly with the HUDA and the Municipal Committee. During the exit conference, the EIC stated that efforts were being made to recover the amount.

2.3.10.3 Non-maintenance of data regarding utilisation of land by HUDA

In HUDA, only data relating to land acquired and number of plots carved out was being compiled as given in **Table 4**.

Table 4: Data relating to land acquired and number of plots carved out by HUDA

Land acquired, number of sectors floated and plots carved out up to March 2012									
Land acquired (In acres)	Number of sectors floated				Number of plots				Total
	Residential	Commercial	Industrial	Institutional	Residential	Commercial	Industrial	Institutional	
67507	217	9	43	8	254227	39924	10356	530	305037

Source: Data furnished by HUDA.

Audit observed that centralised data relating to land compensation and enhanced compensation paid, land planned, land lying unused, land under encroachment, etc. was not maintained. As such, quantum of utilization of land acquired could not be assessed in audit.

The PS, TCPD during Exit Conference stated that the basic data relating to acquired land, planned sectors in each of the urban estates was available on the website of HUDA. Apart from above, very detailed information with respect to each plot was available to the plot holders on the PPM. The reply did not address the issue as data relating to land lying unused in various urban estates was neither

available on the web site of HUDA nor in any other form with HUDA. The Plot and Property Management and Financial Accounting System software needs to be stabilized in order to have a meaningful database.

2.3.10.4 Conducting of physical verification of Government land

In order to ensure proper utilization and save the land from encroachment, it is necessary to conduct physical verification of land periodically. It was, however, observed that the departments had not evolved any system for physical verification of Government land in the absence of which departments were not aware about the proper utilization of land and encroachment on land remains undetected for long periods. The reply of the department in regard to conducting of physical verification was awaited as of February 2013.

2.3.10.5 Land under encroachment

The departments had not compiled any comprehensive data about land under encroachment. The information compiled from three Estate Offices revealed that an area of 570.44⁸ acres was under encroachment which was attributed to lack of ensuring precautionary measures and vigilance on the part of the HUDA. Further, it was observed that adequate efforts were not made by the HUDA to free the land from encroachment. The encroachment of land was hampering the developmental activities in the urban estates. The PS, TCPD stated (November 2012) that efforts were being made to get the land vacated from encroachers.

2.3.10.6 Non-mutation of land acquired

The mutation of land acquired is required to be done in the record of Revenue Department in the office of the Tehsildar/Sub-Registrar concerned. This is necessary to avoid litigation and get clear title to land acquired. Mutation of 5667 acres of land (*Appendix 2.15*) had not been done in three Works divisions and three Estate Offices. The PS, TCPD and Additional Chief Secretary, Irrigation Department (during Exit Conference), Executive Engineer, Provincial Division, Gurgaon stated (May/November 2012) that efforts would be made to get mutation done at the earliest possible time.

2.3.10.7 Irregular transfer of plot

A comprehensive Estate Management Procedure (EMP) 2005 was framed in consonance with the Industrial Policy enunciated by the State Government. As per para 17 of the EMP-2005, the provisions were applicable for industrial plots/sheds already allotted under the previous policies. As per para 7 of EMP-2005, transfer of plots were to be allowed only if the project had been completed and construction of building was as per prescribed norms and after expiry of one year from the date of commercial production. Further, as per para 11 of EMP-2005, all the cases concerning transfer of plots were to be processed by the respective

8 Faridabad: 116 acre, Panipat: 195.44 acre and Sonapat: 259 acre.

Estate Officer, HUDA and placed before the committee headed by Zonal Administrator which was the final accepting authority in these matters.

Scrutiny of records of Estate officer, Sonapat revealed that five acre 1,389 yards industrial plot was allotted (March 1975) by the Director, UED at a price of ` 0.44 lakh to M/s Venus Paper Mill. The possession of land was handed over (March 1978) by the DTP, Sonapat and conveyance deed was executed in August 1982 with the condition that construction would be completed within two years from the date of possession failing which plot was liable to be resumed. The allottee failed to adhere to the time schedule fixed for completion of the project. However, the plot was not resumed by HUDA as the development works in the area were completed only in March 2008.

The allottee applied (September 2008) for transfer of plot in favour of M/s SKOL Breweries Limited without constructing the building. An agenda for examining the application in the light of transfer policy and instructions was placed before the Committee headed by Administrator, HUDA, Rohtak in which it was pointed out that the plot was not transferable as per transfer policy. However, the transfer may be allowed as Chief Administrator, HUDA had decided to allow the transfer of this plot with the approval of Chairman of HUDA. Permission was granted to the allottee to transfer the plot. Subsequently, M/s Venus Paper Mill sold the plot (March 2009) to M/s SKOL Limited at a cost of ` 15.86 crore. As per paragraph 15 of EMP-2005, HUDA was competent to resume a plot in case an allottee defaults in complying with the terms and conditions of allotment/transfer/leasing etc,. Since M/s Venus Paper Mill had not started commercial production, HUDA should have resumed the plot and disposed of it through auction. As a result of allowing to sell the plot, the allottee earned a profit of ` 15.82 crore without setting up any industry which amounts to extending undue favour.

The PS, TCPD during Exit Conference stated that the permission was granted as HUDA could not complete the infrastructure for three decades and it was not desirable to apply EMP 2005 in respect of a plot which was allotted in the year 1975 when HUDA was not in existence. He further stated that these industrial complexes were handed over to HUDA in the year 1977 and HUDA had to own these liabilities and there was no income from these plots. The permission to transfer the plots was granted with the approval of the Chairman, HUDA. Thus, there was no deviation of rules and regulations in this regard.

The contention of the PS was not in order as the transfer policy of the State Government was uniformly applicable to all industrial plots allotted irrespective of the fact whether these were allotted by HUDA or allotted prior to 1977 when HUDA was not in existence. Thus, undue favour was extended to the allottee by granting permission to sell the plot.

2.3.10.8 Recovery of external development charges

As per Section 38 of the HUDA Act 1977, external development charges (EDC) were to be levied as per the rates fixed by the State Government from the developers and landowners whose land was released. As per instructions (September, 2009) of CA, HUDA, 25 per cent of EDC was to be recovered before

the release of land and balance 75 per cent in six annual instalments along with interest at the rate of 10 per cent per annum.

Scrutiny of records revealed that out of seven Estate Offices test checked, proper record had been maintained only by Estate Office, Rohtak. In other six Estate Offices, no monitoring mechanism had been evolved to watch recovery of EDC. Even the records relating to release of land was not obtained from DG, UED to watch the recovery of EDC. A total of 2,475 acres of land was released during 2007-12 and EDC amounting to ` 167 crore (@ ` 140 per sq yard) was involved. As huge amount was involved, a proper mechanism should have been evolved to watch recovery of EDC.

The PS, TCPD during Exit Conference stated that policy had been amended with effect from August 2011 and it has now been decided to recover 100 per cent EDC before release of land. The fact, however, remains that no mechanism had been evolved to monitor the outstanding amount in respect of land release cases prior to 10 August 2011.

2.3.11 Resettlement and rehabilitation

State Government formulated (December 2007) a policy for rehabilitation and resettlement (R&R) of landowners whose land was acquired under a statute. Under this policy, with a view to provide additional sustenance and social security to persons whose land was acquired, Annuity Scheme was introduced. It was envisaged that in addition to the initial land compensation, annuity was to be paid at the rate of ` 15,000 per acre per annum for a period of 33 years which was to be increased by a fixed sum of ` 500 per acre per year. The annuity payment was further increased (December 2010) from ` 15,000 to ` 21,000 per acre per annum for a period of 33 years which was to be increased by a fixed sum of ` 750 per acre per year. The scheme further envisaged that in case where the land acquired in respect of a landowner or co-sharer worked out to be less than one acre, such landowners will have the option to avail of the commuted value of the annuity amount upfront in one go which was fixed at the rate of 30 per cent of the gross amount of annuity payable during the 33 years. Further, a quota was fixed for allotment of residential and industrial plots by HUDA and HSIIDC for land oustees.

Following deficiencies were noticed in the implementation of R&R policy:

2.3.11.1 Delays in payment of Annuity to landowners

Audit observed that as against the total authorization of ` 102.21 crore made by HUDA for the land acquired between December 2007 to September 2012, the LAOs could disburse only ` 51.30 crore to the landowners upto September 2012. The balance amount of ` 50.91 crore was lying undisbursed in bank accounts of HUDA.

The PS, TCPD stated (November 2012) that annuity payment was slow in the last three years, because LAOs were under the impression that the work of disbursement of annuity would be outsourced. However, the efforts of the State Government to involve insurance companies in the disbursement were not successful as they were not interested to undertake this job. The PS further stated that now the LAOs had been instructed to disburse annuity payments to land owners without delay.

The department should evolve an appropriate system to disburse annuity to the claimants in terms of the provisions of the scheme so that objectives of rehabilitation as envisaged in the scheme are achieved.

2.3.11.2 Benefit of Annuity payment extended to land developers

Scrutiny of records revealed that this benefit of payment of annuity to the landowners was also extended to land developers whose land was acquired by the Government. Since the policy was made to safeguard the interest of land owning farmers, the same could not be extended to land developers.

The PS, TCPD admitted during Exit Conference that the scheme stipulated that the benefit of annuity would be given to the farmers. However, it was not possible for the LAOs to distinguish from the erstwhile owners whether they were farmers on the basis of ownership details and further added that the matter would be taken up with the Revenue and Disaster Management Department for undertaking a review of the system in vogue.

2.3.12 Shortage of manpower

Land transactions involve scrutiny of complex revenue records for establishing the title of the land. As discussed earlier, the land acquisition involves spending huge amounts. It was observed that there was acute shortage of staff particularly in the cadres of Patwaries (35 per cent) and Kanungos (42 per cent) in test checked LAOs (*Appendix 2.16*). It would be seen from the appendix that 17 Patwaries were deployed on contract basis. The arrangement of processing the land documents by staff deployed on contractual basis and authorizing payments of compensation was vulnerable to malpractices.

2.3.13 Internal controls

In the implementation of Land Acquisition Act, 1894 and the payment of compensation to the land owners, the following deficiencies in the internal control mechanism were noticed:

2.3.13.1 Non-maintenance of records

In case of land acquired by UED for HUDA, after taking administrative approval from the State Government for making payment of compensation of the land awards, HUDA authorizes the LAOs to draw specific amount from the Bank accounts of HUDA. The LAOs concerned are permitted to issue cheques on the designated banks. The banks were issuing separate cheque books and maintain separate account for each award. In case of enhancement of land compensation, the Zonal Administrators of HUDA were making lump sum payments to LAOs for disbursing the payment to landowners. The deficiencies noticed in the test checked LAOs were as under:

- Consolidated cashbooks were maintained in respect of all the land compensation awards in the offices of LAOs, Gurgaon and Rohtak. Award-wise ledgers were not maintained by these offices to ascertain the payment made against each award. Further, the test checked LAOs were not obtaining the statement of transactions from the bank to reconcile the balances as per cashbooks with the accounts of the banks. Bank reconciliation is a very important financial control which was not exercised by any of the LAOs test-checked.
- In respect of cases relating to enhancement of land compensation also, cashbooks were not maintained by any of test-checked LAOs and reconciliation of cheques issued by them with the accounts of the bank was not carried out.
- Similarly, cash books for annuity payments were not being maintained by LAOs, Rohtak and Gurgaon. The LAO, Faridabad, had not maintained the cash book regarding annuity payment after 14 September 2010. Cheques signed between 14 September 2010 and 31 March 2012 by LAO were lying undisbursed except for 28⁹ cheques amounting to ` 2.55 lakh. No efforts were made to reconcile the drawal of cheques with reference to accounts of banks (October, 2012).

The PS, TCPD stated during Exit Conference that the award wise cash book were not required as award-wise registers were maintained with respect to each of the acquisition. He, however, stated that award-wise registers/ledgers can be improved upon in case a concrete suggestion was received.

2.3.13.2 Payments made without updating the revenue records

Under Section 9 (1) of the Act, after the announcement of award, the Collector requires all persons interested in the land to appear personally or by agent before him at a time and place therein mentioned and to state the nature of their respective interest in the land and the amount and particulars of their claims to compensation for such interest. As per procedure in vogue, after announcement

9 Cheque numbers 656622 to 656626 (5), 656628 to 656634 (7), 656636 to 656639 (4) and 656640 to 656651 (12).

of awards relating to acquisition of land for public purpose, revenue records such as *Jamabandi*, mutations etc. are collected from the concerned Revenue Patwari and incorporated in the award statements to make the payments to the genuine landowners. Further, under Section 13A of the Act, the Collector verifies the claims and corrects any clerical or arithmetical mistakes in the award or errors arising therein either on his own motion or on the application of any person interested or a local authority.

The payments were released by the office of LAO, Gurgaon without proper verification of persons to whom payment of land compensation was to be made and ensuring the correctness of awards of landowners. Scrutiny of records revealed that enhanced land compensation of ` 6.49 crore was refunded by 12 persons (*Appendix 2.17*) stating that they were not the owners of the land at the time of announcement of award. Further, 15 persons (*Appendix 2.18*) refunded an amount of ` 1.55 crore at their own stating that they were paid land compensation in excess of their entitlement.

The PS, TCPD during Exit Conference stated that the LAOs collect the available updated record from the Revenue Department. It was further stated that the discrepancies with respect to wrong or excess payments on account of non-updation of revenue record had been detected by the LAOs themselves and the recovery process had been initiated accordingly. An amount of ` 1.49¹⁰ lakh was yet to be recovered (November 2012) and LAOs were being advised to initiate criminal proceedings against the persons who had submitted false affidavits at the time of receiving the compensation or enhanced compensation.

The reply does not address the issue as the recipients refunded the excess compensation paid to them on their own volition and not as per directions of LAO.

2.3.13.3 *Wrong calculation of enhanced compensation*

Based on the award announced in 3 May 2000 by LAO, Gurgaon, payment of land compensation at the rate of ` 717 per sq yard was made to Sh Ishwar Singh. The compensation was enhanced (October 2010) from ` 717 per sq yard to ` 1216 per sq. yard by a Court in writ petition filed by him and others. The difference between original award and revised rates was ` 499¹¹ per sq yard. It was observed that while making payment of enhanced compensation to one of the petitioners viz; Sh. Jai Bhagwan, the payment of ` 31.63 lakh was made (February 2012) against the due amount of ` 13.27 lakh. Thus, an amount of ` 18.36 lakh was paid in excess of his entitlement. The PS intimated that amount recoverable was ` 5,72,296 out of which a sum of ` 5,36,765 had been recovered. Audit requested to furnish the calculation sheet of excess amount to arrive at a logical conclusion which was awaited (December 2012).

10 Cheque no 10139 dated 26 August 2010 deposited by Sh Balwant Singh was dishonoured by the bank.

11 Enhanced rate: ` 1216 per sq yard (-) Original award: ` 717 per sq yard.

Similarly, in pursuance of a decision (August 2007) of Additional District Judge (ADJ), Gurgaon, the Rewari Lift Irrigation Division, Jhajjar, deposited enhanced compensation amounting to ₹ 16.82 crore in March 2008 in the Court of ADJ for making payment to landowners (petitioners). It was noticed in audit (May 2012) that in two cases, an excess payment of ₹ 12 lakh (six lakh in each case) was deposited in the Court in March 2008 due to discrepancy in the calculation of enhanced land compensation in BB Forms. The BB Forms containing information regarding owners of the land and amount of compensation were required to be verified by the concerned division but this control was not exercised by the division.

After this was pointed out by Audit, the concerned Executive Engineer informed (May 2012) that a sum of ₹ six lakh had been received back from the ADJ, Gurgaon and a case had been filed for recovery of balance amount of ₹ six lakh from the landowners. The Additional Chief Secretary, Irrigation Department stated during the Exit Conference that the matter would be looked into and appropriate action would be taken.

The above cases indicated that calculations of the payment were not checked properly by LAOs.

2.3.13.4 Deduction of Income Tax at source

Section 194-A of Income Tax Act, 1961, *inter alia* lays down that Tax Deducted at Source (TDS) at the rate of 10 per cent will be deducted from the amount of interest payable. Further, TDS at the rate of 20 per cent w.e.f. 1 April 2010 was to be deducted from interest payments if Permanent Account Number (PAN) was not quoted by claimants. For deducting TDS at the rate of 10 per cent, a copy of PAN card was to be obtained and enclosed as supporting document with the vouchers.

In the office of LAO, Rohtak, TDS at the rate of 10 per cent was deducted from interest payments where Permanent Account Number (PAN) was not quoted by claimants. TDS of ₹ 0.67 crore was less deducted in these cases. Similarly, in case of Lift Irrigation Division, Jhajjar, TDS was not deducted at all. As such, the TDS of ₹ 1.40 crore was less deducted as given in **Table 5**.

Table 5: Details of less deduction of TDS

(₹ in crore)					
Name of the LAO	Name of the office	Interest amount paid	TDS to be deducted	TDS deducted	TDS less deducted
LAO, Bhiwani	Lift Irrigation Division, Jhajjar	7.29	0.73	Nil	0.73
LAO, Rohtak	Administrator, HUDA, Rohtak	6.69	1.34	0.67	0.67
Total		13.98	2.07	0.67	1.40

Source: Details of TDS submitted to income tax department in case of LAO, Rohtak

The Additional Chief Secretary, Irrigation Department during the Exit Conference directed the EIC to take action against the responsible persons for not deducting TDS.

Data analysis by Audit in the test-checked cases of TDS details submitted to Income Tax office by LAO, Rohtak revealed that dummy PANs were filled to give benefit of deduction of TDS at the rate of 10 per cent instead of 20 per cent to landowners. The details are given in **Table 6**.

Table 6: Details of less deduction of TDS

(` in lakh)

PAN number	Name of land owner	Date of payment	Amount paid	TDS deducted	TDS less deducted
FFFFF9999F	Inderpal Singh	01 December 2011	0.67	0.07	0.07
FFFFF9999F	Krishna Devi	28 December 2011	4.42	0.44	0.44
FFFFF9999F	Ram Lubhaya	28 December 2011	0.56	0.06	0.06
Total				0.57	0.57

Source: Details of TDS submitted to income tax department.

This had resulted in extending undue benefit of ` 0.57 lakh to the landowners. Since the responsibility in regard to recovery of less TDS from the landowners devolves upon DDO, TDS less deducted be recovered from land owners by the DDOs. During Exit Conference, the PS, TCPD demanded the details of cases where TDS had been less deducted. The details were furnished but the reply was awaited (December 2012).

2.3.13.5. *Non-receipt of unspent balance amounts from LAOs / LACs*

The funds deposited with LACs in excess of award money were required to be refunded to the concerned divisions.

Audit noticed that funds deposited in excess of award money had not been refunded by LACs though a period of over two to three years had lapsed since the announcement of awards as detailed below in **Table 7**.

Table 7: Details of non-receipt of unspent balances

Name of office	Name of LAC/ DRO	Name of work	Date of deposit	Amount deposited (` in lakh)	Date of award	Amount of award	Amount deposited in excess of award (` in lakh)
Water Services Division, Rohtak	Rohtak	Extension of Baniyani Minor	March 2009 to January 2010	371.00	May 2010	290.00	81.00
PH Engineering Division, Sohna	Gurgaon	Extension of Government Polytechnic Maneser	July 2008	40.00	July 2008	39.12	7.49
		STP in Sohna town	June-July 2009	1,354.00	July 2009	1,347.39	
Total				1,765.00			88.49

Source: Information has been obtained from the concerned divisions

The Chief Engineer, Irrigation Department assured during the Exit Conference that the matter would be looked into and appropriate action would be taken.

2.3.13.6 *Parking of funds outside the Government account*

As per Punjab Financial Rules and Punjab Subsidiary Treasury Rules as applicable to Haryana, the funds for the acquisition of land required for PWD are

required to be deposited by the DRO-cum-LAC in treasuries by operating a Revenue Deposit (RD) Account for each project. Rule 2.10 (b)(5) of Punjab Financial Rules further provides that no money should be drawn from the treasury unless it is required for immediate disbursement.

An amount of ` 43.14 crore was deposited with DRO-cum-LAC, Rohtak through bank draft and cheques for acquisition of land during 2007-12 by the Divisional Officers. The DRO-cum-LAC, Rohtak had deposited amounts with various Public Sector Banks by opening six non-interest bearing accounts and five interest bearing accounts instead of opening project-wise RD Accounts in the treasury. An amount of ` 6.71 crore relating to the period 2007-12 remained unspent (May 2012) in these bank accounts. Keeping the funds in banks resulted in loss of interest to the tune of ` 1.27 crore (worked out at the prevailing interest rate of ways and means advances ranging between 7 and 7.25 *per cent*) during the period 2007-12.

On this being pointed out by Audit, DRO-cum-LAC, Rohtak stated (May 2012) that the operation of RD Account from the treasury was not convenient due to lengthy and time consuming procedure and shortage of staff and that funds were kept in the bank accounts to avoid the delay in making payment of compensation to the land owners. The reply was not acceptable as the provisions of the Punjab Financial Rules had not been complied with.

Similarly, the Divisional Officer, Irrigation Division, Sirsa deposited (March 2011) ` 10 crore with the DRO-cum-LAC, Sirsa for acquisition of land for construction of 'Naiwala Kharif Channel' before issue of notification under Section 4 of the Act which was subsequently notified in November 2011. The amount of ` 10 crore was deposited in Saving Bank Accounts. After eight months, it was deposited in RD Account with the treasury along with the interest earned. The Irrigation Department had not issued notification under Section 6 of the Act (May 2012). The drawal of funds without requirement and depositing the same with the LAC led to loss of interest of ` 28.76 lakh (upto May 2012).

The Additional Chief Secretary, Irrigation Department during Exit Conference directed the EIC to issue instructions to field offices to deposit the amount of land compensation with LAOs through treasury challans instead of bank drafts.

2.3.14. Conclusions

From the foregoing paragraphs, it is observed that TCPD had not formulated any land use policy defining its sector-wise priorities in utilization of land for the present and future needs for social and development purposes. Due to release of land in an unplanned manner, the development of urban areas was hampered. The centralized data with regard to total land acquired and compensation paid was not maintained by Irrigation Department, PWD (B&R) and PHED. There was inordinate delay in making payment of enhanced land compensation, which resulted in avoidable payment of interest. There were deficiencies in release of land

from the acquisition process in contravention of the provisions of Land Acquisition Act. The rehabilitation measures announced by the State Government regarding payment of annuity remained unachieved as no proper mechanism was evolved for disbursement of annuity payments to landowners. There was lack of proper internal control as there were instances of non-maintenance of award-wise ledgers, non-reconciliation of balances with bank accounts, making of payment of land compensation without updating revenue records, overpayments due to wrong calculations, parking of funds outside the Government Account. HUDA had not maintained centralised data relating to land compensation and enhanced compensation paid, land planned, land lying unused, land under encroachment, etc. There were instances of encroachment of land and non mutation of acquired land.

2.3.15. Recommendations

The Government may consider:

- developing wastelands for industrial, commercial, residential, educational and other purposes in order to reduce coverage of fertile land for urban development;
- enforcing strict compliance of the provisions of the Land Acquisition Act in acquisition of land;
- maintaining award-wise ledgers by the LAOs and ensure reconciliation with banks;
- making payment of enhanced compensation promptly to avoid interest payment;
- conducting proper survey of the proposed land before its acquisition; and
- strengthening internal control system and monitoring mechanism.

Rural Development Department Haryana

2.4. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

Highlights

National Rural Employment Guarantee Act (NREGA) was notified by the Government of India (GOI) in September 2005 with the objective of enhancing security of livelihood in rural areas by providing 100 days guaranteed employment, besides creating durable community asset. Performance audit of the scheme revealed significant improvement in the lives of workers with stability and assured income to some extent. However, there were shortcomings such as delayed payment of wages, preparation of bogus muster rolls, double payment of wages, etc. A beneficiary survey of the scheme revealed that there was significant change in their life style as their family income had increased.

Some of the major audit findings are given below:

Difference in wages of the scheme notified by GOI and State Government amounting to ` 10.06 crore was not contributed by the State Government due to which large number of beneficiaries were deprived of benefits of the scheme.

(Paragraph 2.4.9.5)

Only 23 to 42 per cent job card holders were provided employment, out of which only one to five per cent were provided guaranteed employment for 100 days.

(Paragraph 2.4.10.1)

In two villages, fictitious engagement of workers involving payment of wages amounting to ` 2.60 lakh was noticed.

(Paragraph 2.4.10.2)

In 25 cases tampering of muster rolls by way of cutting, overwriting, erasing, etc. and in 11 cases various deficiencies such as non-recording of Bank Account number in the muster roll, mismatch of names of beneficiaries in muster roll and MIS report, non-recording of muster roll numbers in MIS, etc. were noticed in audit.

(Paragraph 2.4.11)

An amount of ` 138.92 lakh spent on earthen roads which were neither durable nor accessible in all weathers.

An expenditure of ` 81.45 lakh was incurred on digging and deepening of 19 ponds which were without water.

` 80.15 lakh were spent on Cement Concrete/Interlocking Paver Block streets by 16 GPs which were impermissible under the act.

(Paragraph 2.4.12)

The Forest Department had shown an amount of ` 23.82 lakh as spent on afforestation but no plantation was carried out.

An excess expenditure of ` 62.05 lakh was incurred on development of herbal parks.

(Paragraph 2.4.13)

2.4.1. Introduction

The National Rural Employment Guarantee Act, 2005 {renamed as the Mahatma Gandhi National Rural Employment Guarantee (MGNREG) Act w.e.f. 2 October 2009} guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work.

The basic objective of the Act is to enhance security of livelihood in rural areas besides generating productive assets, protecting the environment, empowering rural woman, reducing rural-urban migration and fostering social equity.

The MGNREG Scheme came into force in Haryana in phases as under:-

- Mahendergarh and Sirsa districts from 2 February 2006;
- Ambala and Mewat districts from 1 April 2007; and
- In remaining 17 districts from 1 April 2008.

2.4.2. Organisational set-up

The Principal Secretary, Rural Development Department is the administrative head and the Director, Rural Development Department is the Nodal Officer at State level for implementation of the scheme. Deputy Commissioners have been designated as the District Programme Coordinators, Additional Deputy Commissioners as the Additional District Programme Coordinators and Block Development and Panchayat Officers as the Block Programme Officers.

The administrative set-up for implementation of the scheme at different levels is shown below:-



2.4.3. Audit objectives

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

- structural mechanisms were put in place and adequate capacity building measures taken by State Government for implementation of the Act;
- procedures for preparing perspective and annual plan at different levels for estimating the likely demand for work and preparing shelf of projects were adequate and effective;
- financial management was efficient and effective;
- the process of registration of households, allotment of job cards and providing employment was effective and as per the Act/Rules;
- objective of ensuring the livelihood security by providing 100 days of annual employment to the targeted rural community was achieved and unemployment allowance for inability to provide job-on-demand was paid

in accordance with the Rules;

- works were executed economically, efficiently and effectively in a timely manner and durable assets were created, maintained and properly accounted for;
- the auxiliary objectives of protecting the environment, empowering rural women, reducing urban migration, fostering social equity, etc. were effectively achieved;
- the convergence of the scheme with other rural development programmes as envisaged was done;
- management of data and records as well as MIS generation was efficient and effective;
- complete transparency was maintained in implementation of the Act by involving all stakeholders in various stages of its implementation; and
- there was effective mechanism at State level to assess the impact of the scheme.

2.4.4. Audit criteria

The audit findings are benchmarked against the criteria derived from the followings sources:

- Provisions of NREGA-Act 2005 and rules frame thereunder.
- Operational Guidelines 2006 and 2008 issued by the Ministry of Rural Development (MoRD) Government of India (GOI) and the circulars issued from time to time.
- Fund Rules 2006, Financial Rules 2009 and Audit of Scheme Rules 2011.
- Muster Roll Watch Guidelines.
- Guidelines/checklist for internal monitoring by States.

2.4.5. Scope of audit and methodology

The performance audit of the scheme covering the period from 2007-08 to 2011-12 was carried out between April 2012 and June 2012 through test check of records of six¹ out of 21 districts (28 *per cent*) and 12² blocks (2 blocks from each

1 (i) Ambala, (ii) Fatehabad, (iii) Kukukshetra, (iv) Mewat, (v) Palwal and (vi) Sirsa.

2 **Ambala:** (i) Ambala-I and (ii) Saha, **Fatehabad:** (iii) Battu Kalan and (iv) Ratia, **Kukukshetra:** (v) Babain and (vi) Thanesar, **Mewat:** (vii) Firozpur Zhirka and (viii) Tauru, **Palwal:** (ix) Hassanpur and (x) Palwal and **Sirsa:** (xi) Badagudha and (xii) Odhan.

selected district) which were selected on the basis of Simple Random Sampling without Replacement (SRSWOR) method. Further, 134 Gram Panchayats (GPs) (*Appendix 2.19*) of these 12 blocks were selected using Probability Proportionate to size With Replacement (PPSWR) method and audit of records of Director, Rural Development Department and DRDAs of selected districts was also conducted.

The audit methodology adopted was test check of records with reference to the provisions of the Act, scheme guidelines, financial rules and Government orders and instructions. Photographic evidence and physical verification were also taken into consideration to substantiate audit observations. Audit also conducted (April-June 2012) beneficiary survey of 10 beneficiaries from each selected GP on random basis and obtained their views regarding implementation of the scheme in a questionnaire form.

An entry conference was held in February 2012 with the Director, Rural Development Department in which important issues regarding implementation of the scheme, audit objectives, audit criteria, sample selection, etc. were discussed. The audit findings were also discussed (October 2012) with the Principal Secretary, Rural Development Department in an exit conference and views of the Government were incorporated suitably in the report.

2.4.6. Acknowledgement

Office of the Principal Accountant General (Audit), Haryana acknowledges the co-operation of the department and their subordinate offices in providing information and records for audit.

2.4.7. Structural mechanisms

2.4.7.1 Framing of Rules

As per Section 32 of the Act, the State Government was required to make rules for implementation of the Act/Scheme. It requires establishment of grievance redressal mechanism at the block level and the district level and procedure to be followed in such matters, laying down the terms and conditions for determining the eligibility for unemployment allowance and provide for the manner of maintaining books of account.

Audit noticed (April-June 2012) that State Government had not formulated rules for carrying out the provisions of the Act as of March 2012. However, the Haryana Social Audit and Grievance Redressal Rules, 2009 were framed (June 2009) by the State Government to deal with Social Audit and grievance redressal.

During the exit conference, the Principal Secretary (October 2012) stated that the rules would be framed for proper implementation of the scheme.

2.4.7.2 *State Employment Guarantee Council (SEGC)*

For the purposes of regularly monitoring and reviewing the implementation of MGNREG Act at the State level, every State Government was required under Section 12 of the Act to establish a State Council to be known as the SEGC. As per notification of the State Government (April 2008), the council was required to meet at least twice a year and to prepare annual reports of the scheme for laying in the State Legislature.

Audit noticed (April-June 2012) that the council was constituted in April 2008. Against the requirement of holding eight meetings (two meetings per year), only two meetings were held during 2008-12 and annual reports were also not prepared by the council.

The Principal Secretary stated (September 2012) that the annual reports of the scheme would be prepared shortly. Further, during the exit conference, the Principal Secretary stated (October 2012) that due to delay in nomination of members by the State Government, only two meetings were held during 2008-12.

2.4.7.3 *Resource support*

The operational guidelines of the Act and other circulars issued by the GOI, inter alia, envisaged the following:

- Every State Government was required to appoint a full-time dedicated Programme Officer (PO), not below the rank of Block Development Officer (BDO), in each Block with necessary supporting staff for facilitating implementation of the scheme.
- An “Employment Guarantee Assistant (EGA) or “Gram Rozgar Sahayak” (GRS) was required to be appointed in each GP, in view of the pivotal role of the GPs in implementation of the scheme.
- The State Government was required to constitute panel of accredited engineers at the District and Block levels for the purpose of assisting the estimation and measurement of works.
- The State Government could consider appointing Technical Resource Support Groups at the State and District levels for assisting in the planning, designing, monitoring, evaluation and quality audit of various initiatives and also assist in providing training with a view to improving the quality and cost effectiveness of the scheme.

Audit noticed (April-June 2012) the following shortcomings in meeting the above provisions:

- The Government had not appointed full time dedicated Programme Officers in any of the 12 test checked blocks. The existing BDPOs were declared as Programme Officers and given the additional charge of the scheme.

- Gram Rozgar Sahayaks (GRS) were not appointed in 36 test checked GPs (**Appendix 2.20**). BDPO, Bhattu Kalan stated (July 2012) that the matter had been taken up with the Additional Deputy Commissioner (ADC) for appointment of GRS in each GP.
- The State Government had not constituted panels of accredited engineers at district and block levels.
- The State Government had not set up Technical Resource Support Group at State and district levels.

Due to above deficiencies and shortage of staff, the implementation of the scheme was affected badly i.e. non-maintenance of records, works remaining unsupervised, non-preparation of perspective plan, etc. as discussed in the succeeding paragraphs.

On this being pointed out (August 2012) in audit, the Principal Secretary issued (September 2012) instructions to all the Deputy Commissioners to prepare a panel of retired Sub-Divisional Engineers/Junior Engineers at district level. Regarding setting up of Technical Resource Support Group, it was stated that this was not mandatory under the guidelines. Audit, however, suggests that Technical Resource Support Group should have been set up to implement the scheme in a better way.

2.4.8. Planning

Planning is the main tool for successful implementation of a programme. The programme's obligation to provide employment within 15 days, necessitates advance planning. The basic aim of the planning process is to ensure that the District Perspective Plan is prepared well in advance to offer productive employment on demand.

2.4.8.1 District Perspective Plan

Section 16 of the Act and Chapter 4 of the operational guidelines stipulate the preparation of a five year District Perspective Plan (DPP) to facilitate advance planning and provide a development perspective for the District. The aim is to identify the types of works to be carried out in the district and potential linkages between these works and long-term employment generation and sustainable development.

The Government of India provided (November 2007) ` 10 lakh in each district for preparation of DPPs through the outside expert agencies. Audit observed that of the six districts test checked, DPPs were not prepared by two³ districts. ADCs of these districts intimated (July 2012) that private agencies had been engaged for preparation of perspective plans. The DPPs were got prepared (2011-12) by four

3 Fatehabad and Kurukshetra.

districts from outside agencies, for which an amount of ₹ 7.47 lakh was paid as of March 2012. But these were under process for approval with the Rural Development Department as of November 2012. Non-preparation of DPPs resulted in lack of advance planning. The Principal Secretary stated (September 2012) that directions had been issued to all the districts to submit their perspective plans.

2.4.8.2 Annual Plans

- Section 16 (3 and 4) of the Act states that every GP shall prepare a Development Plan (Annual Plan) and maintain a shelf of works prior to the commencement of the year. The Development Plan would include the following components:
 - Assessment of labour demand
 - Identification of works to meet the estimated labour demand
 - Estimated cost of works and wages
 - Benefit expected in terms of employment generation and physical improvements (water conservation, land productivity)

It was observed in selected GPs that annual plans were being discussed in the meetings of Gram Sabha; but the crucial aspects such as assessment of labour demand, quantum of work, estimated cost of each work, expected benefits, etc. were not being discussed and documented as envisaged in the guidelines.

On this being pointed out in audit, the Principal Secretary stated (September 2012) that the requisite directions were being issued to all the districts to ensure preparation of annual plan for consolidation of requirement at GP, block and district levels.

Apart from above, the following shortcomings were noticed in the implementation of scheme:

- As per Section 16 of the Act, at least 50 *per cent* of the funds of the scheme were to be released to the GPs. However, in Ambala district only 43 *per cent* and 32 *per cent* funds were released to the GPs during 2007-08 and 2008-09 respectively as given in **Table 1**.

Table 1: Details of funds released to the GPs vis-a-vis Forest Department

Year	Total funds release to the district	Fund released to Forest department	Funds released to GPs	Funds released to other agencies	Percentage of funds released to GPs against the total released funds
2007-08	1190.92	660.00	509.42	21.50	43
2008-09	2230.00	1373.00	717.00	140.00	32

Source: Data furnished by BDPOs of Ambala district.

- As per GOI instructions (March 2008), the unspent balances of Sampoorna Grameen Rozgar Yojana (SGRY) as on 31 March 2008 were required to be transferred to MGNREGS account. Audit scrutiny of records of the BDPO,

Ratia and Thanesar, revealed that funds amounting to ` 6.20 lakh and ` 15.90 lakh respectively were lying in the SGRY account as on 31 March 2008 and out of these, amount of ` 5.10 lakh and ` 9.74 lakh respectively were spent, during 2008-12, on SGRY works. However, vouchers in support of expenditure incurred were not produced to audit by the BDPO, Ratia. An amount of ` 7.26⁴ lakh was lying unspent with the BDPOs as of March 2012. BDPO Thanesar stated (July 2012) that the amount of ` 9.74 lakh was spent for completion of SGRY ongoing works and balance has been transferred (May 2012) to MGNREG scheme. The reply was not convincing as utilization of SGRY funds after 1 April 2008 was prohibited by the GOI.

2.4.9. Financial Management

2.4.9.1 Funding pattern

The Central and the State Governments bear the expenditure of the scheme as given in **Table 2**.

Table 2: Details of Central and State share for MGNREGS

Sl. No.	Item of expenditure	Central share	State share
1.	Unskilled labour	100 per cent at notified rates	Excess over notified rates of the Centre
2.	Skilled labour	75 per cent	25 per cent
3	Material	75 per cent	25 percent
4.	Unemployment allowance	Nil	100 per cent
5.	Administrative expenses	As may be determined by the Central Government	Administrative expenses of the State Employment Guarantee Council (SEGC)

Source: Chapter 8 of the Operational Guidelines.

2.4.9.2 Financial performance

Details of funds received, funds available and funds spent as reported by the Director, Rural Development Department are given in **Table 3**.

Table 3: Details of funds available and expenditure

(` in lakh)

Year	Opening Balance	Release of funds of last year received during the current year		Funds released during current year		Interest earned on deposits	Total funds Available	Expenditure
		Central	State	Central	State			
2007-08	1033.23	158.07	52.69	4108.97	410.90	38.61	5802.47	5235.01
2008-09	1131.11	200.00	20.00	13256.71	1292.07	111.74	16011.63	10984.87
2009-10	5270.62	399.94	73.59	11388.68	1138.88	604.98	18876.68	14356.32
2010-11	5385.27	157.00	15.70	13954.81	2120.37	398.90	22032.05	21488.52
2011-12	1630.17	276.38	127.54	27512.23	3328.25	1386.96	34261.53	31673.51

Source: Data supplied by the Rural Development Department Haryana

4 BDPO Ratia: ` 1.10 lakh and BDPO Thanesar: ` 6.16 lakh

Audit observed (April 2012) that there were differences in working out opening balances as given in **Table 4**.

Table 4: Details of funds available and expenditure complied by Audit

(in lakh)

Year	Opening Balance	Central Share received	State Share received	Misc. Income	Total funds Available	Expenditure	Closing Balance
2007-08	1033.23	4267.04	463.59	38.61	5802.47	5235.01	567.46
2008-09	567.46	13456.71	1312.07	111.74	15447.98	10984.87	4463.11
2009-10	4463.11	11788.62	1212.47	604.98	18069.18	14356.32	3712.86
2010-11	3712.86	14111.81	2136.07	398.90	20359.64	21488.52	-1128.88
2011-12	-1128.88	27788.61	3455.79	1386.96	31502.48	31673.51	-171.03

Source: Data compiled by Audit.

The department had not reconciled the differences. In the absence of reconciled figures, actual expenditure could not be ascertained in audit. The department stated (September 2012) that the opening balances were taken on the basis of annual accounts whereas closing balances were based on the figures taken from monthly progress reports (MPRs) on MIS. The fact, however, remains that the figures were not reconciled and therefore, expenditure figures were not reliable.

2.4.9.3. State Employment Guarantee Fund

As per Section 21 of the Act, the State Government was to establish State Employment Guarantee Fund for the implementation of the scheme. The fund was to be administered in such a manner and by such authority as prescribed by the State Government.

Audit noticed (April-June 2012) that the State Government established State Employment Guarantee (SEG) Fund vide notification of 2 December 2011 after delay of more than five years. Rules were also framed for operation and maintenance of funds. The SEG fund had, however, not been made operational (March 2012). Due to non-establishment of the funds, Government of India released its share directly to the district implementing agencies instead of depositing the same in the SEG fund with the result that the State Government could not monitor the implementation of the scheme in a proper manner. The department stated (August 2012) that first installment of Central share was credited to the SEG fund in June 2012.

2.4.9.4 Unrealistic Labour Budget

Chapter IV, Para 14, sub section (6) of the NREG Act says that the District Programme Coordinator shall prepare in the month of December every year a labour budget for the next financial year containing the details of anticipated demand for unskilled manual work in the district and the plan for engagement of labourers in the works covered under the scheme.

Audit observed that the labour budget prepared by the DPCs of selected districts was realistic except Kurukshetra. There were wide variations between the

estimated budget and actual generation of person days in Kurukshetra district as given in **Table 5**.

Table 5: Details showing wide variations between budgeted and actual generation of persons days

(Figures in lakh)		
Year	Labour budget estimation	Actual person days generated
2008-09	2.42	1.08
2009-10	2.70	1.02
2010-11	1.76	1.84
2011-12	1.57	2.97

Source: Labour Budget prepared by the DPC, Kurukshetra

ADC, Kurukshetra stated (October 2012) that the labour budget projections were made on the basis of demands of GPs, but the variations were due to less/excess demand of employment by the registered households in the GPs.

2.4.9.5 Short release of State share

As per GOI's policy w.e.f January 2009, difference in wages notified by GOI and State Government was to be borne by the State Government from its own resources. The labour rates were higher in Haryana than that of GOI. An amount of ` 10.06 crore on account of difference in wages for the period from January 2009 to March 2010, which was required to be paid by the State Government, had not been paid (September 2012). Due to this, funds available at district level as against the demand sent to GOI fell short and large number of beneficiaries were deprived of the benefits of the scheme. Audit observed that wages amounting to ` 2.07 crore were payable in Sirsa district at the end of March 2012. The State Government had taken up (January 2010) the matter with GOI for payment of State-wise minimum wages i.e. to bear the additional burden of higher labour rate applicable in Haryana; but GOI had not agreed to the proposal. However, additional funds were being released by the State Government for this purpose from its own budget from April 2010 onwards.

During exit conference, the Principal Secretary stated that the matter for sanction of additional funds would be taken up with the Finance Department.

2.4.9.6 Financial irregularities in Gram Panchayats

Audit scrutiny of records of GP, Akabarpur (Ambala) revealed the following irregularities:

- Closing Balance of ` 76,556 was shown in the cash book at the end of June 2010 but in the next month, balance of ` 67,680 only was carried forward. Thus, ` 8,876 were short accounted for in the cash book. On this being pointed in audit, the Sarpanch stated (August 2012) that the opening balance of July 2010 had been corrected. The fact, however, remains that the cash book had not been maintained properly.
- Three payments of ` 0.62 lakh each were made to M/s Tirath Ram Mohinder Pal in October 2010 but vouchers of only two payments were available on the records of the GP. On this being pointed out in audit, one payment entry was

cancelled and the amount was added in the closing balance in May 2012. This was indicative of failure of internal control mechanism.

- Reconciliation of balances as per cash book and bank pass book was not carried out at GP, block and district levels in test-checked districts. BDPOs Bhattu Kalan, Odhan, Ratia, Saha and Thanasher stated (July 2012) that the bank reconciliation would be ensured in future.
- The State Government has not prescribed the format of accounts as per section 24 (2) of the Act. No specific guidelines on risk assessment and the percentage of check to be applied by the auditors on vouchers, muster rolls, bills, material, works register, asset register, social audit reports, etc. were issued by the State Government.
- The Sarpanch, GP, Ajrana Kalan (District Kurukshetra) incurred an expenditure of ` 14.60 lakh on “Digging of a pond and construction of its retaining wall in Shamlat land”, out of which an amount of ` 7.37 lakh was spent on purchase of material such as bricks, cement, bajri, etc. in July-August 2009 for construction of retaining wall. It was noticed in audit (April-June 2012) that expenditure on purchase of material was shown as incurred in February 2009 on MIS. Further, physical verification of this work by audit along with department/GP (August 2012) revealed that the value of material used at site on construction of a small retaining wall was not up to this extent as can be seen from the following photographs.



Retaining wall of pond in shamlat land constructed at a cost of ` 7.37 lakh by GP Ajrana Kalan (26 July 2012)

On this being point out in audit, the ADC, Kurukshetra stated (October 2012) that the matter was under investigation and outcome would be intimated shortly.

- BDPO, Firozpur Jhirka (Mewat) released (August 2009) a cheque for ` 40,000 to GP, Malhaka for construction of WBM road. This amount was deposited in the Bank and was withdrawn (September 2009) by the Sarpanch as per entries of the bank pass book. It was observed that neither receipts nor withdrawal of this amount was entered in the cash book of the GP, Malhaka. Vouchers in support of having the amount spent on the scheme were not shown to audit. In view of this, chances of misappropriation of this money cannot be ruled out. The ADC, Mewat stated (October 2012) that notice had been issued to the ex-sarpanch to

deposit the amount otherwise FIR would be lodged against him. The outcome of the case had not intimated (February 2013).

- As per para 8.5.1 of the scheme guidelines, only one bank account was to be operated by each GP. Under Rule 11 of the Haryana Panchayati Raj Finance, Budget, Accounts, Audit, Taxation and Works Rules, 1996, a sum not exceeding ` 10,000 may be kept in the custody of the Sarpanch as cash in hand and the Sarpanch shall be liable to pay interest at the rate of 21 *per cent* per year on the sum kept by him as cash in hand beyond the prescribed limit.

Gram Panchayats Kalwaka, Chirwari and Rampur Khor of Palwal block, GP, Mirpur Korali of Hasanpur block, GP, Bahmanwala of Ratia block, GP, Tigri Khalsa of Thanesar block and BDPO Hasanpur were operating two bank accounts in contravention of the scheme guidelines.

The Sarpanch, Tigri Khalsa (Thanesar Block) had drawn the amounts in cash from one account and transferred the same to the other account after retaining for a period ranging from 8 to 96 days (*Appendix 2.21*). An amount of ` 1.99 lakh was lying in cash with the Sarpanch as on March 2012. While admitting the facts, BDPO, Thanasher replied (July 2012) that recovery of ` 0.58 lakh on account of interest has been made from the Sarpanch and second bank account had been closed.

2.4.10. Scheme implementation

2.4.10.1 Physical performance

Number of households registered and the households provided with 100 days employment during 2007-12 was as given in **Table 6**.

Table 6: Number of households registered and employment provided

Year	Number of households				Persondays generated (in lakh)	Average days per household
	Job Cards issued since inception of the scheme	Demanded employment	Provided employment	Completed 100 days employment		
2007-08	161445	67883	67883	7402	35.76	53
2008-09	378286	153513	153273	6630	59.62	39
2009-10	656744	152455	152450	8871	59.03	39
2010-11	582697	235773	235281	9077	84.19	36
2011-12	671669	277969	277286	13580	108.92	39

Source: Data of Rural Development Department, Haryana

Analysis of above data revealed that only 23 to 42 *per cent* job card holders were provided employment during 2007-12, out of which only one to five *per cent* got guaranteed employment for 100 days. Average number of days of employment per household per year ranged between 36 and 53 days during 2007-12. It was observed (April-June 2012) that average number of days of employment provided per house hold, was 53 in 2007-08 which declined to 39 in 2011-12. The beneficiary survey disclosed that decline in average days employment generation

per household went down because they were paid low wage rates under the scheme as compared to wages in the open market in the State.

Further, during test check of records of 134 GPs, Audit observed that Employment Registers containing the demand for work were not maintained by GPs. The data given in the above table, in the absence of corroborating records, regarding employment demanded were not realistic.

2.4.10.2. Registration of households, allotment of job cards, and allocation of employment

Before demanding employment under the scheme, any rural household was required to get themselves registered and get a job card. The process for registration of households and issue of job cards, as per Chapter 5 of the Operational Guidelines of the scheme envisaged that:

- A door to door survey was to be undertaken to identify persons willing to register under the Act.
- Households were required to submit applications for registration or submit an oral request.
- Job cards were to be issued within a fortnight of the application for registration. Photographs of adult member applicants were to be attached with the job cards.

Audit noticed (April-June 2012) the following shortcomings in meeting the above provisions of the guidelines:

- Door to door survey was not conducted by any of the GPs in Odhan and Baragudha blocks of Sirsa district, Ratia and Bhattu Kalan blocks of Fatehabad district, Palwal and Hassanpur blocks of Palwal district. Concerned BDPOs replied (July 2012) that door to door survey could not be conducted due to ignorance and would be conducted now.
- Registers of Applications for issue of job cards were not maintained in test checked GPs. However, GPs stated that job cards were issued on the basis of oral request in most of the cases.
- In 14 GPs, there was difference in number of job cards issued as per records maintained at the GP level and as per MIS (**Appendix 2.22**). BDPO, Block Saha, District Ambala stated (August 2012) that 149 job cards were issued by the Forest Department and 300 job cards by GP, Kesri whereas the issue of job cards was the duty of the GP under the scheme guidelines.
- Job Cards registers were not maintained by 18 GPs test-checked (**Appendix 2.23**). BDPO, Saha stated (August 2012) that job card register would be maintained in future.

During exit conference, the Principal Secretary while admitting the facts assured (October 2012) for compliance of scheme guidelines in future.

- As per paragraph 6.5 and 9.4 of the operational guidelines of the scheme, muster rolls were to be maintained by the GPs. The mates were to be made responsible for maintenance of muster rolls at the worksite including recording the names of the workers on the first day of the work and marking attendance every day. Audit noticed (April-June and August 2012) fictitious engagement of workers in two GPs as given in **Table 7**.

Table 7: Details showing fictitious engagement of workers

Name of Gram Panchayat	Name of worker	Period for which employment was provided	No. of days of employment provided	Amount paid (In `)	Name of work	Remarks
Ali Mohmamd (Sirsa)	Kundan Lal S/o Shri Neki Ram	01 February 2010	13	1,963	Land leveling	Beneficiary had already died on 21 January 2009
Bahmanwala (Fatehabad)	78 workers	07 January 2012 to 13 January 2012	384	68,736	Clearance of berms	Attendance of workers not marked in the muster rolls (No. 2550-55)
	76 Workers	06 January 2012 to 16 January 2012	567	1,01,283	Clearance of berms	Attendance of workers not marked in the muster rolls (No. 2566-71)
	60 workers	06 January 2012 to 16 January 2012	494	88,471	Clearance of Irrigation channel	Attendance of workers except one worker named Resham Singh, not marked in the muster rolls (No. 2561-65)
Total				2,60,453		

Thus, engagement of a worker after about one year of his death and payment to workers without making their attendance in the muster rolls tantamounted to the fictitious engagement of workers by the GPs. During exit conference (October 2012), the Principal Secretary stated that strict action would be taken against the concerned persons.

2.4.11. Livelihood security and unemployment allowance

As per paragraph 7.1.1 of the scheme guidelines, every person working under the scheme is entitled to wages at the minimum wage rate fixed by the State Government for agricultural labourers under the Minimum Labour Act 1948 unless the wages have been notified by the Central Government under Section 6 (1) of the Act. The scheme guidelines further stipulated that:

- The State Government was required to provide employment to a registered applicant within 15 days of demand, failing which unemployment

allowance at stipulated rates was payable to them out of State Government's funds.

- Wages were required to be paid weekly and in any case within a fortnight of the date on which work was done. In the case of delay beyond 15 days, workers were entitled for compensation as per the provisions of the Payment of Wages Act 1936.

Audit noticed (April-June 2012) the following shortcomings:

- Receipt of applications for demand for work was issued by all the 134 test-checked GPs without mentioning dates. Employment registers were not maintained in these GPs. In the absence of recorded date of demand for employment, the entitlement to unemployment allowance could not be ascertained. Audit further noticed that the State had not paid any amount on account of unemployment allowance since inception of the scheme.
- Workers were not paid wages within the stipulated period. Instances of delay in making payment of wages are given in **Appendix 2.24**, where delay ranging from eight to 331 days was noticed. BDPO, Bhattu Kalan (July 2012) stated that delay in payment of wages occurred due to late receipt of funds from the ADC. No compensation was paid to labourers for delayed payment of wages in these cases.
- In 25 cases (**Appendix 2.25**) tampering of muster rolls by way of cutting, overwriting, erasing, etc. and in 11 cases (**Appendix 2.26**) various deficiencies such as non-recording of Bank Account number in the muster roll, mismatch of names of beneficiaries in muster roll and MIS report, non-recording of muster roll numbers in MIS, etc. were noticed in audit.

On the above irregularities being pointed out, the Principal Secretary instructed (October 2012) all the Deputy Commissioners to ensure that such deficiencies were not repeated in future.

2.4.12. Planning and execution of works

Audit randomly selected ten works of each selected GP for physical verification along with representatives of GPs/department. It was observed (April-June 2012) that the works executed under the scheme provided employment, however, in most of the cases, the secondary objective of creating durable assets beneficial for community was not fully achieved.

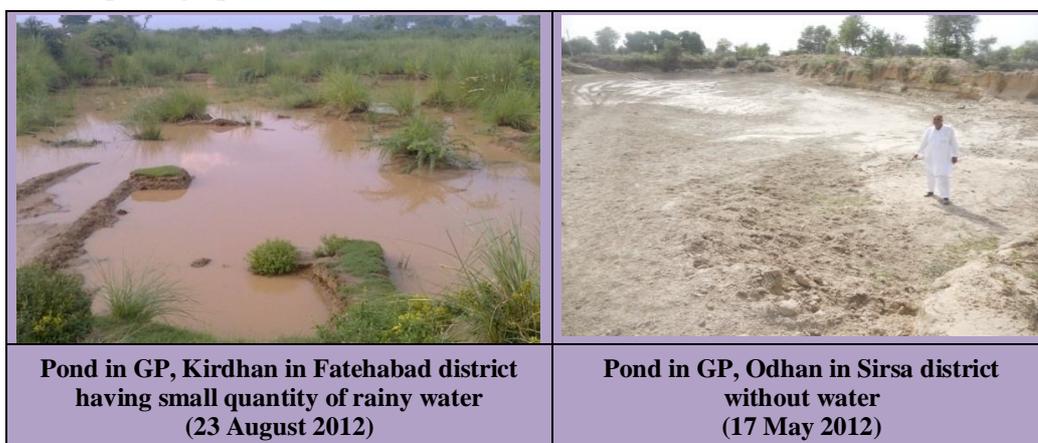
- As per Para 1 (viii) of Schedule 1 of the Act, rural connectivity to provide all weather access was a priority area of work. Paragraph 2.1 and 4 (viii) of the MGNREGA Works Field Manual, clarify that the road constructed should be gravel road or Water Bound Macadam (WBM) road which are durable and provide all weather access. Earthen roads all alone were not permitted under the scheme. In six test-checked districts, 38 works

(**Appendix 2.27**) of earthen roads were executed in contravention of extant orders during 2007-12 at a cost of ` 138.92 lakh without stabilization of top surface and adequate provisions for drainage. The earthen roads are not durable and also not accessible in all weathers, particularly in the rainy season. One of the examples of such type of road can be seen from the photograph given below:



Earth filling rasta in Gram Panchayat, Odhan (District Sirsa) (17 May 2012)

- An expenditure of ` 81.45 lakh was incurred during 2007-12 by 15 GPs on digging and deepening of 19 ponds (**Appendix 2.28**) for water storage. It was observed (April-June 2012) that though the ponds dug up prior to inception of this scheme in the same village were without water as there was no source of water for filling up these ponds; yet new ponds had been dug up. In these circumstances, the proposals for digging of these ponds mooted by the Gram Panchayats and approved by the District Programme Coordinators without ensuring the availability of water was not justified. The entire expenditure on these works was rendered infructuous. The position of dry ponds/ponds with scant water is depicted in the following photographs:



- Further, construction of cement concrete/interlocking paver blocks streets were not permissible under Schedule 1 of the Act and Para 5 (ix) 5 of the MGNREGA Works Field Manual, as these were not labour intensive works. It was noticed (April-June 2012) that Cement Concrete/ Interlocking Paver Block streets were constructed in 16 GPs (**Appendix 2.29**) at the cost of ₹ 80.15 lakh.

During the exit conference, the Principal Secretary stated (October 2012) that efforts were made to create durable assets but providing employment was the main objective of the scheme and the labour material ratio of 60:40 was also to be maintained. Therefore, works of earthen roads, digging of ponds, etc. had to be taken up. The fact, however, remains that the assets created did not meet the scheme criterion of creating durable assets beneficial for the community.

- Gram Panchayat, Tigaon (Mewat) incurred (2009-10), an expenditure of ₹ four lakh on construction of Water Bound Macadam (WBM) road. However, physical verification of works revealed that WBM road was not constructed in the village. Records relating to construction work as well as the cash book were not produced to Audit. Under these circumstances, the veracity of expenditure could not be vouchsafed in Audit. The fact for non-construction of WBM road is corroborated by photographs given below:



The ADC, Mewat stated (October 2012) that chances of fake record cannot be ruled out and the concerned BDPO had been directed to submit the report on the issue.

- Recording of names of workers simultaneously on two-three works on the same date (details given in the **table 8**) were detected which indicated misappropriation of scheme funds by the Gram panchayats.

Table 8: Details showing misappropriation of funds

Sl. No.	GP	Nam of workers & their Job card number	Muster Roll No	Period of attendance	Extra attendance and number of days	Amount involved in `
Block Bhattu Kalan						
1.	Thuiya	Rohtash 22372	820	1 December 2012 to 16 December 2012	16 December 2012 (one day)	172
			986	16 December 2012 to 31 December 2012		
2.	Kirdhan	Virender 23210	297	1 July 2012 to 9 July 2012	1 July 2012 to 9 July 2012 and 11 July 2012 to 13 July 2012 except 7 July 2012 due to weekly rest (11 days)	2,156
			214	1 July 2012 to 16 July 2012		
			182	11 July 2012 to 13 July 2012		
3.	Sirdhan	Vinod, Krishna and Sarjeet 21803	610	16 July 2011 to 25 July 2011	21 July 2011 to 25 July 2011 (five days)	2,685
		Vinod 21803	910	21 July 2011 to 26 July 2011		
		Krishna and Sarjeet 21803	911	21 July 2011 to 26 July 2011		
Block Ratia						
4.	Burj	Naresh 32603	4680	3 March 2012	3 March 2012 (one day)	179
			10052	1 March 2012 to 16 March 2012		
5.	Mohmedpur Sotter	Harbans 36856	1437	12 December 2010 to 17 December 2010	12 December 2010 to 17 December 2010 (six days)	1,032
			1455	12 December 2010 to 17 December 2010		
6.		Harbans 36856 Sarjeet 17525 Darshan 11496	261	1 May 2011 to 15 May 2011	1 May 2011 to 15 May 2011 except 7 May 2011 due to weekly rest (14 days)	7,728
			790	1 May 2011 to 15 May 2011		
7.		Harbans 36856 Sarjeet 17525 Darshan 11496	429	16 May 2011 to 31 May 2011	16 May 2011 to 31 May 2011 except 22 and 29 May 2011 due to weekly rest (14 days)	15,456
			796	16 May 2011 to 31 May 2011		
			869	16 May 2011 to 31 May 2011		
8.		Ram Singh 14539	796	16 May 2011 to 31 May 2011	16 May 2011 to 31 May 2011 except 22 and 29 May 2011 due to weekly rest (14 days)	2,576
			869	16 May 2011 to 31 May 2011		
Total						31,984

- Scrutiny of Monitoring and Information System (MIS) in respect of GP, Sirdhan revealed that in the muster roll number 910 and 911, the names of these three persons were replaced by other names. This shows that though the irregularity came to the notice, instead of pointing out the mistake, facts were concealed. The BDPO, Bhattu Kalan had also not exercised control over data feeding in MIS. While admitting the facts BDPO, Bhattu Kalan stated (July-August 2012) that the amount of ` 0.05 lakh had now been recovered from concerned workers and deposited in bank in July-August 2012.

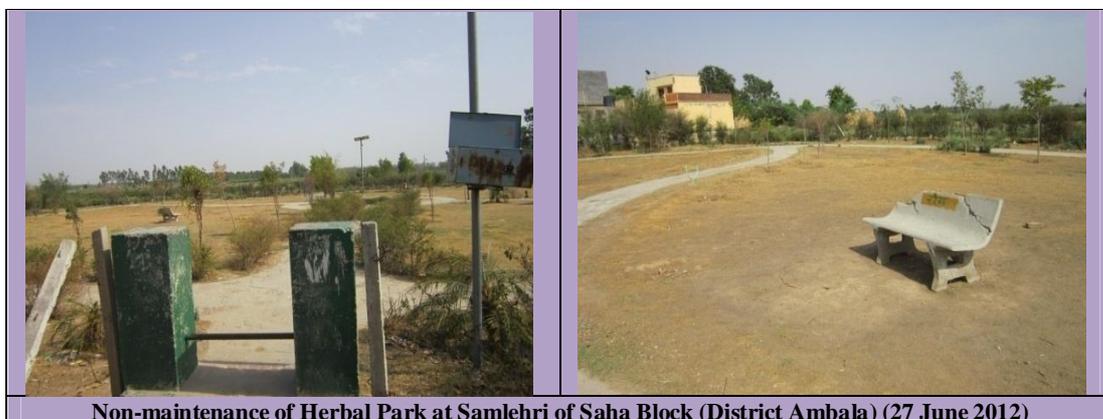
- Para 6.7 of the scheme guidelines stipulated that the State Governments should evolve norms for measurement of works. The Schedule of Rates was to be prepared on the basis of these studies. Haryana Government got conducted (July 2008) a time and motion study for earth work under MGNREG scheme and output norms were fixed. An additional item (HSR item number 6.2(1)) was also inserted in the Haryana PWD Schedule of Rates. As per the norms, for earth work involving lead and lift upto 30 metres the output fixed was 80 cubic feet (cft) per manday. Audit scrutiny of records of GPs in Ratia block revealed that for raising the capacity of 'Rangoi Kharif Channel' an estimate for ` 292.75 lakh was prepared (March 2011) by Irrigation Department. The work was got executed by the GPs by employing manual labourers and payment was made at the rate which ranged from 66 to 58 cft per manday instead of 80 cft per manday. This resulted in overpayment of wages amounting to ` 28.63 lakh (**Appendix 2.30**) as compared to less quantum of work done by the workers.
- Gram Panchayat, Bhattu Kalan (District Fatehabad), Ratipur and Johar Khera (District Palwal) incurred (2010-12) an expenditure of ` 47.13 lakh against the sanctioned estimate of ` 36.32 lakh on execution of three works (detailed given in **Table 9**). Excess expenditure of ` 10.81 lakh over the sanctioned estimates was not regularised.

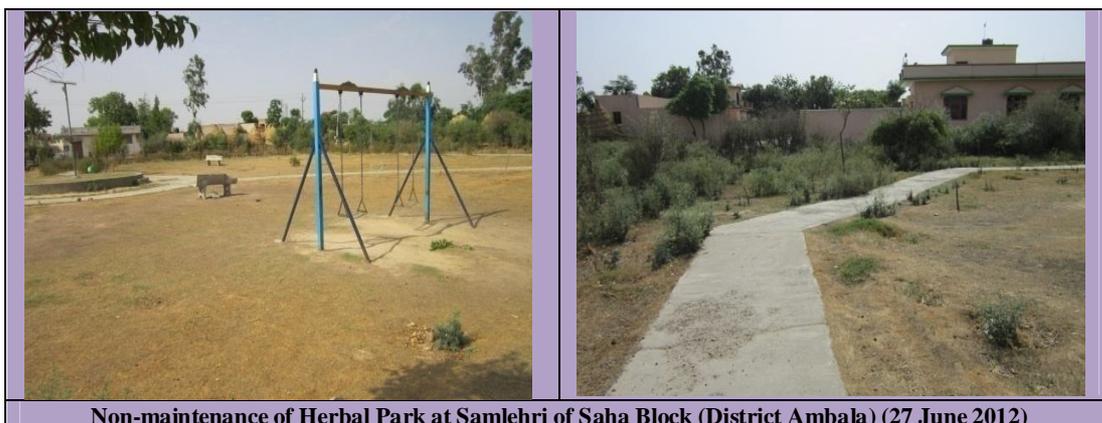
Table 9: Details of excess expenditure over the sanctioned estimates

Sr. No.	Name of GP	Name of Work	Estimated cost (in lakh)	Actual Expenditure (in lakh)	Excess (in lakh)
1	Bhattu Kalan	Digging of pond	3.70	5.56	1.86
2	Ratipur	Earth filling in school	14.08	16.25	2.17
3	Johar Khera	Earth filling in school	18.54	25.32	6.78
	Total		36.32	47.13	10.81

Source: Records of concerned GPs.

- Assets created under the scheme were not properly maintained. Funds for maintenance of assets created under the scheme were not envisaged in the scheme. The position of non-maintenance of assets is shown in the following photographs:





- The implementing GPs did not maintain records of assets created like Asset Register, Works Registers as envisaged in Para 9 of the scheme guidelines.

On this being pointed out in Audit, the Principal Secretary issued (October 2012) directions to all the Deputy Commissioners to ensure that such deficiencies were not repeated in future.

2.4.13. Execution of forest works

The scheme came into force in Ambala district with effect from 1 April 2007. ADC Ambala released ` 25.76 crore during 2007-12 to the Divisional Forest Officer (Territorial) Ambala for afforestation, development of herbal parks, etc. The DFO (Territorial) Ambala stated (June 2012) that the relevant records were damaged in rains. Therefore, audit of this expenditure could not be conducted. However, scrutiny of an inspection report submitted (March 2010) by the ADC Ambala to the State Government disclosed serious irregularities as summarized below:

- Job cards were issued by the Forest Department itself.
- Muster Rolls were to be issued by the Block Programme Officer to the GPs and other implementing agencies but were issued by the ADC, Ambala.
- The works to be executed by the line departments were required to be got approved from the concerned Gram Sabha, but the works executed by the Forest Department were not recommended by any of the Gram Sabhas.
- As per the GOI instructions (September 2008), cash payment of wages to workers was not allowed after September 2008. However, Cash withdrawals of ` 8.50 crore were made by the Forest Department during October 2008 to March 2010.
- Expenditure of ` 23.82 lakh was incurred on afforestation but no plantation was actually done in four villages as detailed in **Table 10**.

Table 10: Details of expenditure incurred on afforestation

Sl. No.	Name of Village	Expenditure booked (₹ in lakh)	Period
1	Narayangarh Majra	8.59	2008-10
2	Babyal	10.54	2007-10
3	Dheen	3.49	2009-10
4.	Dulyani	1.20	2009-10
	Total	23.82	

Source: Records of ADC, Ambala.

- In village Firozpur Kath and Abupur, earth work was found to be got done through mechanical means at a cost of ₹ 0.61 lakh for which ₹ 10.43 lakh were booked in the cash book on account of muster rolls wages.
- Expenditure of ₹ 74.03 lakh was indicated as incurred on development of three Herbal Parks at village Barara, Holi and Samlehri during 2008-10 but as per assessment reports submitted by the SDO (PR), the actual expenditure incurred was assessed at ₹ 11.98 lakh only. Thus, an expenditure of ₹ 62.05 lakh was incurred in excess on development of herbal parks.

Director General-cum-Special Secretary, Rural Development Department stated (July 2012) that the State Government has entrusted an inquiry in this regard to the State Vigilance Department, whose report was awaited.

2.4.14. Maintenance of records and data automation for Monitoring and Information System (MIS)

As Para 9.1 of the operational guidelines, proper maintenance of records is one of the critical factors for success in the implementation of the scheme. Information on critical inputs, processes, outputs and outcomes have to be recorded in the prescribed registers at all levels. The computer based MIS also captures the same information. Audit observed the following deficiencies in the maintenance of records and data automation:

- Scrutiny of muster rolls of GPs Bangoh and Panchgaon revealed that Job-card numbers recorded against 21 cases (*Appendix 2.31*) were not appearing in the list of job cards mentioned in MIS.
- Muster roll receipt register was not maintained in 36 GPs test-checked (*Appendix 2.32*).
- The following GPs failed to produce records despite issue of requisitions:

Sr. No	Name of GP	Period for which record not produced
1.	Panchgaon (Mewat)	2008-10
2.	Brthala (Kurukshetra)	2008-12
3.	Akbarpur (Ambala)	2007-10 (upto June 2009)
4.	Tehrki (Palwal)	2008-11 (upto November 2010)
5.	Khera (Ambala)	2007-09

- Overpayment of wages was made to workers amounting to ₹ 12,858 (**Appendix 2.33**) in 14 cases by way of payment for the period of absence and conversion of absence into presence.
- Muster roll is an important record and it is to be maintained properly. Audit scrutiny of muster rolls revealed that total number of workers present was not shown leaving scope for subsequent insertion of name and other interpolation. Further, attendance of workers was not checked by any responsible officer. Even the persons marking attendance of workers were not putting their signatures. Cuttings and overwriting in the muster rolls were also observed. A few such cases in respect of GP, Babanpur (Block Ratia) are given below:
 - a. In muster roll numbers 2624, 2625 and 2629 (paid vide voucher number 39 dated 10 January 2012), the period of employment was shown in the first instance from 8 January 2012 to 23 January 2012 which was later on changed as 16 December 2011 to 31 December 2011. In MIS also the period of employment had been shown from 16 December 2011 to 31 December 2011. In these muster rolls attendance of workers was marked for the period from 8 January 2012 to 23 January 2012. The exact period of employment could not be verified in audit.
 - b. In muster roll numbers 2272 and 2273 (paid vide voucher number 35 dated 17 December 2011), attendance of Kuldeep Singh S/O Shri Major Singh (Job Card number 11184) and Biker Singh S/O Shri Nek Singh (Job Card number 10925) was marked on 16 December 2011. Again the attendance of these two workers was marked in muster roll numbers 2624 and 2625 respectively for the same day. Thus, attendance of these two workers was marked for 16 December 2011 (one day) simultaneously at two different works. However, scrutiny of MIS revealed that in muster roll number 2624 the name of Shri Kuldeep Singh was replaced with Amrik Singh and in muster roll number 2625 the name of Shri Biker Singh was replaced with Manjeet. This shows that though the irregularity came to the notice of BDPO office which instead of pointing out the irregularity concealed the same. In the muster rolls also, the changes in the names were made by using fluid but the payments were shown made to Shri Kuldeep Singh and Shri Biker Singh who have signed on the muster rolls as a proof of receipt.
 - c. Attendance of Jagiro (Job card number 10909) was marked on 16 December 2011 simultaneously in muster roll number 2273 (Voucher number 35 of December 2011) and also in muster roll number 2624 (Voucher number 39 of January 2012). However, in muster roll number 2624 the name of Jagiro was replaced with Gejo (Bank A/C number 15177), but the wages were deposited in Bank A/C number 15117 which was in the name of Jagiro. In MIS the name of Jagiro was entered in both the muster rolls (2273 and 2624).

- Scrutiny of muster rolls number 2232-38 (Voucher number 20A/January 2011 for ` 92648) of GP, Bahmanwala (Block Ratia) revealed that in the first instance period of employment was shown from 17 December 2010 to 31 December 2010. Later on by overwriting it was shown from 17 January 2011 to 31 January 2011. In MIS, it was shown from 1 January 2011 to 14 January 2011 but in the muster rolls attendance was marked from 17 January 2011 to 31 January 2011.

In the circumstances the veracity of the statements in these test-checked cases could not be vouchsafed in Audit.

The Principal Secretary (October 2012) assured that action would be taken against the defaulters after detailed inquiry in each case.

2.4.15. Lack of transparency in implementation of the scheme, monitoring and evaluation

Paragraph 9.1.1 of the Operational Guidelines stipulates maintenance of complaint registers at all levels, but audit noticed (April-June 2012) that these were not maintained by 29 GPs test-checked (*Appendix 2.34*).

Paragraph 10.3 of the Operational Guidelines lays down that works were required to be inspected 100 *per cent* at block level, 10 *per cent* at district level and 2 *per cent* by State level officers every year. Audit observed (April-June 2012) that although 100 *per cent* inspection of works was claimed to be conducted by the block level officer but records relating to inspection reports were not maintained at block level with regard to inspection of works. In the absence of records, the factual position as to whether inspections were carried out could not be verified. Besides, district level internal audit cell had not been established in any of the test-checked districts to scrutinize the inspection reports of GPs. No mechanism was evolved to ensure that the shortcomings noticed during inspections were rectified.

During the exit conference, the Principal Secretary (October 2012) accepted the facts.

2.4.16. Analysis of digitised data of MGNREG scheme

Analysis of digitised data for the period 2006-12 by using CAATs (IDEA) revealed the following deficiencies:

2.4.16.1. Registration of households and allotment of Job cards

Every registered household is allocated a Job Card having a unique 18-digit identification number consisting of 14-digit habitation code (State, District, Block, Gram Panchayat, and Village) and a unique family ID. Since only

registered households are entitled for payment of wages, registration number and Job cards are basic records for making wage payments under the scheme.

In order to avoid bogus registration of households, affixation of photographs of all adult members of the family, mentioning of electronic photo identity code given by Election office for cross verification, house number, caste etc. was required to be entered in the system. However, such information was missing in the database as detailed below:

Total registrations	Parameters not included	Number of cases
6,93,636	Unique code not as per pattern specified	32,971
	Invalid name viz "A", 1, etc.	136
	Invalid father's/husband name	179
	House number not mentioned	6,08,293
	Photograph of the applicant not affixed	3,59,347
	Election photo identification card number not indicated	6,86,378

Similarly, in 24,870 cases, same head of family had been registered more than once in the State.

The Principal Secretary, Rural Development Department stated during exit conference that affixation of photographs and other formalities could not be completed in cases, where persons after registration did not turn up for employment. He, however, agreed that the data would be completed in case workers turn up for seeking employment. As regard double registrations, he assured that these cases would be investigated for taking appropriate action.

2.4.16.2 Suspected double payments

Analysis of data revealed that in 7,318 cases, attendance of workers was marked in electronic muster rolls more than once in the duplicate job card issued in their name. Total wages involved in these cases amounted to ` 1.32 crore (**Appendix 2.35**).

The Principal Secretary, Rural Development Department stated that all these cases would be investigated for taking appropriate action.

2.4.16.3 Payment of wages for more than 100 days

Data analysis revealed that in 17,664⁵ cases, employment was provided to the extent of 200 days in a year against the requirement of providing 100 days employment. The Principal Secretary, Rural Development Department during exit conference stated that these cases would be investigated.

⁵ 2006-07: 481 cases, 2007-08: 593 cases, 2008-09: 4,741 cases, 2009-10: 5,070 cases, 2010-11: 3,860 cases and 2011-12: 2,919 cases.

2.4.16.4 Payment of wages in excess of rates

Data analysis revealed that in 1,43,673 cases, payment of wages to the extent of ` 44.72 lakh was made in excess of minimum wages fixed by State Government as detailed given in **Table 11**.

Table 11: Details of excess payment of wages

Year	Number of cases	Wages in excess of minimum wages
2008-09	3,106	10,50,947
2009-10	7,299	13,29,411
2010-11	1,32,918	20,58,696
2011-12	350	32,702
Total	1,43,673	44,71,756

Similarly, in 1075 cases, wages paid were incorrectly calculated as these were not in conformity with the wage rates resulting in overpayment of ` 2.41 lakh in 485 cases and less payment of ` 1.05 lakh in 1,075 cases as detailed in **Table 11**.

Table 11: Detail of incorrect payment of wages

Year	Number of cases	Short payment	Number of cases	Excess payment
2008-09	298	57,561	229	1,25,909
2009-10	187	23,382	26	9,634
2010-11	334	23,154	47	23062
2011-12	256	846	183	82868
Total	1,075	1,04,943	485	2,41,473

The Principal Secretary, Rural Development Department stated during exit conference that such type of errors were appearing in the earlier versions of software but this shortcoming had been removed in the later versions of the Software. The reply was not correct as the discrepancies were appearing even in the data of 2011-12.

2.4.16.5 Incomplete details of work executed

Vital details to identify the location of works executed i.e. Khata/plot number to ensure that there was no overlapping of works, were missing in the database. Further, the data entry was made in the system by ambiguous users indicating as by guests, rk etc. The detail of such cases is given in **Table 12**.

Table 12: Cases where details of work executed not mentioned

Item of work	Khata number not mentioned (number of cases)	Data entry by ambiguous users e.g by guest, rk etc (number of cases)
Drought proofing	12,117	Nil
Rural Connectivity	12,229	5,704
Water conservation	7,787	4,070
Flood Control	1,000	Nil
Total	33,133	9,774

The Principal Secretary, Rural Development Department stated during exit conference that complete details of location of works needed to be captured for proper monitoring and prevent overlapping of works.

2.4.17. Mechanism to assess the impact

The objective of MGNREGA is the ‘creation of durable assets and strengthening the livelihood resource base of the rural poor’ (Schedule I, Section 2). Investments made under MGNREGA are expected to generate employment and purchasing power, raise economic productivity, promote women’s participation in the workforce, strengthen the rural infrastructure through the creation of durable assets, reduce distress migration, and contribute to the regeneration of natural resources. Thus, outlays for MGNREGS have to be transformed into outcomes. Regular evaluations and sample surveys of specific MGNREGS works should be conducted to assess outcomes.

Audit observed (April-June 2012) that the State Government had not conducted evaluation studies to assess the performance of implementation of the scheme and its impact on individual households. However, to assess the impact of this scheme, feedback from 885 beneficiaries of 134 selected GPs was taken (April-June 2012) through the questionnaire method by Audit along with representatives of the GPs. Analysis of the feedback revealed as under:

- 99 per cent beneficiaries opined that the scheme had brought out significant change in their life style.
- 95 per cent beneficiaries were of the opinion that the scheme had helped them to avoid migration.
- 82 per cent beneficiaries opined that due to their working under the scheme, their children now could go to school who were earlier doing manual work for their livelihood.
- 75 per cent beneficiaries asserted that their family income had increased by 50 per cent while 25 per cent beneficiaries stated that there was marginal increase in their family income.

2.4.18. Conclusions

- The objective of the scheme to provide livelihood security to rural poor has been by and large achieved. However, objective of creation of useful assets has not been fully achieved. The assets created were by and large not beneficial to the community.
- Cases of delay in payment of wages, non-payment of unemployment allowance, preparation of bogus muster rolls, double payment of wages, non-maintenance of records to bring about transparency and accountability, etc. were indicative of lack of checking and monitoring of the scheme at all levels.

2.4.19. Recommendations

The Government may consider:

- preparing perspective plan for five years and annual action plan of the districts so as to achieve the objectives of the scheme fully.
- ensuring proper maintenance of register of employment demanded and employment provided to the beneficiaries.
- strengthening maintenance of records and data automation for MIS to check the errors and irregularities in payment of wages.
- strengthening vigilance mechanism and monitoring system to control malpractices in muster rolls.

Chapter-3

THEMATIC AUDIT

Development and Panchayats Department

3.1 Irregularities in disbursement and utilisation of discretionary grants

3.1.1 Introduction

The Haryana Discretionary Grants (Regulations of expenditure) Rules, 1969 and the policy framed thereunder provide that the Chief Minister (CM), Deputy Chief Minister, Ministers, Speaker and Deputy Speaker of Vidhan Sabha and Chief Parliamentary Secretary (CPS)¹/Parliamentary Secretary (PS) can within or outside the State, sanction grants-in-aid to any social, charitable or any other organisation for any work or scheme which were to benefit the community. All the Deputy Commissioners (DCs) and the Under Secretary (General) to Government of Haryana were declared as Drawing and Disbursing Officers (DDOs) for grants within the State and outside the State respectively. They were required to follow the provisions laid down in the Punjab Financial Rules (PFR) as applicable to Haryana and to ensure proper utilisation of grants for the intended purposes and maintenance of proper accounts as per defined audit procedure.

3.1.2 Scope of Audit and Objectives

The records in the office of Under Secretary (General) and the DCs in eight² out of 21 districts covering the period from April 2007 to March 2012 were test checked between October 2011 and September 2012 with the objective to ascertain the extent of adherence to various provisions relating to sanction, drawal, disbursement and utilisation of discretionary grants.

3.1.3 Financial Management

Against the budget provision of ` 210.25 crore, grants-in-aid of ` 169.34 crore were disbursed during 2007-12 as detailed in **Table 1**.

1 Chief Parliamentary Secretaries and Parliamentary Secretaries included with effect from October 2008.

2 (i) Faridabad, (ii) Gurgaon, (iii) Jind, (iv) Kurukshetra, (v) Panchkula, (vi) Rohtak, (vii) Sirsa and (viii) Yamunanagar.

Table 1: Budget provision and expenditure

(` in crore)

Year	Council of Ministers		Speaker/Deputy Speaker		Chief Parliamentary Secretary/Parliamentary Secretary		Total budget provision (col. 2+4+6)	Total expenditure (col. 3+5+7)
	Budget provision	Expenditure	Budget provision	Expenditure	Budget provision	Expenditure		
1	2	3	4	5	6	7	8	9
2007-08	15.90	15.89	1.35	1.35	0.00	0.00	17.25	17.24
2008-09	31.00	29.26	2.50	2.50	2.50	2.47	36.00	34.23
2009-10	39.50	26.60	3.40	3.40	3.40	3.40	46.30	33.40
2010-11	33.08	23.15	3.25	3.25	3.32	3.32	39.65	29.72
2011-12	54.75	44.93	4.95	4.95	11.35	4.87	71.05	54.75
Total	174.23	139.83	15.45	15.45	20.57	14.06	210.25	169.34

(Source: Information supplied by Development and Panchayats Department)

After the allotment of discretionary grants, the sanctions were issued by Development and Panchayats Department (DPD). On the basis of these sanctions, grants were drawn and disbursed to beneficiaries by the DCs/Executing Authorities of concerned districts.

3.1.4 Audit coverage and methodology

A total of 3,684 grants involving expenditure of ` 77.21 crore (46 per cent of the total expenditure of ` 169.34 crore) drawn and disbursed during 2007-12 by DCs/Executing Authorities in eight selected districts were test-checked. In addition, 152 (44 per cent) out of 343 beneficiaries receiving grants of ` 5.00 lakh or more, in the selected districts were physically verified. An exit conference was held in October 2012 with the Principal Secretary to Haryana Government, DPD, wherein the audit findings were discussed. The views of the department were taken into consideration while finalising the audit observations.

3.1.5 Audit Findings

Scrutiny of records relating to disbursement and utilisation of discretionary grants revealed the following irregularities:

3.1.5.1 Irregular release of grants

(a) Grants given to same institutions/undue favour to the beneficiaries

Para 4 of policy guidelines relating to discretionary grants provides that the grants-in-aid should not ordinarily be given for the same work or scheme by more than one minister. In cases, where more than one minister had sanctioned grants for the same work or scheme in the same area, the DPD was required to inform the concerned minister and obtain his/her orders for utilisation of the grant elsewhere. Further rule 8.14 (3) of PFR Volume I, provides that the sanctioning authority is required to obtain the audited accounts of the institution to justify the financial position of the beneficiaries before release of grants.

(i) Audit observed that 381 grants of ` 19.05 crore were given to 131 beneficiaries, out of which 250 grants amounting to ` 12.97 crore (**Appendix 3.1**) were given repeatedly either for the same scheme/work or by changing the purpose slightly different.

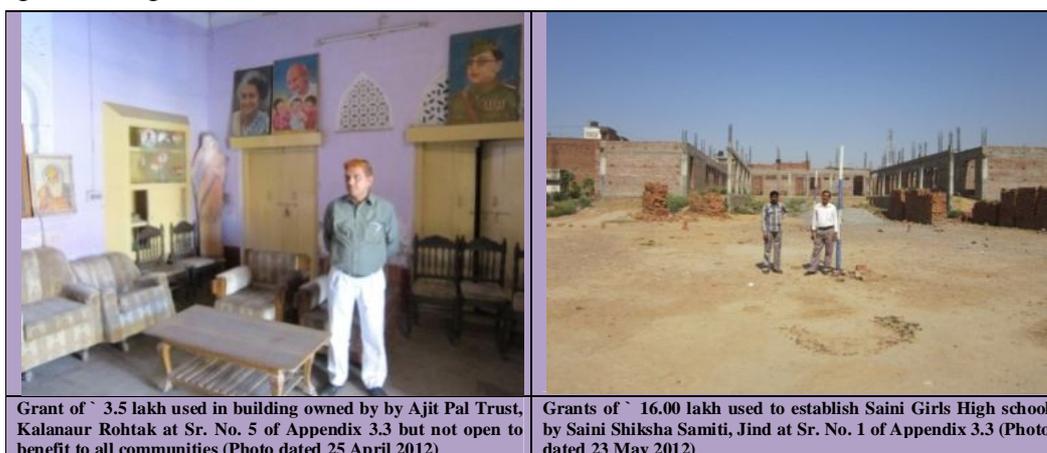
The Principal Secretary stated (November 2012) that due to large volume of work, it was very difficult to keep a track on all grants to avoid repetitions and the department would try to develop software to avoid such repetition in future. The final outcome was awaited (December 2012).

(ii) Further, 33 grants of ` 1.61 crore (**Appendix 3.2**) were released to the eight institutions which were having sufficient funds at their credit in the bank accounts and were having sound financial position. The release of grant to financially sound institutions was against the spirit of the rules provided in PFR.

The Principal Secretary while admitting (November 2012) the facts stated that the provision to verify the financial position of the beneficiaries before release of grants were not in the guidelines and also the grants were being sanctioned by the ministers at their own. The reply was not acceptable in view of Rule 8.14(3), *ibid* which provides for verification of financial position of the beneficiary before release of grant and also the DPD failed to inform the Minister concerned about the grants already released to these institutions, as required under policy guidelines.

(b) Grants for purposes not falling under the policy guidelines

As per para 1(e) of policy guidelines the grants could be provided for improvement of institutions already in existence and are inadequately housed. It should be for some specific purposes for the benefit of the community. But 22 grants amounting to ` 1.93 crore (**Appendix 3.3**) were released to 18 beneficiaries, either to establish their institutions or for the works which were not covered under the provisions of the policy guidelines. Photographs of two such grants are given as illustration.



(c) Disbursement of grants in home districts/constituency

As the Chief Minister, Ministers, Speaker, Deputy Speaker and Chief Parliamentary Secretaries/ Parliamentary Secretaries represent the whole State, the Audit was of the opinion that they should disburse grants evenly in all the areas for the smooth development of the State as a whole.

During scrutiny of record of discretionary grants for the year 2009-10, it was noticed that nine ministers/CPSs/Deputy Speaker whose constituencies were falling in seven test checked districts, distributed 82 to 100 *per cent* (**Appendix 3.4**) grants in their home districts and 69 to 97 *per cent* to the beneficiaries of their own constituencies.

The Principal Secretary stated (November 2012) that the action would be taken in the light of instructions issued by Hon'ble Punjab and Haryana High Court in case of discretionary grants released by Punjab Government. Final outcome was awaited (December 2012).

(d) Grants in excess of demand

Prajapati Dharamshala Sabha, Kurukshetra requested (July 2010) for assistance of ₹ 6.17 lakh from the Chief Minister for laying sewerage line in dharamshala. But the DC, Kurukshetra released (August 2010) a grant of ₹ 11 lakh on the recommendation of the CM which was in excess of demand and in contravention of Rule 8.14 (c) Punjab Financial Rules Volume-I.

(e) Release of grants on caste/religion basis

As per para 2 of the policy guidelines, grants-in-aid shall not be admissible to religious institutions or places of worship. Further, it was stipulated in the terms and conditions of the sanction issued by the concerned DC that the institutions to which the grants were released should be open to all communities living in the area concerned, without any prejudice based on caste, creed and religion, etc. It was also provided that grant-in-aid should ordinarily not be admissible to religious institutions or places of worship.

Test check of documents submitted by the 14 institutions to whom the grants of ₹ 5.17 crore were released during 2007-2012 (**Appendix 3.5**), revealed that these institutions had not submitted their constitution/memorandum/article of the association at the time of drawing grants in the test checked DC offices. DC office had also not demanded these documents before release of grants. However, during physical verification of institutions by Audit, it was noticed that these institutions were constituted on caste/religion basis as initial membership of these institutions were restricted to the members of a particular caste/religion, which was against the spirit of the policy guidelines. Thus, the release of grants to these institutions was irregular.

3.1.5.2 Irregular/Non-utilisation of grants

(a) Irregular expenditure from grants

The DPD as well as DDO had no mechanism to ensure proper utilisation of grants for the intended purposes. Physical verification in 23 cases revealed that grants of ₹ 1.62 crore were irregularly utilised on the works other than those for which these grants were sanctioned as detailed in **Appendix 3.6** which was against the provisions of para 6 of the policy guidelines. Photographs of cases mentioned are given as instances.

		
The funds were utilised in tile flooring instead of basement (Shri Guru Ravidass Bhawan, at Sector-15, Panchkula at Sr. No. 21 of Appendix 3.6) (Photo dated 04 May 2012)	Funds used in construction of rooms instead of mini auditorium (Maharaja Agarsain Girls Senior Secondary School, Jind (at Sr. No. 14 of Appendix 3.6) (Photo dated 18 May 2012)	Being used for storing confiscated items by Police (Mahila Welfare Trust, Kalanaur, Rohtak at Sr. No. 5 of Appendix 3.6) (dated 25 April 2012)

(b) Non-utilisation of grant by beneficiaries

During audit, it was noticed that in 12 cases, where 16 grants amounting to ₹ 1.60 crore (**Appendix 3.7**) were released during the period between June 2008 to February 2012, the grants were lying partly or fully unutilised with the beneficiaries (December 2012). As a result, the community was deprived of the intended benefits. Photographs of few cases are given for illustration.

		
Ambedkar Bhawan, Sector-12, Panchkula at Sr. No.7 of Appendix 3.7 (Dated 04 May 2012)	Room constructed with grant (₹ 7 lakh) by Khaja Khera Seva Samiti Trust, Khaja Khera, Sirsa at Sr. No. 8 of Appendix 3.7 (Dated 14 June 2012)	Room constructed with grant (₹ 5.00 lakh) at first floor of Geeta Bhawan, Kahanaur, Rohtak with at Sr. No. 5 of Appendix 3.7 (Dated 25 April 2012)

(c) Blockade of funds out of Government account and loss of interest

Rule 2.10 (b) (5) of PFR, Volume-I, provides that the money from the treasury should not be withdrawn unless it is required for immediate disbursement.

During test check, it was noticed that in eight districts, 30 executing agencies kept ` 6.05 crore in saving/current bank accounts (**Appendix 3.8**). Of these, 23 executing agencies earned interest of ` 37.84 lakh on saving bank accounts and seven³ executing agencies were operating current accounts resulting into loss of interest to the tune of ` 23 lakh upto March 2012. Non-refunding of unutilised amount into Government accounts was irregular and against the provisions of rules.

On this being pointed out (March 2012), the SDO (Civil), Faridabad deposited the interest of ` 5.05 lakh in Government account in March 2012. An amount of ` 11.45 lakh pertaining to 13 undisbursed grants was refunded (March/April 2012) to the DC, Faridabad to deposit the same in Government accounts.

The Principal Secretary while accepting the observation, stated (November 2012) that a new procedure for disbursement of grant had been introduced from October 2012 which provided that the funds would be issued directly to the beneficiaries and also the concerned DCs had been directed to look into the reasons of blockade. Final outcome was still awaited (December 2012).

3.1.6 Monitoring and Internal Control

Development and Panchayat Department was responsible for formulating the policy for drawing, disbursement and regulating the discretionary grants. All the DCs and Under Secretary (General) as DDOs were required to follow the provisions laid down in the PFR to ensure proper utilisation of grants and to ensure that proper accounts as per audit procedure were maintained by the beneficiaries. The following irregularities were noticed due to non-performance of duties by these functionaries:

(a) Non-submission of utilisation certificates

As per para 6 of policy guidelines, DCs were to ensure that grant was properly utilised for the purpose for which it was given and proper account as per audit procedure are maintained.

It was noticed during audit that out of 3,684 cases involving grant of ` 77.21 crore (**Appendix 3.9**), utilisation certificates in respect of 3,295 cases (89 *per cent*) were neither submitted by the beneficiaries nor were efforts made by the department to obtain them from the beneficiaries.

(b) Non-maintenance of records of applicants

The scheme provides for giving assistance to deserving individuals and institutions. For achieving the objectives, a proper procedure for receiving and

3 (i) DC, Kurukshetra, (ii) BDPO, Pehowa, (iii) BDPO Shahbad, (iv) SDO (Civil), Gurgaon, (v) BDPO, Kalanaur, (vi) SDO (Civil), Rohtak and (vii) SDO (Civil), Jagadhari.

scrutiny of applications for assistance out of grants was required to be prescribed in the scheme itself.

It was noticed in audit that rule governing the sanction of discretionary grant does not prescribe maintenance of records relating to receipt of applications and their scrutiny, the basis on which applications have been considered for sanction and rejection.

3.1.7 Non-production of records/files

The records relating to allotment, release and utilisation of grants of ` 4.46 crore in 80⁴ cases were not produced to Audit. Therefore, the correctness, genuineness and proper utilisation of the Government money on the intended purposes could not be verified in audit.

The Principal Secretary stated (November 2012) that all the DCs have been directed to produce the records for audit. Final outcome was awaited (December 2012).

3.1.8 Conclusion

The existing rules and regulations governing the sanction of discretionary grant and maintenance of records thereof do not give adequate basis for ascertaining as to whether the grants have been sanctioned only to deserving cases, the sanctioned grants have been utilised for the purpose for which these were granted and the evidences of having spent the money was also lacking.

4 Under Secretary (General): (15 cases: ` 0.58 crore); SDO (Civil), Rohtak: (65 cases: ` 3.88 crore)

**Town and Country Planning, Police, Urban Local Bodies,
Revenue, Public Health, Panchayat and Development and
Power Departments**

3.2 Growth of unauthorised colonies

3.2.1 Introduction

The Haryana Government enacted Haryana Development and Regulations of Urban Areas Act, 1975 (HDRUA Act) to regulate the use of land in order to prevent ill-planned and haphazard urbanization in or around towns in the State. It provides that no person including a property dealer shall transfer or agree to transfer in any manner plots in a colony or make an advertisement or receive any amount in respect thereof and erect or re-erect any building in any colony in respect of which a license under section 3 of the Act had not been obtained. Further, in order to check haphazard construction and to ensure planned development and growth of towns, section 4(1) of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 provides for declaration of controlled area around municipal towns and other potential areas. The administration of these acts and rules made thereunder was assigned to the Town and Country Planning Department (TCPD).

In the process of urban development, unauthorised colonies are developing in the controlled areas due to non-compliance of Acts and Rules by Town and Country Planning Department, Urban Local Bodies, Revenue, Public Health, Panchayat and Development, Police and Electricity supplying Companies, which are highlighted in succeeding paragraphs.

3.2.2 Scope and objective of Audit

The records of the office of Director General (DG), TCPD, Haryana and eight⁵ District Town Planners (DTPs) out of 21 DTPs were test-checked during June to October 2012 with the objective of ascertaining the adherence of Rules and Regulations by various departments. As per record of Urban Local Bodies, there were 1320 unauthorised colonies in the State as on 30 June 2012.

Information was also collected from various Government agencies such as Registering Authorities, Uttar and Dakshin Haryana Bijli Vitran Nigams, PHE and Police Departments, etc. In addition, Audit conducted survey of 1281 households in 41 unauthorised colonies along with the officials of DTP's of eight test-checked districts selected randomly.

⁵ (i) Ambala, (ii) Fatehabad, (iii) Gurgaon, (iv) Jhajjar, (v) Karnal, (vi) Kurukshetra, (vii) Panchkula and (viii) Panipat.

3.2.3 Audit Findings

Important violations of Acts and Rules by various departments/authorities noticed during audit are discussed below:

(a) *Revenue Department*

Section 7-A of the HDRUA Act provides that where any document is required to be registered under the provisions of section 17 of the Indian Registration Act, 1908, purporting to transfer by way of sale or lease any vacant land having an area of less than one hectare in an urban area as may be notified specifically by the Government from time to time for the purpose of this section, no Registration Officer appointed under the above said Act shall register any such document unless the transferor produces before such Registration Officer a 'no objection certificate (NOC)' issued by the Director, Town and Country Planning or an officer authorised by him in writing in this behalf. The Government also issued instructions (April 2006) that NOC was mandatory at the time of registration of sale deeds to prevent unauthorised colonies. However, during beneficiary survey of 1,281 households in 41 unauthorised colonies, it was noticed that the plots in these unauthorised colonies were registered without obtaining no objection certificate.

On this being pointed by audit (October 2012), the DG, TCP stated (November 2012) that registration authorities were not meticulously following the above provisions of Act and Government instructions. However, the registering authorities in eight test checked districts (except Ambala and Gurgaon) stated (June and July 2012) that registrations of sale deeds were being made in accordance with the provisions of the Indian Registration Act, 1908. The reply of the Registering Authorities was not convincing as the NOC was mandatory under the rule mentioned above. The Additional Chief Secretary, Revenue and Disaster Management Department intimated (November 2012) that instructions were issued (January 2011) to all the Registering Authorities to follow the provision of Section 7-A of the HDRUA Act failing which disciplinary action would be initiated against the defaulting officer.

(b) *Electricity Supplying Companies*

Section 203-H of Haryana Municipal Act, 1973 provides that every plot owner before applying for sanction/release of electricity connection within the limits of municipalities is required to obtain NOC from the concerned Municipal Corporation/Council/Committee (MC).

It was, however, observed during beneficiary survey of 1,266 households (who have been provided with electricity connections) of 41 colonies by audit that electricity connections were provided by the Uttar Haryana Bijli Vitran Nigam (UHBVN) and Dakshin Haryana Bijli Vitran Nigam (DHBVN) to the residents of these colonies without obtaining NOC from concerned MCs. Photograph of one such unauthorised colony where electricity connections were given without obtaining NOC is given for illustration.



Photo of Arjun Nagar, Panipat, showing the electricity connection in unauthorised colony (13 June 2012)

The Executive Engineer, UHBVN stated (June-July 2012) that as per policy, the UHBVN do not release connection without verification of proper property owner/documents but vide their sale circular No U/72/2007 dated 19 October 2007, it was decided to release regular domestic connection to residents of these colonies, as a large number of dwellers were unable to get legal connections and residents were drawing electricity through illegal *kundi* connections resulting in loss of potential revenue. The reply was not acceptable as the instructions contained in the circular were against the provisions of the Haryana Municipal Act, 1973. The DG, TCP while accepting the facts intimated (November 2012) that the electricity companies had acted as catalyst to the growth of such unauthorised colonies.

(c) Pubic Health and Engineering Department

Section 203-H of the Municipal Act 1973 provides that every plot owner, before applying for sanction/release of water supply connections within the limits of municipalities is required to obtain NOC from the concerned MCs.

During beneficiary survey of residents of unauthorised colonies by audit, it was noticed that PHE Department provided water supply connections in Gaba Colony at Panipat (as shown in the photo), Swami Nagar, Hans Colony and Harnam Singh Colony at Fatehabad without getting NOC from MCs. On this being pointed out by Audit, the Executive Engineer, PHE Division, Fatehabad, intimated (June 2012) that water connections were released in public interest water being a very essential commodity.



Photo of Gaba Colony, Panipat where water supply connections have been provided in unauthorised colony (13 June 2012)

In the exit conference held in October 2012, the Principal Secretary, PHE Department stated that these colonies were very old and situated in the land of village concerned. The reply was not convincing as DTPs, Fatehabad and Panipat intimated (October 2012) that these unauthorised colonies existed within the limit of urban areas.

(d) Town and Country Planning Department

A total of 1054 unauthorised colonies were regularised by Urban Local Development in 2004 without indicating any outer boundary or demarcation on Shajra⁶ Plan. In the absence of the demarcation of regularised colonies, the adjoining areas also developed as unauthorised colonies. Audit observed that the DG, TCP, being regulatory department, was required to devise a system for marking the demarcation boundaries of the regularised colonies from adjoining area in consultation with Director, Urban Local Bodies.

As per the provisions of section 12 (3) of Punjab Schedule Roads and Controlled Areas Restriction of Unauthorised Development Act, 1963 and section 10 (3) of Development and Regulation of Haryana Urban Area Act, 1975, the DTPs are required to recover the expenditure incurred on demolition of unauthorised constructions from the offenders. Audit, however, observed that an expenditure of ` 56.50 lakh⁷ was incurred during April 2008 to March 2012 on demolition of unauthorised structures against which only ` 0.23 lakh were recovered only by DTP, Panipat.

The DG, TCP intimated (November 2012) that during monthly review meeting held in March 2012, DTPs were instructed to invariably resort to enforce the provisions of the above acts for recovery of demolition charges. It was further intimated that serious efforts were being made by DTPs to effect recovery and during 2008-2012, against the expenditure of ` 1.03 crore spent on demolition drives, ` 0.03 crore was recovered from the offenders.

(e) Police Department

Section 12-A of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 and Section 11-B of the Haryana Development and Regulation of Urban Areas Act, 1975, provide that it is the duty of police officers to communicate, without any delay, to the Director or any officer authorised in writing regarding commission of any offense under this Act. Audit noticed that police registered (between April 2008 and March 2012) only five in Jhajjar and 55 FIRs in Kurukshetra against lodging 46 and 60 complaints respectively by the concerned DTPs. Details regarding registration of FIRs was

⁶ Shajra is the graphical image of a specific piece of land or a specific Khasra from the map or plan of a village/estate. It is used to point out the exact location of land, with identification of adjoining or surrounding lands.

⁷ Ambala ` 5.61 lakh, Fatehabad ` 2.79 lakh, Gurgaon ` 16.40 lakh, Jhajjar ` eight lakh, Karnal ` five lakh, Kurukshetra ` 8.65 lakh, Panchkula ` 3.05 lakh and Panipat ` seven lakh

not provided by the other test checked DTPs. The DG, TCPD intimated (June 2012) that there was not a single case where police officers had exercised their powers under Section 11-B of the HDRUA Act. The reply from the Principal Secretary (Home) and Director General of Police was awaited (December 2012).

(f) **Panchayat and Development Department**

Four MCs and one Block Development and Panchayat Officer (BDPO) had incurred an expenditure of ` 5.95 crore on construction of brick street, providing drainage system, etc. in unauthorised colonies as per details given in **Table 2**.

Table 2: Expenditure incurred on development work in unauthorised colonies

Sr. No.	Year	Name of MC / BDPO	Expenditure (` in lakh)
1	2005-10	MC, Bahadurgarh	34.67
2	2008-12	MC, Jhajjar	71.52
3	2008-12	MC, Ambala	430.70
4	2008-12	BDPO, Fatehabad	54.64
5	2010-11	MC, Panipat	3.94
Total			595.47

(Source: Information provided by concerned MCs and BDPO)

In the exit conference (October 2012), the Principal Secretary, Rural Development Department stated that these colonies were part of *Gram Panchayat*, Matana, consisting of 10 wards. Ward numbers seven to ten were part of the colony and residents of these colonies were voters of Matana village. Expenditure incurred for development works was diverted from the *Panchayat* fund and other schemes of the Government. The reply was not in consonance with the views of DTP Fatehabad, as he had intimated (October 2012) that the sites of these colonies were existing within the limit of urban area as well as in control area of Fatehabad town and were unauthorised. Reply from the Principal Secretary, Urban Local Bodies Department was awaited (December 2012).

These points were referred to Director General, Town and Country Planning Department in October 2012, who admitted (November 2012) the lapses committed by various departments in curbing the menace of unauthorised construction. Audit observed that as the overall responsibility of implementing the Development and Regulation of Haryana Urban Area Act, 1975 lies with the Town and Country Planning Department, they should have evolved a mechanism to involve other departments to perform their duties in a coordinated manner under the Acts.

3.2.4 Conclusion

There was haphazard development of unauthorised colonies around towns/cities. Extant provisions in the Acts and Rules to control unauthorised colonies were not being enforced by various departmental authorities as the sale deeds of land were

being registered, water supply and electricity connections were released without obtaining NOC from TCPD/MCs. The Police Department had also not taken action as provided in the rules to prevent the haphazard development of unauthorised colonies.

3.2.5 Recommendations

The Government may consider to:

- ensure strict compliance to the provisions of HDRUA Act, 1975, rules and instructions in a coordinated manner by all the concerned departments to prevent growth of unauthorised colonies and for planned development of land and urbanisation of the State.

Social Justice and Empowerment Department

3.3 Old Age Samman Allowance scheme

3.3.1 Introduction

To provide social security to old persons who are unable to sustain themselves from their own sources and are in need of financial assistance, Haryana Government implemented old age pension scheme from November 1966. The scheme was liberalised from July 1991 by reducing the eligibility age criteria to 60 years from 65 years and the income of ` 50,000 per annum (from 29 November, 2005 which was revised to two lakh from 22 March 2012) from all sources was fixed. The scheme was renamed as “Old Age Samman Allowance” in 2009. The scheme provides for constitution of separate committees in rural⁸ and urban⁹ areas as well as at District level¹⁰ for scrutinising the eligibility of beneficiaries. The scrutiny of eligibility in rural area was to be conducted in village/block and for urban area at the venue fixed by District Social Welfare Officer in consultation with the incharge of Municipal Committee. The scrutiny of applications was to be conducted in the presence of Lambardar and other respectable persons of village for rural areas and Municipal Commissioner or other respectable persons for urban areas.

Under the scheme, a monthly pension of ` 100 from 1 July 1991, ` 200 from 1 November 1999, ` 300 from 1 November 2004 and ` 500 from 1 March 2009 was paid to the eligible persons. Besides, the beneficiaries who were getting this allowance for the last 10 years as on 1 March 2009 were eligible for monthly allowance of ` 700 and those who were drawing allowance at the rate of ` 500 were eligible for an increase of ` 50 per annum after the completion of one year.

Separate committees were constituted for scrutinising the eligibility of person for grant of old age samman allowance in the rural and urban areas. The committees were required to make available application forms to all persons desirous of obtaining allowance and also to guide them in filling up application forms. The committee was to scrutinize each application thoroughly to verify the eligibility of applicant for grant of allowance and was to take into account all available oral and documentary evidence, for this purpose. Information supplied by respectable persons of the area and the neighbours of the applicants was also to be given due weightage by the Committee in forming an opinion about the eligibility of an

8 In rural area, the committee consists of District Social Welfare Officer or his representative, Circle Revenue Officer and a Medical Officer of the Health Department.

9 In urban area, the Committee consists of Officer Incharge of Municipal Committee or Executive Officer or the Secretary of Municipal Committee, District Social Welfare Officer or his representative and a Medical Officer of Health Department.

10 District level committee consists of Chief Medical Officer as Member, District Social Welfare Officer as Member Secretary and Deputy Commissioner as Chairman.

applicant. District level committees were required to examine and decide those cases, where the rural and urban committees were unable to make clear cut recommendations.

3.3.2 Scope and objective of audit

The records in the office of the Director General, Social Justice and Empowerment Department and eight¹¹ out of 21 District Social Welfare Officers (DSWOs) for the period 2007-2012 were test checked between September 2011 and July 2012 with the objective to ascertain the effectiveness of the department in implementation of provisions relating to identification, drawal and disbursement of allowances as provided in the scheme.

3.3.3 Financial management

During 2007-12, old age samman allowance amounting to ` 3,484.68 crore were disbursed against the budget provisions of ` 3,667.38 crore to the beneficiaries as detailed in **Table 3**.

Table 3: Details of budget provisions and actual allowances paid during 2007-12

(` in crore)

Year	Numbers of beneficiaries	Budget estimate	Amount of allowance paid
2007-08	9,95,028	371.07	366.68
2008-09	11,25,372	380.49	408.22
2009-10	12,50,349	924.08	902.79
2010-11	13,86,207	909.69	899.15
2011-12	13,22,569	1,082.05	907.84
Total		3,667.38	3,484.68

(Source: Compiled from the physical and financial progress reports maintained in the Directorate Office)

3.3.4 Audit coverage and methodology

Besides the records of identification of beneficiaries, drawal and disbursement of old age samman allowance to beneficiaries in the offices of the DSWOs in eight selected districts, the audit parties visited 71¹² villages of six selected districts and surveyed 1,159¹³ beneficiaries and *Sarpanches* of concerned villages to see the implementation of the scheme and obtain feedback from beneficiaries on different parameters through issue of questionnaires.

- 11 (i) Ambala, (ii) Gurgaon, (iii) Hisar, (iv) Kaithal, (v) Panchkula, (vi) Rewari, (vii) Rohtak and (viii) Yamunanagar
- 12 (i) Ambala: 22, (ii) Gurgaon: 9, (iii) Hisar: 10, (iv) Kaithal: 12, (v) Panchkula: 7 and (vi) Yamunanagar: 11
- 13 (i) Ambala: 412, (ii) Gurgaon: 160, (iii) Panchkula: 88, (iv) Hisar: 110, (v) Kaithal: 241 and (vi) Yamunanagar: 148

3.3.5 Audit Findings

3.3.5.1 Disbursement of old age samman allowance to ineligible persons

As per provisions of the scheme, the old age samman allowance was required to be given to a person who is a domicile of the State and had completed 60 years or more. Test check of records revealed that the beneficiaries for granting allowances under the scheme were not identified in accordance with the procedure prescribed under the scheme and the allowances were granted to those who were not the residents of the State or who have not completed the age of 60 years and were not eligible for the benefits. There were a large number of complaints regarding drawal of allowances by the ineligible persons. Therefore, the re-verification of beneficiaries was got conducted by the department during the period between November 2011 and January 2012. During re-verification, 12,176 ineligible beneficiaries who were below 60 years of age or were not the residents of the State were identified. The old age samman allowance amounting to ` 15.72 crore were paid to these ineligible beneficiaries during the period ranged between July 1994 and March 2012 (*Appendix 3.10*). This indicated that the identification of beneficiaries at the time of initial survey was not done properly under the scheme.

The payment of allowance to these ineligible beneficiaries was stopped (between November 2011 and March 2012) after recommendations of these committees. But action to recover old age samman allowance of ` 15.72 crore paid to 12,176 ineligible beneficiaries was not taken by the department except in case of Ambala district, where an amount of ` 0.39 lakh out of ` 25.87 lakh was recovered between January and June 2012 after this being pointed by audit.

During a meeting held on 26 July 2012, the Director General, Social Justice and Empowerment Department stated that the efforts were being made to recover the amount. The final action taken in the matter was awaited (December 2012).

3.3.5.2 Disbursement of allowance to persons who were also drawing pension under other schemes

According to the guidelines of the scheme, persons receiving pension from Government or local/statutory body or any organization substantially financed by Government or local/statutory body including income received or accrued from accumulated earnings, provident funds or annuities from any source including Commercial Banks, Financial Institutions or Insurance Companies were not eligible for old age samman allowances. Test check of records revealed that 281 persons of Pinjore Town (District Panchkula) who were already receiving pensionary benefits under other schemes were paid old age samman allowance during February 1999 to November 2011 although they had retired from Government service/autonomous bodies. A sum of ` 71.68 lakh was paid to these ineligible persons. On this being pointed out by audit (March 2012), the DSWO, Panchkula intimated (March 2012) that old age samman allowance to these persons had been stopped from December 2011. But the action to recover the amount from these ineligible persons was not taken (December 2012).

3.3.5.3 *Inadmissible payment of old age samman allowance*

Scheme provides that a person was not eligible for old age samman allowance in case his/her income from all sources together with that of his/her spouse exceeds ₹ 50,000 per annum (₹ two lakh from March 2012). Scrutiny of feedback given by beneficiaries and *Sarpanches* of villages revealed that 128¹⁴ beneficiaries of Ambala, Gurgaon, Hisar and Narnaul districts, whose spouse were retired from Government Board/ Corporation, were paid old age samman allowance amounting to ₹ 29.66¹⁵ lakh in contravention of the provisions of the scheme. The Director General stated (July 2012) that the entire amount would be recovered. Final outcome of the case was awaited as of January 2013.

Above discrepancies indicated that the process of identification of beneficiaries under the scheme was faulty and survey was not done properly to find out eligible persons.

3.3.5.4 *Non-maintenance of data of applicants*

Under the scheme guidelines, the committees at different levels are required to receive and scrutinize the applications seeking grant of allowances. However, the record of applicants as well as proceedings of these committees was not maintained. As a result, audit could not verify the genuineness of the applicants and methodology adopted for scrutiny of applications and selection of beneficiaries.

3.3.5 Conclusion

Prescribed procedure for identification of beneficiaries for payment of old age samman allowance was not adhered to resulting in payment of allowance to ineligible persons. The record containing the proceedings of the selection committees for selection of beneficiaries was also not maintained.

3.3.6 Recommendations

The State Government may consider to:

- streamline the procedure for the identification of beneficiaries to avoid inclusion of ineligible beneficiaries; and
- review and update lists of beneficiaries regularly.

14 Ambala: 96; Gurgaon: 14; Hisar: 04 and Narnaul: 14.

15 Ambala: ₹ 22.14 lakh; Gurgaon: ₹ 1.99 lakh; Hisar: ₹ 0.22 lakh and Narnaul: ₹ 5.31 lakh.

Home Department

3.4 Prisoners released on parole/furlough

3.4.1 Introduction

The Haryana Good Conduct Prisoners (Temporary Release) Act, 1988 provides for the temporary release of prisoners in consultation with the District Magistrate or any other officer appointed in this behalf on parole¹⁶/furlough¹⁷ on the basis of their good conduct for a specified period with specified conditions on the execution of surety bonds with information to police to keep watch on their activities. The prisoners released on parole/furlough are required to report back to the Jail concerned from where they had been released from. The prisoner who does not report back within 10 days after the due date of reporting back, can be arrested by any Police Officer or Prison Officer without any warrant and the amount of surety bonds could be forfeited.

3.4.2 Scope and objectives of audit

Records of Director General, Prisons, Haryana, Superintendents of Police, Deputy Commissioners and Superintendents of Jails in seven¹⁸ out of 21 districts for the period from 2007 to 2011 were test checked during March-April 2012 with the objective to ascertain the deficiencies in implementation of provisions of the rules.

3.4.3 Audit methodology

The records relating to release of prisoners on parole maintained in concerned jails were test-checked. Replies of the department wherever received were kept in view while finalising the audit observations which were also discussed with Additional Chief Secretary to Government, Home Department in the exit conference held on 18 September 2012. The results of exit conference and replies of the department have suitably been incorporated in the para.

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- 16 Parole is conditional release of prisoners on good behaviour and regular reporting to the authorities for a period of time. The period does not count towards total period of sentence of the prison.
- 17 Furlough is period of leave granted to a prisoner, usually as a reward for good behavior. The period counts towards the total period of sentence of the prison.
- 18 (i) Ambala, (ii) Gurgaon, (iii) Hisar, (iv) Jind, (v) Karnal, (vi) Rohtak and (vii) Sonipat.

3.4.4 Audit findings

3.4.4.1 Prisoners released on parole/furlough still at large

A total of 18,496 prisoners were temporarily released on parole/furlough after obtaining surety bonds in the State. Of these, 18,142 prisoners reported back within the permissible period as detailed in **Table 4**.

Table 4: Details of prisoners released on parole/furlough still at large (March 2012)

Year	Prisoners released	Prisoners reported back	Prisoner did not report back
2007	3,397	3,347	50
2008	3,377	3,343	34
2009	3,588	3,508	80
2010	4,043	3,948	95
2011	4,091	3,996	95
Total	18,496	18,142	354

(Source: Information supplied by the Department)

The jail-wise detail of prisoners is given in **Appendix 3.11**. The details given in appendix indicated that the number of prisoners who had not reported back on due date after their parole/furlough was higher in respect of Karnal followed by Sirsa and Hisar jails than those released from other jails.

Table 5 shows position of prisoners released on parole/furlough in seven test checked districts as of 31 July 2012.

Table 5 position of prisoners released on parole/furlough in seven selected districts

Year	Number of prisoners			Number of prisoners absconding		Number of prisoners still absconding
	Released on parole	Reported back on due date	Did not report back on due date	Arrested	Surrendered	
2007	2,408	2,369	39	18	2	19
2008	2,508	2,482	26	12	-	14
2009	2,535	2,471	64	44	2	18
2010	2,729	2,663	66	62	2	02
2011	2,901	2,830	71	54	2	15
Total	13,081	12,815	266	190¹⁹	8	68

(Source: Information supplied by the Department)

The above details indicate that in seven Jails during 2007-2011, out of 266 prisoners who did not surrender on due dates, 190 prisoners were arrested and eight prisoners had surrendered on their own. Remaining 68 prisoners released on parole were still absconding (December 2012).

¹⁹ 16 prisoners were arrested between February and July 2012.

3.4.4.2 Delay in registration of FIR

It was noticed that out of 68 offenders (as indicated in table 5), 49 offenders were involved in heinous crimes and had been sentenced to life imprisonment. Jail Superintendents of concerned Jails had requested the local Station House Officers (SHOs) to register First Information Reports (FIRs) against the offenders and to take further necessary action for their arrest and further conviction. But in 28 cases, the concerned SHOs registered FIR against absconders after a delay of 11 to 224 days and in 11 cases, the FIRs were registered after delay of 3 to 9 days (after expiry of 10 days of due date).

Although, the Jail authorities of Jind and Karnal, had requested the SHOs (of concerned police stations in whose jurisdiction the prisoners were released) to register the FIRs in six cases, yet the FIRs had not been lodged (July 2012). The incharge, Criminal Record Office, Gurgaon intimated (March 2012) that the delay in registering cases will be avoided in future.

3.4.4.3 Non-forfeiture of surety bonds

In 31 cases, surety bonds amounting to ` 85.50 lakh were not forfeited, defeating the very purpose of obtaining such sureties besides leading to loss to Government. Two Deputy Commissioners (DCs) (Gurgaon and Jhajjar) intimated (May 2012) that the efforts to recover the amount from sureties were being made. The DC, Rohtak, intimated (May 2012) that the Jail department was responsible to recover the amount of surety and the concerned Tehsildars have been directed to recover the amount of surety. In 25 cases, Investigating Officers had not made any enquiry regarding whereabouts of the offenders from the sureties of the convicts.

3.4.4.4 Lack of co-ordination

In spite of informing the Police Department regarding release of prisoners on parole/furlough, the Police Department did not monitor their whereabouts. Even after receiving information of non-reporting of prisoner after parole period, timely action to register FIRs and to re-arrest them was lacking. Therefore, proper co-ordination between Jail and Police Department is required to re-arrest the offenders as these offenders could pose a serious threat to society and law and order.

In reply, the Director General of Prisons, Haryana intimated (July 2012) that the Director General of Police had been requested from time to time to issue directions to the concerned SPs to trace out/arrest these parole jumpers and vigorous efforts were being made to arrest the remaining absconders.

The matter was referred to Additional Chief Secretary to Government of Haryana, Home Department in June 2012. An exit conference was held on 18 September 2012 with the Additional Chief Secretary, who while confirming the fact intimated that the relevant rules have been amended to the extent that hardcore prisoners will now be released on parole only for a period of 48 hours for the purpose of death/marriage of his family members with police guard.

Regarding recovery of surety amount he intimated that necessary directions will be issued to the DCs to make the recovery.

3.4.5 Conclusion

There was lack of co-ordination between Jail and Police Departments as a result, a number of hardcore criminals released on parole/furlough remained at large. In 31 cases no action was taken to forfeit surety bonds of ` 85.50 lakh.

CHAPTER-4

AUDIT OF TRANSACTIONS

Audit of transactions of the Departments of Government, their field formations as well as that of the autonomous bodies brought out several instances of lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs under broad objective heads.

4.1 Non-compliance with rules

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but helps in maintaining good financial discipline. Some of the audit findings on non-compliance with rules and regulations are as under:

Health and Family Welfare Department (District Red Cross Society)

4.1.1(a) *Embezzlement due to inadequate internal control*

Embezzlement of ₹ 18,45,500 occurred in District Red Cross Society, Mewat at Nuh due to non-observance of the provisions of financial rules in receipt and deposit of service charges levied for issue of registration certificates of vehicles and driving licenses.

The Indian Red Cross Society (IRC) constituted in 1920 receives money and gifts from the public for the purpose of medical and other aid to the sick and wounded and other purposes of like nature during the war and peace time also.

The Punjab Financial Rules (Rule 2.2 and 2.7) as applicable to the Haryana Government and also to Red Cross Societies require a Drawing and Disbursing Officer (DDO) to satisfy himself that all the monetary transactions are entered in the Cash Book as soon as they occur and the same are attested by him. Rule 2.7 of rule ibid provides that in case, an employee, who is not incharge of the Cash Book, receives money on behalf of the Government, he is required to remit the same to the employee having a Cash Book or deposit the amount into the treasury/bank on the same day or in the morning of the next day. The head of the office under Rule 2.2(iii) is also required to verify all the entries including totals in the Cash Book or have this done by some responsible official other than the writer of the Cash Book and initial all entries as correct.

The Government, in contravention of the provisions of the constitution of the

IRC, decided (October 2000) to implement the Haryana Registrations Information System (HARIS) through the District Red Cross Societies (DRCS). Accordingly, the work of issue of registration certificates of vehicles under the system was entrusted to the DRCS. The district administration fixed (July 2001) service charges at the rate of ₹ 100 for issuing registration certificate for two wheeler, ₹ 300 for vehicles costing upto ₹ three lakh and ₹ 500 for vehicle costing more than ₹ three lakh. Service charges for issuing driving license were fixed as ₹ 50 per driving license. DRCSs were required to collect the service charges and issue receipts in duplicate to the concerned persons. The amounts so collected were required to be deposited with the bank on the same day or the latest by the next day. The DRCSs were required to maintain district as well as tehsil-wise detailed records of service charges collected on daily, monthly and yearly basis.

Scrutiny (September 2011) under Section 20(1) of the Comptroller and Auditor General of India's (Duties, Powers and Conditions of Services) Act, 1971 of the records of DRCS, Mewat at Nuh revealed that at Sub-Divisional Office data entry operators (DEOs) were deployed for collecting service charges on behalf of the DRCS from the general public and for depositing the same with the cashier of the DRCS. Details of amounts collected during a month were never called for by the DRCS from the Sub-Divisional Offices to ensure that amounts of service charges collected from the public were tallied with the amounts deposited by the DEOs. It was also not ensured as to whether the entire money collected by the DEOs was deposited with the cashier or not. Test-check (September 2011) of service charges deposited by two Sub-Divisional Offices (Nuh and Ferozpur Jhirka) revealed that against ₹ 34,50,000 collected from the general public as service charges, only ₹ 16,04,500 was deposited with the DRCS, Mewat at Nuh. This resulted in short deposit of ₹ 18,45,500 which tantamounted to embezzlement by the DEOs.

On this being pointed out (September 2011), the Secretary, DRCS, Mewat recovered (September 2011 and November 2011) ₹ 17,41,650 from the concerned officials but ₹ 1,03,850 was still recoverable. The Secretary stated (February 2012) that this amount of ₹ 1,03,850 was paid against the purchase of computers and would be adjusted in due course of time. The reply was not justifiable as the reasons for non-accountal of money in the cash book of DRCS were not given (December 2012). Further, no disciplinary action had been initiated against the officials responsible for the lapses as of December 2012.

In the exit conference, held on 12 October 2012, the Principal Secretary to Haryana Government, Health and Family Welfare Department assured that a committee would be constituted to draft guidelines for accounting of receipt and deposit of service charges and all the Deputy Commissioners would be asked to enforce internal check for proper accountal of receipts in the DRCS. It was also assured that strict action would be taken against the erring officials. Further action was awaited (January 2013).

Public Health Engineering Department

4.1.1(b) *Embezzlement due to exercising inadequate monitoring and financial control*

Failure of the Executive Engineer/Sub-Divisional Engineer, Public Health Engineering Divisions, Panipat and Mahendergarh in exercising necessary checks as provided for in financial rules facilitated embezzlement of ` 10,30,136 in collection and deposit of water and sewerage charges.

Rule 2.2 (iii) of the Punjab Financial Rules as also applicable to Haryana provides that a Drawing and Disbursing Officer (DDO) should satisfy himself that all the monetary transactions are entered in the Cash Book as soon as they occur and the same are attested by him. Further, Rules 2.7 and 2.4 of Rules *ibid* provide that in case an employee, who is not incharge of the Cash Book, receives money on behalf of the Government, he is required to remit the same to the employee having a Cash Book or deposit the amount into the treasury/bank on the same day or in the morning of the next day.

Scrutiny (January 2012 and March 2012) of records of collection of water and sewerage charges in Public Health Engineering (PHE) Divisions 2, Panipat and Mahendergarh revealed that in Sub Divisions 3 and 5, Panipat and 2, Mahendergarh, the bill clerks were collecting cash daily on account of water supply and sewerage charges from the consumers. However, after issuing cash receipts these were not reflecting in the cash collection registers. The bill clerks had collected ` 40,30,013 between April 2010 and March 2012 but deposited ` 34,09,108 only. As a result, an amount of ` 6.21 lakh was less deposited with the sub divisional clerks (SDC) in PHE Division 2, Panipat and PHE Division, Mahendergarh as detailed in Table 1.

Table 1: Details of amounts short deposited by Bill Clerk

(In `)					
Name of Division	Name of Sub Division	Period	Amount collected	Amount deposited	Amount short deposited
Public Health Engineering Division 2, Panipat	Sub Division 3, Panipat	01 November 2010 to 31 January 2012	3,78,692	3,55,005	23,687
	Sub Division 5, Panipat	01 November 2010 to 31 January 2012	6,67,476	4,13,874	2,53,602
Public Health Engineering Division, Mahendergarh	Sub Division 2, Mahendergarh	01 April 2010 to 14 March 2012	29,83,845	26,40,229	3,43,616
Total			40,30,013	34,09,108	6,20,905

(Source: Compiled from figures supplied by the Department)

Thus, short deposit of ` 6,20,905 by the bill clerks collecting cash tantamounts to embezzlement. Besides, in Sub Division 5, Panipat, an amount of ` 4,09,231 required to be deposited with SDC, was deposited after the delay ranging between two and nine months during October 2010 to September 2011 (*Appendix 4.1*) which was against the provisions of rule 2.4 and 2.7 of Rules *ibid*. This

tantamounts to temporary embezzlement of money received on behalf of Government.

On this being pointed out, the Engineer-in-Chief, PHED while admitting the facts stated (November 2012) that the amount of ` 2,77,289 embezzled in PHE Division 2, Panipat had been recovered and deposited in the Government account and in PHE Division, Mahendergarh the first information report (FIR) was lodged and disciplinary proceedings were initiated.

Lack of financial control by the Sub-Divisional Officers and not following the prescribed procedure for handling the cash had facilitated the embezzlement of Government receipts amounting to ` 10,30,136¹ of which ` 3,43,616 was yet to be recovered (December 2012).

The matter was referred to the Principal Secretary to Government of Haryana, PHE Department in May 2012. An exit conference was held with the Principal Secretary on 22 August 2012, wherein the Engineer-in-Chief, PHE Department was also present. While admitting the facts they intimated that the concerned officials have been charge sheeted. The Principal Secretary assured that suitable instructions to field officials to guard against the recurrence of such lapses would be issued. Final action in the matter was awaited (January 2012).

Irrigation Department

4.1.2 Extra avoidable expenditure due to non-use of excavated earth in dam embankments

Non-use of earth excavated from foundation in embankments of Kaushalya Dam resulted in extra expenditure of ` 1.92 crore.

The Government of Haryana approved (December 2005) the construction of Kaushalya Dam at a cost of ` 51.37 crore. The project estimate was revised in March 2007 to ` 98.18 crore due to change in the scope of work as the height of dam was increased. The estimated cost of the project was kept within ` 100 crore to avoid environmental clearance. The Chief Engineer, Irrigation Department, Haryana sanctioned (October 2007) an estimate for construction of earthen dam for ` 56.22 crore on the basis of drawing and design submitted (July 2007) by the Water and Power Consultancy Services (a Government of India undertaking engaged for consultancy work). The estimate provided (October 2007) for cleaning off and grubbing all the contract area of the dam foundation by removing the jungle and other vegetation. After this, earth upto one metre depth was to be stripped off to remove the over burden and all the excavated material beyond the depth of one metre was to be used in earth fill.

The Superintending Engineer, SYL Circle, Ambala awarded (March 2008) the

¹ ` 2,77,289+` 3,43,616+` 4,09,230=` 10,30,136.

work of 'Construction of Kaushalya Dam and its appurtenant' to an agency² for ₹ 52.99 crore. The Government decided (April 2008) to further increase the top width of the dam to 30 metre for smooth running of vehicular traffic for Sector 3, 4 and 5 of Pinjore developed by Haryana Urban Development Authority and other areas of Pinjore. Accordingly, the Government revised the administrative approval to ₹ 180 crore in November 2008. As a result, the scope of work was increased and agreement was enhanced to ₹ 112.99 crore (June 2009). As per clause 5.4.1 of the contract agreement, the dam embankment section comprised of an impervious core, pervious shell and filter (transition zones), etc. The fill material for these zones was to be obtained from borrow areas which was to be identified and arranged by the contractor at his own cost. The agency completed the work for an amount of ₹ 118.89 crore up to November 2012.

Scrutiny (January 2011) of records revealed that an amount of ₹ 4.59 crore was paid to the agency on account of excavation of 5,39,779 cum earth as per item No. 2 of bill of quantities of the contract document. As per sanctioned estimate, the excavated material beyond the depth of one metre was to be used in earth fill, but no provision was made in the contract document, executed with the agency, for using the excavated earth in the dam. The Department stated (January 2012) that after preliminary surveys and study of borehole data, it was concluded that they might not be able to utilise the excavated earth in pervious shell due to specific requirement/gradation of pervious material. It was observed in audit that out of 5,39,779 cum excavated earth, 2,63,170 cum earth was excavated from the trench below one metre depth, of which 2,26,326³ cum (86 per cent) could have been used for filling. The agency was paid ₹ 1.92⁴ crore for excavation and disposing of this quantity of earth which could have been saved had the provision for using this earth been made in the contract document.

In the exit conference held in August 2012, the Additional Chief Secretary, Government of Haryana, Irrigation Department directed the departmental officers to submit a detailed reply alongwith complete documents. Accordingly, a reply (September 2012) alongwith geological investigation report conducted by Geological Survey of India in October 2007 was supplied, wherein the Department stated that use of earth excavated below the depth of one metre in the pervious shell was inadvertently mentioned in the estimate of October 2007. But it was observed by Audit that according to geological reports, most of the earth to be excavated falls between 'very suitable' and 'fairly suitable' categories for filling in pervious shell. The Department subsequently accepted (October 2012) the fact of suitability of 86 per cent of excavated earth but stated that during excavation by machines the strata of soil would be disturbed which might make the excavated earth unsuitable for using in pervious shell. The reply was not acceptable as Para 8.1-'Choice of Construction Material-Earth Dam' of Indian standard (IS: 8826-1978) 'Guidelines for designs of large earth and rockfill dams' provides that the designer should aim at

² M/S Patel-ARSS Joint Venture, Bhubaneswar.

³ 2,26,326 = 86 per cent of total earth excavated from cut off trench i.e. 2,63,170 cum.

⁴ 2,26,326 cum @ ₹ 85 per cum = ₹ 1,92,37,710 or say ₹ 1.92 crore.

maximum utilisation of the material available from compulsory excavations and also that the provisions made in estimate was required to be followed in actual execution of the project.

Thus, despite the fact that 86 *per cent* excavated earth from foundation was suitable for use in pervious shell and failure of the Department to incorporate a provision in the contract document for usage of this earth resulted in an extra expenditure of ` 1.92 crore.

Education, Labour, Horticulture, Renewable Energy and Transport Departments

4.1.3 Irregular drawal of funds

Education, Labour, Horticulture, Renewable Energy and Transport Departments drew funds of ` 228.38 crore at the strength of budgetary allocations and transferred them to the societies which kept the funds outside the Government accounts resulting in violation of financial rules.

Rule 15 (a) of the Punjab Treasury Rules and Subsidiary Treasury Rules (Treasury Rules) as also applicable to Haryana provides that a Treasury Officer may permit withdrawal of money to meet claims from Government, to pay grants-in-aid and loan and advances, sanctioned by competent authority. Further, Rule 2.10 (b) 5 of Punjab Financial Rules (PFR) Volume-I provides that the amount from treasury should not be withdrawn unless it is required for immediate disbursement and that it is not permissible to draw advances from treasury for execution of works the completion of which is likely to take a considerable time. The Finance Department also specifically disallowed (February 2009) the parking of funds and retention of funds beyond the closure of financial year.

During audit (between January and May 2012) it was noticed that five⁵ departments transferred funds amounting to ` 228.38 crore during 2005-06 to 2010-11 (**Appendix 4.2**) to six societies⁶ registered with the objectives to provide education through EDUSAT, strengthening the Employee State Insurance Health Care System, development of horticulture and renewable energy and establishment of training institute for drivers and traffic research. These transferred funds out of the budgetary allocations of the departments concerned were neither on account of grants-in-aid, nor as loans to societies and were also not paid to meet the claims from Government in near future for any of the purposes specified in Rule 15(a) of

⁵ (i) Education, (ii) Labour, (iii) Horticulture, (iv) Renewable Energy and (v) Transport.

⁶ (i) Use of Technology for Knowledge Advancement for Reorientation of Studies in Haryana (UTKARSH), (ii) State Employees State Insurance (ESI) Health Care Society Haryana, (iii) Haryana State Horticulture Development Agency (HSHDA), (iv) Haryana Renewable Energy Development Agency (HAREDA), (v) Institute of Driving and Traffic Research (IDTR) and (vi) Society for Ashok Leyland Driver Training Institute (SALDTI).

Treasury Rules. Hence, the transfer of funds to societies was irregular.

The amounts so drawn were shown as expenditure under the relevant head of accounts of the concerned department, while actually the amounts were not fully spent by these societies and were lying unspent in the bank accounts of these societies after the close of financial year. The societies kept ` 75.36 crore in fixed deposits and saving bank accounts after the close of financial year which was against the provisions of Rule 2.10 (b) 5 of PFR and directions issued by the Financial Department.

Further, Rule 2.32 A of PFR provides that the Controlling Officer should satisfy himself for the adequacy of provisions of internal check system to prevent and detect errors and irregularities in the financial proceedings. It was observed that though four⁷ out of these six societies were under the direct control of departmental officers, but no efforts were made to control or monitor the expenditure incurred by these societies. It was found that UTKARSH society received an amount of ` 44.62 crore as refund from the suppliers/drawn from the treasury, as indicated in *Appendix 4.3*, which were not deposited in the Government account but kept in a separate bank account. The society utilised ` 20.34 crore during 2010-11 and 2011-12 from this amount without seeking any approval from the Finance Department.

The transfer of funds to the societies and keeping the same outside the Government accounts had resulted in violation of the provisions of Rule 15(a) of Treasury Rules, Rules 2.10 (b) 5 and 2.32A of the PFR and instructions issued by the Government. Further, due to non-utilisation of funds by these societies, the objectives of releasing funds to them could not be achieved fully.

The Principal Secretary, Education Department while admitting the facts during exit conference held in November 2012 stated that the Finance Department had already issued (February 2009) directions on this issue which would be followed in future.

The matter was also referred to the Additional Chief Secretaries and the Principal Secretaries to Government of Haryana, Labour, Transport, Agriculture and Renewable Energy Departments; but their replies had not been received (January 2013).

4.2 Propriety audit/unjustified expenditure

Authorisation of expenditure from public funds is to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money and should enforce financial order and strict economy at every step. Audit has detected instances of

⁷ (i) UTKARSH, (ii) ESI Health Care Society Haryana, (iii) HSHDA and (iv) HAREDA.

impropriety and extra expenditure. Some of the important cases are given hereunder:

Legislative Department (Haryana Vidhan Sabha)

4.2.1 Irregularities in payment of Free Travel Facility

An amount of ` 1.22 crore was drawn on account of free travel facility in violation of provisions of Acts and Rules.

Section 7 (1) of Haryana Legislative Assembly (Allowances and Pension of Members) Act, 1975 provides for free travel facility to every member of the Vidhan Sabha which entitles him (including members of his family) to travel to any place in India or outside India through any mode of transport, and the reimbursement being limited to ` two lakh per annum. Further, Rule 3 of the Haryana Legislative Assembly Members (Free Transit) Rules, 1976 also provides that expenses incurred on journey performed by MLAs (including members of his family) shall be reimbursed to the members on furnishing a 'mere statement' with regard to utilisation of money.

During test-check of records (January and February 2012) of the Secretary, Vidhan Sabha Haryana, following irregularities were noticed in the payment of free travel facility claims to MLAs of 11th and 12th Assembly of the State:

(a) Payment of both free travel facility and travelling allowance for the same period

Rule 9 of the Haryana Legislative Assembly (Allowances of Members) Rules, 1976 provides that Members of Legislative Assembly (MLAs) are entitled to claim travelling allowance (TA) for every journey performed by them for the purpose of attending a session of the Assembly or a meeting of a Committee or for the purpose of attending to any other business under orders of the Speaker connected with his duties as Member from his usual place of residence to the place where the session or the meeting is held or the other business is to be transacted and for the return journey from such place to his usual place of residence.

Fifteen members of the Haryana Vidhan Sabha (HVS) preferred TA bills for the same period during which they had claimed an amount of ` 23.20 lakh on account of reimbursement of free travel facility for visiting various places in the country. Payment of both TA and free travel facility claims for the same period/dates was not in order. Thus, a sum of ` 23.20 lakh was paid in excess to these members on account of free travel facility as per details given in **Appendix 4.4**.

The Secretary, HVS stated during the exit conference held on 28 September 2012 that the excess payment of ` 0.21 lakh for journey under free travel facility had been recovered from one MLA and in respect of remaining 14 MLAs there was a clerical mistake because the word "journey performed by me" was not deleted in

the certificate by the respective MLAs while submitting their claims, as the actual journeys were performed by their spouses or children. The verification of relevant records indicated that the bills were submitted stating the journey was performed by the MLA and not by the family members of the MLA and therefore the claim is irregular.

(b) Payment of free travel facility twice in a year

The free travel facility was admissible up to a maximum of ` two lakh per annum, but in Audit, it was noticed that 26 re-elected members of the 12th HVS were paid free travel facility between November 2009 and February 2010 though they had already availed the facility between April and June 2009 when they were members of the 11th HVS. Thus, in contravention to the codal provisions, 26 members were paid free travel facility twice in a financial year resulting in excess payment of ` 50.73 lakh as per details given in **Appendix 4.5**.

The Secretary, HVS during the exit conference (September 2012) stated that free travel facility was extended twice in a year only to those MLAs who were re-elected to the new assembly. The reply was not correct as these MLAs had drawn free travel facility twice during the financial year 2009-10. The Secretary while agreeing with the audit contention stated that the matter will be brought to the notice of the Speaker, HVS for taking remedial measures.

(c) Irregular payment under free travel facility

Test-check of records (January and February 2012) of the Secretary, HVS revealed that 24 MLAs and their family members performed more than one journey in a year during the period between 2006 and 2009 against one journey in a year as provided in the Act. They had preferred more than one claim for reimbursement of their expenses under free travel facility and had drawn ` 47.61 lakh for the subsequent journeys (**Appendix 4.6**) in the year. As Section 7 of the Act provides for free travel facility for one journey to MLAs and each member of their family individually and not for more than one journey in a year, therefore, the claims preferred for subsequent journeys for same members in the same year were irregular. Out of these, 12 MLAs travelled to avail free travel facility for average distance ranging between 500 KM and 1214 KM (**Appendix 4.7**) in a single day continuously for 3 to 32 days. In the absence of documentary evidence the authenticity of claims could not be verified in Audit.

On this being pointed out, the Secretary, HVS intimated (June 2012) that the MLAs and their dependent family members are entitled to free travel facility to any place in or outside India and to claim re-imbusement of expenses incurred on more than one journey i.e. repeated journeys and that there is no bar in the rules. The reply was not acceptable as the words repeated journeys are nowhere mentioned in the Act. It only provides for reimbursement of actual expenses incurred for undertaking such journey and not journeys.

The general principles and restrictions prescribed in the Punjab Financial Rules

(Rule 2.10) applicable to Haryana for drawing and disbursing and controlling officers provide that every Government employee incurring or sanctioning expenditure from the revenue of the State should be guided by high standards of financial propriety. Authorities should not exercise their powers of sanctioning expenditure to pass an order which will be directly or indirectly to their own advantage. The allowances such as travelling allowance granted to meet expenditure of a particular type should be so regulated that these should not on the whole become a source of profit to the recipients.

Audit further observed that the above rules were framed by the Assembly in such a manner that provisions of free travel facility proved beneficial to their own members and were against the canons of financial propriety. For allowing reimbursement of any expenditure e.g. travel claims, there has to be bills or vouchers to be relied upon by the treasury officers before passing the same for payment. Also substituting the basic documents such as bills or vouchers with 'mere statement' is against the spirit of treasury rules governing such claims. Since the reimbursement of expenses on the basis of 'mere statement' was also against the financial propriety, the expenditure incurred could not be vouchsafed in audit and chances of false claims cannot be ruled out. As such, drawal of ₹ 47.61 lakh for subsequent journeys was irregular.

The Secretary, HVS during exit conference held on 28 September 2012 stated that the matter will be brought to the notice of the Hon'ble Speaker for reconsideration and suitable amendment in the rule.

Administration of Justice Department (Advocate General)

4.2.2 Faulty selection of Law Officers

Engagement of Law Officers without assessing workload and without inviting applications resulted in payment of idle wages of ₹ 2.22 crore.

In order to deal with legal cases on behalf of Haryana Government in various Courts of Law, Tribunals and Commissions, the Additional Chief Secretary to Haryana Government, Administration of Justice Department engages Law Officers in various capacities on contract basis as per terms and conditions prescribed by the State Government.

With a view to verify the work assigned to these law officers and work actually performed by them, the complete records relating to daily duty rosters, vetting registers and cause lists of Courts for six months⁸ between December 2009 and January 2012 maintained in the office of the Advocate General, Haryana selected randomly was test checked (May 2012) and following irregularities were noticed:

⁸ December 2009, August 2010, November 2010, March 2011, November 2011 and January 2012.

- There was no prescribed procedure for assessment of work for engagement of Law Officers on contract. The number of Law Officers on roll to plead legal cases in various courts at Chandigarh increased from 98 in December 2009 to 179 in January 2012 although the number of courts where they were to defend the cases remained the same during the above period.
- The Law Officers were engaged without giving any advertisement or wide publicity.
- In the test-checked months, on an average, more than 50 per cent Law Officers remained without work. As detailed in **Table 2**, on an average the percentage of idle Law Officers with total available strength had arisen from 54 in December 2009 to 78 in January 2012. There was no monitoring of work assigned to these Law Officers by the Department.

Table 2: Detail of Law Officers (LOs) without work and payment of idle salary

Month	Number of LOs on roll	Working days available in the month (excluding Court holidays and vacations)	Average number of LOs without any work on particular days of the month	Percentage of LOs who remained without any work	Number of LOs without work for complete month	Idle salary paid to LOs without work for whole month (in `)
December 2009	98	11	54	55	20	10,33,872
August 2010	137	21	70	51	27	19,40,983
November 2010	151	18	100	66	42	30,88,534
March 2011	153	22	97	63	58	42,21,554
November 2011	169	21	123	73	63	49,51,868
January 2012	179	20	140	78	87	69,48,786
Total idle salary paid to Law Officers without assigning any work						2,21,85,597 say ` 2.22 crore

(Source: Daily duty roster and vetting registers maintained in the office of Advocate General)

- In the test-checked months, the number of Law Officers ranging between 20 and 87 had not been allotted any work for whole of the month resulting in idle salary payment of ` 2.22 crore to these Law Officers for six months as detailed above.

In January 2012, out of 179 Law Officers on the roll on an average, 140 Law Officers had not been allotted any work and 87 Law Officers were without work for whole of the month. However, later on the Department discontinued the services of 26 Law Officers in June 2012. This shows that Law Officers were engaged without assessing the requirement on the basis of work or work norms or workload prevailing in the Department. No such exercise was found to be done while engaging such Law Officers.

The matter was discussed in detail with the Additional Chief Secretary to Government of Haryana, Administration of Justice Department in an exit

conference held on 23 October 2012. During the meeting it was stated that some guidelines should be in place to assess the vacancies on the basis of workload and selection of Law Officers should be made in a transparent manner. The Department was doubtful about the high percentage of Law officers without assigning any work and stated (November 2012) that though the work was generally assigned to a team comprising more than one Law Officer but in the daily duty roster name of only one Law Officer was mentioned. It was further added that these Law Officers perform multifarious duties/functions such as research of law for particular pending cases, for general updating of latest case law, preparing factual and legal notes, preparing compendium or judgements, etc. However, no requirement or need was felt to keep record of such assignments as the concerned Law Officers were responsible to deal with the cases entrusted to them.

The contention of the Department that the names of all team members were not mentioned in daily duty roster was not acceptable as during re-verification of daily duty rosters, after the exit conference, it was found that wherever a team was deputed for a specific work, names of all the team members were mentioned therein.

Thus, the engagement of excess Law Officers without assessing the quantum of work and without resorting to fair and transparent selection method, resulted in allowing more than 50 *per cent* Law Officers without work and payment of idle salary of ` 2.22 crore.

Public Works Department (Buildings and Roads)

4.2.3 Avoidable expenditure on reconstruction of a portion of road

Expenditure on the same road by PWD and Haryana State Roads and Bridges Development Corporation Limited on widening and strengthening resulted in avoidable expenditure of ` 1.03 crore.

The Government of India, Ministry of Shipping, Road Transport and Highways (MORT&H) administratively approved (August 2007) the work of “widening and strengthening of Sonipat-Kharkhoda-Sampla-Jhajjar-Dadri Road which includes section Jhajjar Chowk to Railway *Phatak* in Sampla Town in a length of 0 to 1.685 km” for ` 3.80 crore under Central Road Fund. The Superintending Engineer, Public Works Department (PWD) (Buildings and Roads) (B&R), Rohtak Circle, Rohtak after inviting the tenders (November 2007) allotted (December 2007) the work to an agency (M/s Gawar Construction Company) in a package of three roads⁹ including section Jhajjar Chowk to Railway *Phatak* in

9 Widening and Strengthening of roads from:
i. Two lanes to four lanes old Rohtak- Delhi Road.
ii. Sonipat-Kharkhoda-Sampla-Jhajjar-Dadri Road (Section Jhajjar Chowk to Railway *Phatak* in Sampla Town in a length of 0 to 1.685 km).
iii. Railway Road in Sampla City.

Sampla Town, at an estimated cost of ₹ 11.11 crore with a completion period of nine months. The agency completed (March 2009) the work at a cost of ₹ 11.11 crore, of which the expenditure of ₹ 2.43 crore was incurred on the above road. As per terms and conditions of the contract agreement, the agency was to bear the cost of defects on roads during a period of two years and maintain the road for five years from the date of completion i.e. March 2009.

During test-check (July 2011) of records of the office of the Executive Engineer (EE), Provincial Division No. 1, Rohtak, it was noticed that while the work was under execution by M/s Gawar Construction Company, the Haryana State Roads and Bridges Development Corporation Limited (HSRDC) allotted (May 2008) the work of “Improvement by widening, strengthening, re-construction, raising, etc. of two roads¹⁰ to another agency (M/s Unity BBEL Joint Venture) for ₹ 240.44 crore. This work was in progress and an expenditure of ₹ 120.07 crore was incurred upto February 2011. Scrutiny of records further revealed that the portion of Sonipat-Sampla-Jhajjar-Dadri Road (Section of SH-20) km 0 to 95.150, falling between 52.02 km and 53.705 km was the same portion of Sonipat-Kharkhoda-Sampla-Jhajjar-Dadri Road (Section Jhajjar Chowk to Railway Phatak in Sampla Town, length 0 to 1.685 km), the widening and strengthening of which was got done by the EE, Provincial Division No. 1, Rohtak between December 2007 and March 2009 and was under defect liabilities period as per clause 1.1 and 35 of contract agreement. The HSRDC paid ₹ 1.07 crore for widening and strengthening of this portion of road between May 2008 and September 2010. Only an amount ₹ 4.44 lakh on account of top bituminous layer was recovered (March 2011) for 0.370 km length (km 52.02 to km 53.370) and no recovery was made for remaining portion of the road (December 2012). Thus, the expenditure of ₹ 1.03 crore (₹ 1.07 crore minus ₹ 0.04 crore) incurred by HSRDC on already widened and strengthened portion of the road was avoidable.

On this being pointed out (July 2011) the EE, Provincial Division No. 1, Rohtak intimated (November 2011) that the fact of transfer of the road to HSRDC was not known to them. On the other hand the HSRDC stated (January 2012) that the work was executed on the basis of detailed project report prepared by the PWD (B&R). These replies indicate that there was lack of coordination between PWD (B&R) and HSRDC although they were working under the control of the PWD (B&R).

In an exit conference held in November 2012 with the Principal Secretary to Government of Haryana, PWD (B&R), the Engineer-in-Chief stated that the EE, Provincial Division No. 1, Rohtak had carried out the routine maintenance of the road in the first work whereas in the second work, got executed by HSRDC, complete road was widened and strengthened with richer specification. The contention of the Department was not acceptable as the first work was sanctioned

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- | | | |
|----|-----|---|
| 10 | i. | Sonipat-Sampla-Jhajjar-Dadri road (Section of SH-20) km 0 to 95.150 and |
| | ii. | Gurgaon-Farrukhnagar-Jhajjar road (State Highway-15-A). |

by MORT&H, GOI under Central Road Fund (CRF) scheme with complete MORT&H specifications including widening and strengthening of existing carriageway which include same specification for bituminous macadam, tack coat and premix carpet, etc. as carried out in subsequent work. The work so executed was under the defect liability period for which there was no co-ordination between two executing agencies of PWD (B&R).

Thus, lack of co-ordination between the two executing agencies of PWD (B&R), who undertook widening and strengthening work of the same road simultaneously within a span of six months, had resulted in avoidable expenditure of ` 1.03 crore.

Public Health Engineering Department

4.2.4 Avoidable expenditure on purchase of costly material

The Engineer-in-Chief, Public Health Engineering Department procured high cost stainless steel cage type vee wire wound (SS) screen instead of low cost low carbon galvanized cage type vee wire wound (LCG) screen resulting in avoidable expenditure of ` 89 lakh.

According to Punjab Financial Rules (applicable to Haryana) (Rule 15.2), purchase of store must be made in a most economical manner, in accordance with the definite requirement of the public service.

In a meeting of Chief Engineers, Public Health Engineering (PHE) Department held in August 2010 under the chairmanship of Engineer-in-Chief (EIC), it was deliberated that the life of tubewell mainly depends upon the life of Screen used for tubewells. It was decided to procure stainless steel cage type vee wire wound (SS) screen instead of low carbon galvanized cage type vee wire wound (LCG) screen used in boring the tubewells on the plea that SS screen does not get corroded and filter area is not reduced. EIC sought (September 2009) the comments of Superintendent Engineers (SEs) of PHE Circles, Ambala, Karnal, Sonapat and Gurgaon on the performance of LCG screen already in use. But before obtaining their comments and demands, EIC placed (December 2010) orders to supply 922¹¹ metre pipes for PHE Division No. 2, Faridabad and PHE Division, Sohna.

During the execution of orders, the SE, PHE circle, Gurgaon intimated (January 2011) to the EIC that tubewells in Sohna and Faridabad areas were sustainable for three to six years and as such there was no use of lowering costly SS screen instead of low cost LCG screen. The rate of LCG screen was ` 4,572.95 per metre whereas SS screen was purchased at the rate of ` 14,251.50 per metre. There was difference of ` 9,678.55 per metre in the rates of these screens. The material was supplied in January 2011 and payment of ` 1.30 crore was made (March 2011). Out of 922 metre pipes supplied to these divisions 509

11 422 metre to PHE Division No. 2, Faridabad and 500 metre to PHE Division, Sohna.

metre pipe had been used in tubewells (January 2013).

A study conducted (2007) by the Central Ground Water Board (CGWB), Ministry of Water Resources, Government of India disclosed that there were frequent cases of failure of tubewells in Faridabad and Sohna area of Gurgaon districts. The tubewells render maximum 4-5 years of service and become defunct either due to decrease in discharge of water or the water becomes silty. The shortening of life of the tubewells is due to chemical action known as incrustation. Water tends to deposit mineral on the screen surface and in the pores of the formation, thus plugging the screen opening and the pores of the formation just outside the screen thereby decreasing discharge of the tubewells. The pH¹² of water in the areas is more than 7.5 which causes frequent failure of tube wells. To remove the problem of incrustation, the board had recommended periodic muriatic acid treatment of tubewells. In view of the report of the CGWB, lowering of SS screen was not appropriate and instead proper treatment was required to resolve the problem of incrustation. As such, the decision of the Department to use such costly material without assessing its demand and suitability lead to an extra avoidable expenditure of ₹ 89 lakh¹³ on purchase of SS screen.

On this being pointed out (September 2011), the EIC intimated (October 2011) that after some period LCG screen gets corroded and the filter area is reduced which leads to reduction in the yield of tubewells and ultimately its failure. The reply was not acceptable as the problem with the tubewells in the area was of incrustation not of corrosion and no complaint of LCG screen was received from the field. Therefore, no fruitful purpose was served by lowering the SS screen instead of LCG screen and the decision of the Department to procure costly screen instead of the screen already in use was not prudent and lacked in financial propriety.

The matter was discussed with the Principal Secretary to Government of Haryana, Public Health Engineering Department in an exit conference held in August 2012 wherein it was intimated that the SS screen was in use for the last two to three years only as such no study regarding feasibility of pipes had been undertaken. The Principal Secretary intimated that a study in this regard would be undertaken in due course and results would be intimated to Audit. Final outcome was still awaited (December 2012).

12 pH means “potential of hydrogen or power of hydrogen”. pH is actually the ratio of Hydronium ions (H₃O) to Hydroxide ions (OH). A pH neutral liquid has a pH of 7, while the strongest acids have a number closer to 1 and the strongest bases have a pH number closer to 14.

13 ₹ 9,678.55 (₹ 14,251.50-₹ 4,572.95)/metre * 922 metre = ₹ 89,23,623 say ₹ 89 lakh.

Food and Supplies Department

4.2.5 Loss due to procurement of wheat with lustre loss

District Food and Supplies Controllers, Kaithal and Kurukshetra procured wheat with lustre loss for Food Corporation of India on which a cut of ` 1.46 crore was imposed on refund resulting in loss to the State Government.

The Food and Supplies Department (Department) procures Fair Average Quality (FAQ) foodgrains for the Central Pool on behalf of the Food Corporation of India (FCI) on Minimum Support Price (MSP) fixed by the Government of India (GOI) and delivers it as per directions of FCI. The Department raises bills as per MSP fixed by the GOI and the FCI pays accordingly. The District Food and Supplies Controller (DFSC) and his staff are responsible for ensuring purchase of FAQ of grains as per uniform specifications issued by the GOI for specific seasons. Uniform specifications for purchase of Wheat and Barley of all varieties for Rabi Marketing Season (RMS)-2009-10 provide that the wheat should have natural size, shape, colour and lustre.

Audit observed (September 2011 and February 2012) during test-check of records of two¹⁴ districts, that DFSCs procured 5,37,173 MT wheat with lustre loss¹⁵ during April and May 2009 for RMS 2009-10 without any value cut for quality. The Director, Food and Supplies requested (July 2009) GOI to issue directions to FCI to accept deliveries of wheat with lustre loss. The GOI allowed part relaxation (September 2010) in the quality of wheat purchased to the extent that wheat containing upto 10 *per cent* affected kernels may be accepted with no value cut and wheat containing between 11 to 49 *per cent* affected kernels may be accepted with 1/4th of one full value cut on MSP.

The DFSCs delivered 69,714 MT of lustre lost wheat during the period from July 2010 to December 2011 containing affected kernels between 11 and 49 *per cent*. The FCI imposed cuts and deducted a sum of ` 1.46 crore from claims of DFSCs.

Thus, procurement of lustre lost wheat without any cut in the value and without prior permission from FCI on whose behalf the wheat was purchased had resulted in loss of ` 1.46 crore to the State Government.

During exit conference (September 2012), the Additional Chief Secretary (ACS) to Government of Haryana, Food and Supplies Department, stated that the procurement of wheat was made only after it was agreed to by the FCI and also that the wheat of similar quality was procured and supplied from other districts, for which value cut was not made by the FCI. The ACS further stated that the matter would be taken up with the FCI to reconsider this issue and to refund the amount so deducted.

14 Kaithal and Kurukshetra.

15 Loss of brightness of wheat due to rain.

The contention of the Government was not corroborated by the records of the Department. Further action in the matter was awaited (October 2012).

Transport Department

4.2.6 *Extra expenditure on purchase of bus chassis*

Due to non-consideration of negotiated rates, an extra expenditure of ` 2.26 crore was incurred on purchase of 337 Tata make bus chassis.

The Government constituted (June 2010) a High Powered Purchase Committee (HPPC) headed by the State Finance Minister for procurement of store items. All the Government departments were required to place their indents with the Director, Supply and Disposals (DS&D) for procuring and placing the proposals before HPPC for consideration and decision with regard to the purchase of stores above ` 30 lakh.

The Government accorded approval for purchase of 673 “Haryana Shakti” type buses for its 20 Roadways depots of which ten each were having buses of M/s Tata Motors Ltd (Tata) and M/s Ashoka Leyland Ltd (Leyland) make. With a view to augment the bus fleet and to replace buses with the same make, the Director General, State Transport (DGST) invited quotations (June 2010) for purchase of bus chassis from these two manufacturers. In response, Tata and Leyland, quoted (June 2010) rates of ` 9.63 lakh and ` 9.77 lakh per chassis (inclusive of excise duty and VAT), respectively. The DGST decided (August 2010) to downsize the procurement to only 241 bus chassis of Tata make and the case was discussed on 7 September 2010 by HPPC. The rates quoted by Tata were considered on the higher side, therefore, the HPPC decided to bring fresh agenda note after including Leyland in competition, so that the rates could be renegotiated. Accordingly, the Department again collected quotations (September 2010) from these two manufacturers. This time the Department placed (November 2010) the case for purchase of 673 bus chassis before the HPPC. The manufacturers quoted rates of ` 9.31 lakh (Tata) and ` 9.85 lakh (Leyland) per chassis. The HPPC after negotiations with the manufacturers approved (November 2010) purchase of 673 chassis in 50:50 ratio at the rate of ` 9.31 lakh from Tata and at the rate of ` 9.48 lakh from Leyland. The Department placed purchase order (December 2010) for supply of 337 bus chassis of Tata make and 336 of Leyland, respectively.

Audit observed (March 2011), that in response to the DGST letter (2 September 2010), M/s Tata had reduced (3 September 2010) its rates from ` 9.63 lakh to ` 8.64 lakh, which was equivalent to the rate finalised by Andhra Pradesh State Road Transport Corporation (APSRTC) in May 2010. But instead of submitting the new quoted rate of ` 8.64 lakh, the Department placed the rates of ` 9.63 lakh in the HPPC meeting held on 7 September 2010 which were considered on the higher side and were rejected. The HPPC finally approved (November 2010) the

rates of ` 9.31 lakh for Tata make which were higher by ` 0.67 lakh per bus chassis than the quoted rates of 3 September 2010.

The Department incurred an extra expenditure of ` 0.67 lakh per bus chassis by not bringing the new quoted rates to the notice of the HPPC. This concealment of facts from HPPC resulted in incurring extra expenditure of ` 2.26 crore¹⁶ on purchase of 337 buses at higher rates.

During exit conference held on 29 August 2012 the Additional Chief Secretary to the Government of Haryana, Transport Department stated that as per the decision of the then DGST, proposal for procurement of only 241 buses (as against 673) from Tata was submitted to the HPPC which was not agreed to. The HPPC decided to call for quotations from both Tata and Leyland. This took further time during which earlier rates offered by Tata were withdrawn. However, the fact remains that due to withholding of new quoted rates by the DGST, the HPPC was unable to take judicious decision and resulted in incurring an extra expenditure of ` 2.26 crore.

**Town and Country Planning Department
(Haryana Urban Development Authority)**

4.2.7 Non-recovery of lease rent from petrol pumps

Due to failure on the part of four Estate Officers in recovery of rent due, revision of rent after three years, non-charging of rent for additional filling points of petrol pumps installed subsequently, HUDA was deprived of the revenue of ` 5.25 crore

As per Section 15 (3) of Haryana Urban Development Authority (HUDA) Act, 1977 the Authority may sell, lease or otherwise transfer whether by auction, allotment or otherwise any land or building belonging to it on terms and conditions provided in the regulations.

Under the provisions of HUDA Act, HUDA leased out 11 petrol pump sites at Gurgaon, Panipat and Sonipat falling under four Estate offices¹⁷ (EOs) test checked, at a monthly rent ranging between ` 5,000 and ` 47,802 for one filling point each of petrol and diesel during the period between May 1995 and August 2002 depending upon the site location. The allotment letters *inter alia* provided that these rates would be applicable for the first five years and for every additional filling point of petrol/diesel additional rent of 12.5 per cent of the monthly rent would be charged. In October 1997, HUDA revised the policy and decided to increase the lease rent of each petrol pump by 25 per cent after every three years.

16 337 buses @ ` 0.67 lakh per bus = ` 225.79 lakh say ` 2.26 crore.

17 (i) Estate Officer-I, Gurgaon, (ii) Estate Officer-II, Gurgaon, (iii) Estate Officer, Panipat, and (iv) Estate Officer, Sonipat

Scrutiny of records (April-June 2012) of these EOs revealed that though the EOs HUDA after conducting the surveys identified that 130 additional filling points had been installed in these petrol pumps but no demand for additional lease rent was raised at any stage and the demands for payments of usual rent were being raised from all the allottees of petrol pumps. Even the lease rent of petrol pumps had not been revised in test checked EOs as required in the policy. Due to non-charging of rent for additional filling points, HUDA had been deprived of additional revenue as the recoverable amount had increased to ` 5.25 crore as detailed in *Appendix 4.8*.

A mention was made in para 4.6.7 in the Report of Comptroller and Auditor General of India for the year ended March 2003 (Civil) Government of Haryana regarding 'Non-recovery of rent' of ` 1.49 crore from petrol pump owners by HUDA. However, despite the assurance given (November 2007) to Public Accounts Committee no efforts were made to recover the amount. Thus failure on the part of Estate Officers to recover the amount had deprived of HUDA revenue amounting to ` 5.25 crore.

The Principal Secretary, Town and Country Planning Department stated in his reply (November 2012) that instructions have been issued to all EOs to recover the complete amount by March 2013. Final outcome was awaited (January 2013).

4.3 Failure of oversight/governance

The Government has an obligation to improve the quality of life of the people for which it works towards fulfillment of certain goals in the areas of health, education, development and upgradation of infrastructure, *etc.* However, Audit noticed instances where funds released by the Government for creating public assets for the benefit of the community remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. A few such cases are mentioned below:

Education Department

4.3.1 Non-functioning of terminals installed under EDUSAT programme

Lack of monitoring by UTKARSH Society led to non-functioning of 56 per cent terminals installed by spending ` 90.59 crore under EDUSAT programme besides non-supply of equipment by ISRO, blockade of funds meant for repair of ROTs and non-availability of whereabouts of 93 ROTs.

The Ministry of Human Resources Development, GOI (MHRD) in collaboration with Indian Space Research Organisation (ISRO) had launched (September 2004) a major project for enabling satellite communication network for supporting

extensive reach of quality education at all levels through the EDUSAT (a dedicated satellite for education). ISRO was to provide basic equipment like one Hub and 10 Satellite Interactive Terminals (SITs) to every State. Additional SITs and Receive Only Terminals (ROTs) were to be procured by the State Government. The State Government had constituted (June 2005) a Steering Committee of 11 members¹⁸ to take policy decisions and chalk out modalities for setting up of EDUSAT and got registered a society naming UTKARSH¹⁹ (Society) with the objective to make use of EDUSAT for various educational, health, cultural, research programmes, etc. A Memorandum of Understanding (MOU) was signed (April 2006) among MHRD, State Government and ISRO according to which the ISRO was to supply, install and commission the terminals in Government Primary, Senior Secondary Schools, Colleges, Polytechnics, Engineering and Management Colleges, District Institutes of Education and Training, State Council of Education, Research and Training, Head Offices, etc. and operate terminals during the warranty period of three years i.e. upto April 2009. Identification of location for Hub and all receiving ends, getting the site ready for installation, safe custody of items and creating mechanism and required manpower for running and maintenance of the equipment was to be provided by the State Government.

Scrutiny of records (June 2012) of UTKARSH Society revealed that the State Government made payment of ` 90.59²⁰ crore (` 89.97 crore by three Directorates of Education Department and ` 0.62 crore by Technical Education Department) between 2005-06 and 2007-08 against the proforma invoices raised by ISRO for installation of 10,992 terminals in various educational institutions identified by these departments. However, 10,818 terminals were installed at different educational institutions in the State between May 2006 and October 2008. Out of the remaining 174 terminals, 81 ROTs and audio equipment (valuing ` 0.69 crore) were yet to be supplied by ISRO as the Society had not finalised sites (June 2012) and whereabouts of 93 ROTs (valuing ` 0.58 crore) were not provided by the Society. The system remained functional for a short period and went down in March 2010 due to traffic transfer from EDUSAT to INSAT 4CR by ISRO. Although, the activity of traffic transfer at HUB was completed (May 2010) but the receiving ends remained non-functional till March 2011. A large number of terminals remained non-functional after March 2011 also due to minor faults and requirement of minor repairs.

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- 18 Steering committee members: 1. Principal Secretary to Chief Minister Haryana; Financial Commissioners and Principal Secretaries, Government of Haryana 2. Development and Panchayats, 3. Agriculture, 4. Women and Child Development, 5. Health, 6. Social Welfare, 7. Education, 8. Technical Education and Industrial Training departments 9. Higher Education Commissioner, 10. Nominee of ISRO and 11. Nominee of MHRD.
- 19 UTKARSH – Use of Technology for Knowledge Advancement and Reorientation of Studies in Haryana.
- 20 Director, Higher Education (October 2005): ` 6.28 crore; Director, Secondary Education (March 2006 to April 2007) : ` 44 crore; Director, Elementary Education (April 2006 to November 2007) : ` 39.69 crore and Director, Technical Education : ` 0.62 crore
-

In order to make the system functional, the Society appointed 21 Junior Engineers (JEs) (one JE for each district) from January 2011 for attending complaints of SITs and ROTs. These JEs visited and compiled monthly technical reports. The report for December 2011 showed that these JEs visited 8,077 terminals out of 10,818 terminals and found that 5,221 (65 per cent) terminals were not functioning due to faulty UPS, dead batteries, faulty minor link equipment, etc. Upto July 2012, 5,779 terminals (56 per cent) out of 10,282 visited terminals were out of order for want of minor repair and replacement of minor equipment. The Society failed to monitor the working of these equipments for such a long period i.e. since transfer of traffic to another satellite in May 2010 and no suitable measures for making the system functional were taken despite the fact that the terminals required minor repairs, equipment, etc. for which technology was relatively simple and facilities were widely available with local direct to home (DTH) operators. This had not only deprived the students of intended benefits of the programme but also an investment of ₹ 47.01 crore was lying unutilised as detailed in **Table 3**.

Table 3: Details of Terminals remained non-functional as of July 2012

Equipments	Terminals Installed	Terminals visited by the Society in December 2011	Found Non-functional in December 2011	Terminals visited by the Society in July 2012	Found Non-functional in July 2012	Investment lying unutilized (₹ in crore)
SITs	512	373	328 (88 per cent)	430	341 (79 per cent)	10.71
ROTs	10,306	7,704	4,893 (63 per cent)	9,852	5,438 (55 per cent)	36.30
Total	10,818	8,077	5,221 (65 per cent)	10,282	5,779 (56 per cent)	47.01

(Source: Compiled from the information supplied by the Society)

The physical verification of terminals by Audit, alongwith JEs of the Society, in 34 schools of five districts²¹ revealed that the terminals were non-functional for want of minor repairs, non-functioning of batteries/link equipment, interruption in power supply, etc. and in six schools listed in the **Table 4** status of terminals was different from the status given in the technical report.

Table 4: Details of schools where terminals found non-functional during physical verification

Sr. No.	Name of the School	District	Status as per technical report	Actual status found on physical verification
1.	Government Primary School (GPS), Mithapur	Ambala	Fine and working	Non-functional for last three months as theft of equipments and FIR registered three months ago.
2.	Government Senior Secondary School, Mustafabad	Yamunanagar	Fine and working	System non-functional for four months.
3.	GPS, Thana Chappar	Yamunanagar	Fine and working	System non-functional for one year.
4.	GPS, Gadhoola	Yamunanagar	Fine and working	System non-functional for two months.
5.	GPS, GT Pur	Jind	Fine and working	System non-functional for eight months.
6.	GPS, Karkhana	Jind	Single site with ID No. 6332 and in working condition	Two sites installed and both were non-functional for one year.

(Source: Information collected during physical verification)

21 Ambala, Jind, Panchkula, Sirsa and Yamuna Nagar.

Two sites shown fine and working in the monthly technical report but found non-functional during the physical verification is also depicted in the photographs given below:



For maintenance of ROTs, the Society had made a onetime payment of ` 0.70 crore (` 700 per school) to all the schools of the State during the year 2007-08 and 2008-09. Out of this, ` 0.61 crore were lying unutilised with the schools.

The matter was discussed in detail with the Principal Secretary to Government of Haryana, Secondary Education in exit conference held on 9 November 2012 wherein the Department accepted the lapses and stated that the efforts were being made to monitor the performance of JEs and to procure spare parts. Besides, the Department was planning to hire a private agency for maintenance of whole network.

Thus, the Society failed to address the problems in the network as only 21 JEs were appointed for a huge network of 10,818 terminals in January 2011 that is after three years of installation of terminals and only 4,000 batteries were purchased against the requirement of 16,000 batteries. Due to lack of monitoring by the Society, the objectives of the programme to provide extensive reach of quality education at all levels could not be achieved as 56 *per cent* terminals were still not functioning (November 2012). It also led to non-receipt of equipment costing ` 0.69 crore from ISRO due to non-identification of sites by the Society, non-utilisation of funds by schools amounting to ` 0.61 crore and non-providing of record relating to whereabouts of 93 ROTs (valuing ` 0.58 crore).

Public Health Engineering Department
4.3.2 Loss of interest due to non-deposit of amounts in Government account

The Government sustained loss of interest of ` 1.30 crore due to non-transfer of funds into Government account. Besides, there was a loss of interest of ` 1.15 crore due to keeping the funds provided by Government of India in non-interest earning account in Bank.

Yamuna River is the main source of water to Delhi and some parts of Haryana. To reduce pollution load in the river, Yamuna Action Plan (YAP) Phase II, a Centrally Sponsored programme, was started in December 2004. The scheme was being implemented on 85:15 cost sharing basis between Central and State Governments. The Cabinet Committee on Economic Affairs, Government of India (GOI) in its meeting held in November 1998 decided to release the funds directly to the implementing agencies to avoid delay in execution of work. To implement the order of GOI, the Steering Committee on YAP further decided (December 1999) that funds would be released to the nodal agencies by National River Conservation Directorate (NRCD) from the year 2000-01. While releasing the funds, the NRCD further directed that the funds released for the projects should be operated through a separate interest earning bank account and interest earned should be credited to the project and reflected in the utilization certificates. It was further provided that the interest would be adjusted towards further releases for the project.

In compliance to GOI directions, Finance Department, Haryana Government accorded (June 2001) permission to open Personal Ledger Account (PLA) in the name of the Engineer-in-Chief (EIC), Public Health Engineering Department (PHED), Haryana. The Haryana Government decided (June 2001) that the funds received from GOI would be kept in a Bank account and Head of Department would issue cheques to deposit the amounts in receipt head of the State Government. Thereafter, Finance Department would issue letter of credit (LOC) for release of funds to the concerned divisions for execution of works. The EIC, PHED opened a saving bank account (interest earning account) in Haryana State Co-operative Bank (HARCO), Sector 17, Chandigarh in June 2001 which was subsequently converted into current account (non-interest earning account) in July 2004.

Scrutiny of records (October 2011) in the office of the Engineer-in-Chief, PHED revealed that an expenditure of ` 58.83 crore was incurred on various projects during the period from 2005-06 to 2011-12. Funds amounting to ` 52.90 crore were received from GOI during this period. Out of total expenditure of ` 58.83 crore, ` 50 crore were to be deposited in the Government Account (85 per cent share of GOI). The Department, however, deposited ` 46.29 crore in the State Government receipt head although there were sufficient funds in the HARCO Bank Account, thereby making a less deposit of ` 3.71 crore (September 2011). The amount of less deposit in the Government account ranged between ` 0.38 crore and ` 6.06 crore during March 2006 and November 2011.

Had the department deposited the amount on due dates in the Government account, it would have saved loss of interest of ` 1.30 crore (worked out at the rate of seven *per cent* i.e. minimum Treasury bill rate, **Appendix 4.9**) which otherwise paid on loans raised by Government. Thus, the Government sustained a loss of interest due to non-deposit of funds in Government account instead of keeping the same in the bank outside the Government account.

Besides above, as per instructions of GOI, the funds received from GOI were to be kept in interest bearing bank account. It was observed that the funds were kept in the current account (non-interest bearing account) during the period from January 2005 to January 2012. However, on this being pointed out by Audit (November 2011), the Department opened a saving (interest bearing) bank account in February 2012. Keeping of funds in current account resulted in loss of interest of ` 1.15 crore.

On this being pointed out (March 2012) the Principal Secretary, PHED stated (August 2012) that LOC to the extent of net amount excluding centage charges was issued to the divisions, therefore, amounts to that extent were deposited in the Government account after withdrawing the same from the bank account and that the balance amount of ` 4.71 crore was deposited (December 2011) in the Treasury. Thus, the reply itself indicates that the department had not acted earlier prudently for depositing the amount in the treasury with reference to expenditure (85 *per cent* i.e. central share) which caused loss of interest to the Government. As regards keeping of funds in the current account, it was stated that the funds were kept in a saving bank account in HARCO, Chandigarh which was converted in current account as the bank refused to maintain saving account for fund provided by GOI and the position was intimated to NRCD who never objected to keeping funds in current account. The matter was also discussed in exit conference held with the Principal Secretary on 22 August 2012, where the EIC reiterated their reply but the document in support of refusal by bank to open saving account was not shown. The reply was not acceptable as according to RBI instructions (July 2004), the restriction of opening a saving bank account does not apply to the schemes sponsored by Central Government. Thus, due to non-deposit of funds in Government account from bank account, the Government sustained loss of interest of ` 1.30 crore. Besides, keeping the funds in non-interest bearing account had also resulted in loss of interest of ` 1.15 crore.

4.3.3 Unfruitful expenditure on construction of storm water drain

Public Health Engineering Division No. 1, Kaithal spent an amount of ` 1.55 crore on construction of storm water drain and pump house in Pundri Town without making proper arrangement for disposal of waste water, rendering the expenditure incurred unfruitful.

Para 1.3 of the manual of sewerage and sewage treatment issued (December 1993) by GOI, Ministry of Urban Development provided that while designing waste water collection, treatment and disposal systems, planning was to generally begin from the final disposal point (tail end), going backwards to give

an integrated and optimum design to suit the topography and the available hydraulic heads, supplemented by pumping, if essential.

In order to improve the sanitary conditions of Pundri town in Kaithal district, the Financial Commissioner and Principal Secretary, PHED, Government of Haryana administratively approved (September 2005) a scheme for 'Providing Storm Water Drain' at Pundri Town for ` two crore. Estimate for 'Construction of storm water drain and disposal work at Pundri Town' approved (March 2007) by the EIC, PHED provided for disposal of storm water partly in Habri Drain and partly in Jatheri Drain. Storm water of Mandi area, Pai road and Pundri town was to be disposed of through pumping station into *katcha* sullage carrier along the Pai road which ultimately falls in Jatheri Drain.

Tenders for the work were invited in four parts during September 2005 and November 2008 by the Executive Engineer (EE), PHED-I, Kaithal and the works of construction of drains were allotted to four agencies with a completion time of two to six months. All the works were completed during February 2009 at a cost of ` 1.55 crore.

Scrutiny (August 2011) of the records of EE, PHED-I, Kaithal revealed that the *katcha* sullage carrier, in which storm water was being disposed of through pumping station, was not only causing difficulty to the nearby residents (as seen in photograph taken on 10 April 2012) particularly belonging to village Jatheri but it had also developed into a mosquito breeding centre.



Waste water discharged in *katcha* drain flowing in the open area in Pundri (10 April 2012)

Waste water was overflowing and entering in the nearby agriculture fields frequently damaging crops. Further scrutiny of records disclosed that proper survey of the area was not done to assess as to whether this *katcha* sullage carrier would be able to sustain the flow of waste water before falling in Jatheri Drain, which was the basic requirement for successful implementation of the scheme and subsequently, another estimate for construction of storm water drain from disposal works to Jatheri drain for ` 2.05 crore was got approved from the Flood Control Board in January 2011. The work was allotted (May 2011) to an agency

with a completion period of four months. But the agency could not start the work as waste water was spread over at various places of town creating slush/*daldal*. The Superintending Engineer, PHE Circle, Kaithal suggested (March 2012) the EIC, PHED to drop the scheme as it was not technically feasible and stated that a new proposal would be submitted after taking into account the site conditions. Further developments in the matter had not taken place (December 2012). The sullage and storm water continued to flow in the open which continued as Mosquito breeding centre and creating health problems to nearby residents.

The EE, PHED-I, Kaithal (April 2012) informed that the expenditure would be fruitful only if the disposal would be connected properly with the main Jatheri drain after construction of reinforced cement concrete (RCC) storm water drain.

On this being pointed out in Audit (April 2012), the Principal Secretary to Haryana Government, PHED intimated (July 2012) that there was no provision for construction of *pucca* sullage drain in the original estimate finalised in February 2009 and the work was carried out as per provision in the estimate and there was no problem of disposal of storm water in Pundri Town. He had further stated that the provision made for construction of RCC storm drain through another estimate was withdrawn as the same was not feasible as per site conditions. The reply was not acceptable as the disposal of storm water was in the open which would cause health problem to the residents. This shows that the scheme was implemented without proper planning and survey for the final disposal of water and without carrying out the survey of the area to assess as to whether this *katcha* sullage carrier would be able to sustain the flow of waste water before falling in Jatheri drain. The matter was again discussed in the exit meeting held on 22 August 2012 where the Principal Secretary assured that efforts would be made to complete the remaining work (*pucca* sullage carrier) at the earliest. Final outcome was awaited (December 2012).

Thus, implementation of the scheme without proper planning and survey for the final disposal of waste water resulted in unfruitful expenditure of ` 1.55 crore incurred on construction of drains and installation of pumping machinery.

4.3.4 Unfruitful expenditure on sewerage scheme of Ambala City

<p>Commencement of work on sewerage scheme in Ambala City without obtaining permission from National Highway Authority of India to lay trunk sewer along National Highway-1, resulted in unfruitful expenditure of ` 9.42 crore.</p>

According to Para 1.9.4.3 (g) (x) of the Manual on Sewerage and Sewage Treatment of Ministry of Urban Development, GOI, it is necessary to outline any legislative and administrative approvals required to implement the project including permission for construction across or along roads while preparing feasibility report of a project. Further, Para 15.2.1 of Haryana PWD Code provides that no work should be commenced unless necessary clearances such as cutting of trees, environmental clearance, crossing railway line, using the right of

way or crossing the road, etc. are obtained from the concerned authorities.

In order to provide sewerage facilities²² to newly approved colonies falling under ward number 5 and 31 of Ambala City, the State Sanitary Board approved (November 2007) an estimate for ₹ 14.96 crore. The area falls between Ambala-Chandigarh Railway line in the east and National Highway No-1 (NH-1) in the west. The trunk sewer was proposed along NH-1 in the *katcha* portion of right of way (ROW) and the main pumping station and sewerage treatment plant (STP) was also proposed adjoining NH-1. The land was acquired (December 2008) for ₹ 69.04 lakh for establishment of STP. The EE, PHE Division, Ambala Cantt. invited (between December 2007 and June 2009) tenders for the works 'providing and laying of main sewer of various sizes' and works were allotted to four agencies²³ between January 2008 and August 2009 at an amount of ₹ 8.82 crore with a completion time of 12 to 18 months. The agencies completed the work valuing ₹ 5.21 crore upto March 2011. Similarly, the work of 'Construction of STP' was awarded (August 2009) to an agency at an amount of ₹ 2.91 crore with a completion time of nine months. The agency completed work and payment of ₹ 2.30 crore was made to the agency upto March 2011. A total expenditure of ₹ 9.42 crore²⁴ including cost of land was incurred on the work up to January 2012. No work was executed on trunk sewer line and STP was lying non-functional.

It was observed that the EE sought (September 2008) permission from National Highway Authority of India (NHAI) to lay sewer line in ROW of NH-1 in a length of 4.6 km. The NHAI did not permit (February 2009) for laying sewer lines along NH-1 as the available land was required for six laning of the road. The NHAI further clarified (November 2009) that since service road, exit and entry, truck and bus lay bye²⁵ and flyover were to be constructed in the reach of 4.6 km, the Department should find alternative site for laying the sewer line without entering within ROW/NHAI land. However, the Department again requested (December 2009) to NHAI for granting permission to lay the sewer line but it finally conveyed (November 2011) that they had decided not to allow laying of sewerage line along NH-1.

During Audit (February 2011 and February 2012), it was noticed that the work of laying of sewer lines was started in January 2008 even before seeking permission from NHAI (September 2008) for laying of trunk sewer in ROW of NH-1. The

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- 22 Laying of interception, diversion and internal sewer, collecting tanks, rising main, intermediate pumping stations, main pumping station, sullage carrier and sewerage treatment plant
- 23 Name of agencies/agreement amount (amount paid): (i) Shri Anil Deswal: ₹ 2.62 crore (amount paid ₹ 0.14 crore); (ii) M/s MR Construction Co: ₹ 1.26 crore (amount paid ₹ 0.90 crore); (iii) Shri Shyam Kumar: ₹ 1.36 crore (amount paid ₹ 0.96 crore) and (iv) Shri Rohtas Kumar: ₹ 3.58 crore (amount paid ₹ 3.21 crore)
- 24 Land acquisition: ₹ 0.69 crore; Payment to agency ₹ 5.21 crore; Payment for STP ₹ 2.30 crore; value of store material: ₹ 0.98 crore and payment against petty agreements: ₹ 0.24 crore
- 25 Bus lay bye is a diversion on the road for temporary halt of buses for boarding of passenger, etc.
-

construction of STP was commenced (August 2009) even after the denial of permission (February 2009) by NHAI for laying of trunk sewer in ROW of NH-1. Thus, both the works were started without obtaining permission from NHAI although this was pre-requisite as per PWD Code which provides that no work should be commenced unless necessary clearances such as cutting of trees, environmental clearance, crossing railway line, using the right of way or crossing the road, etc are obtained from the concerned authorities. Thus, by not adopting proper procedure laid down in PWD Code for commencement of work, the expenditure of ` 9.42 crore incurred on the scheme remained unfruitful (April 2012).

On this being pointed out by Audit (June 2012), the Principal Secretary to Government of Haryana, PHE Department intimated (August 2012) that the sewers laid had been made functional by commissioning the intermediate pumping station (IPS) and discharging the sewage through *Katcha* drain already flowing alongwith NH-1 from



where it was being lifted to three MLD capacity STP constructed under the scheme. He had further stated that the work of laying of trunk server from IPS to STP will be taken immediately after receiving the permission from NHAI for which the case was at advance stage. The matter was also discussed in the exit meeting held on 22 August 2012, where the Principal Secretary to Government of Haryana again informed that matter for laying sewer line along National Highway-1with NHAI was at advanced stage and scheme would be made functional, immediately after the receipt of permission. The reply was not acceptable as the trunk sewer line which was to carry the sewage to STP had not been laid and untreated sewage was being discharged in the Ambala Drain as shown in the photo and STP remained non-functional. Since untreated sewage water contains organic/inorganic and other toxic matter which is injurious to the general human health, disposal of sewage water in Ambala Drain was not proper. The final outcome was awaited (December 2012).

Public Works Department (Building and Roads)

4.3.5 Unfruitful expenditure on incomplete building

Incorrect preparation of estimates and starting the construction of a building without inspecting the site to ascertain the field conditions and scope of work resulted in unfruitful expenditure of ` 88.89 lakh as the building of Zila Sainik Rest House, Yamunanagar remained incomplete.

Para 10.1.3 of Haryana Public Works Department code (code) provides that while preparing the estimate of any project, the site should be inspected to ascertain field conditions, including availability of land. The estimate should be cost-effective proposal for the intended purpose and be as accurate as possible. The estimate should incorporate ground conditions as ascertained during the site visit.

The Chief Secretary to Government of Haryana accorded (November 2005) an administrative approval for ` 62.36 lakh for construction of Zila Sainik Rest House and office building for Zila Sainik Board in Yamunanagar. *Gram Panchayat*, Gobindpura provided (April 2003) the land for the building free of cost. The land in question was being utilised for disposal of waste water of the village by inhabitants and it was practically in the shape of a pond instead of piece of land which required filling before commencement of the work. The *Gram Panchayat* further laid a condition that proper arrangement should be made for disposal of waste water through a sewerage scheme.

The Executive Engineer (EE), Jagadhari Provincial Division, Yamunanagar allotted (January 2007) the work for construction of building for Zila Sainik Board to an agency²⁶ at an estimated cost of ` 60.76 lakh with a completion period of six months without assessing the suitability of land. The agency after executing the work to the tune of ` 74.38 lakh (paid in January 2009) left the work incomplete (January 2009) due to protest by villagers. An expenditure of ` 88.89 lakh was incurred on the work up to November 2011.

As the site of the building was in a pond and required heavy filling, the EE submitted (February 2009) a revised estimate for ` 117.36 lakh to the EIC, PWD (B&R). The Chief Secretary to Government of Haryana accorded (November 2009) revised administrative approval for this amount. The Sainik Board deposited the balance funds of ` 55 lakh²⁷ with the division during January 2010 and February 2011. But no further work was executed as the agency was not ready to execute the balance work at the old rates. Meanwhile, the Department submitted (April 2011) another revised estimate for ` 2.21 crore to the *Rajya Sainik Board* for obtaining revised administrative approval because of increase in scope of work due to extra provision of earth filling and extra foundation work in shape of filling instead of normal foundation. The case of administrative approval

26 M/s Anil Mehta, Government contractor.

27 January 2010: ` 25 lakh; August 2010: ` 10 lakh; January 2011: ` 10 lakh and February: ` 10 lakh.

was pending with Finance Department and the work was lying abandoned as of December 2012 (as depicted in the photograph below).



Scrutiny (February 2010) of records of the EE, Jagadhari Provincial Division, Yamunanagar revealed that the EE prepared the rough cost estimate without inspecting the site and ascertaining the field conditions which was the pre-requisite for preparation of estimates as per para 10.1.3 of the Haryana Public Works Department Code. The Chief Secretary accorded (November 2005) the first administrative approval on the basis of rough cost estimate prepared by EE. Further, the work on the building was started without ascertaining the scope of work as per site conditions. The complete scope of work was not even assessed while revising the estimate in November 2009 and the estimate had to be revised again in April 2011 for ` 2.21 crore. Further, no proposal had been made for laying sewerline in the Gobindpura village (October 2012).

On this being pointed out, the EE intimated (November 2010 and January 2012) that the work could not be completed as the site of the building was in a sewerage pond requiring heavy fillings, protest by villagers for not providing sewerage facility and non-deposit of balance funds by the Department. The matter was also discussed with the Principal Secretary to Government of Haryana, PWD (B&R) in exit conference held in November 2012 where in the Department intimated that initially the estimate for ` 62.36 lakh was sent to the client Department on the presumption that dry piece of land would be provided for construction of building but the site provided was a sewerage pond which required heavy filling due to which the estimate had to be revised and re-revised and the work was held up due to non-deposit of balance funds by the Department.

The argument of the Department was not correct as the rough cost estimate was not prepared correctly as per provisions of the PWD Code after inspecting the site to ascertain the field conditions and scope of the work. Further, the Department should have taken up the matter regarding disposal of waste water of the village with the Public Health Engineering Department before starting the work to avoid protest from villagers. The contention of the Department regarding non-deposit of funds by the client Department was also not convincing as they had deposited the entire funds of ` 117.36 lakh in phases but the Department could not restart the work due to refusal of the contractor to execute the work at old rates. Thus,

incorrect preparation of rough cost estimate without inspecting the site to ascertain the field conditions coupled with not taking up the matter of disposal of waste-water of the village with appropriate authority hindered the construction of building which ultimately resulted in unfruitful expenditure of ` 88.89 lakh incurred on construction of the abandoned building besides depriving of its intended benefits.

Transport Department

4.3.6 Underutilisation of buses for want of drivers and conductors

Procurement of buses without making arrangement of staff for their operation resulted in their underutilisation besides non-achievement of the objectives of JnNURM.

The Ministry of Urban Development, GOI decided (January 2009) to provide assistance to State Governments for procurement of buses under Jawaharlal Nehru Urban Renewal Mission (JnNURM) for providing organised and efficient city bus services. Accordingly, the Transport Department, Haryana submitted (February 2009) a detailed project report to GOI for requirement of 288 buses for providing urban transport system in Faridabad city. The GOI sanctioned (February 2009) its share of cost that is ` 27.30 crore for purchase of 150 buses under the scheme. The State Government was to bear the balance 50 *per cent* cost. The Transport Department placed purchase orders for 150 buses (45 AC buses and 105 non-AC buses) between August 2009 and January 2010. Out of this, 102 buses arrived in the Faridabad Depot between December 2009 and August 2011 and the balance 48 buses in April 2012. Thus, the delivery of all 150 buses was received by the Department.

The city buses procured under JnNURM were to run minimum of 180 kilometres (kms) per day on city routes. One driver and one conductor per bus were required to operate for each eight hour shift. The utilisation of buses could further be increased to 360 kms per day by providing 2.5 drivers and 2.5 conductors per bus. Audit observed (November 2011) that the Department did not recruit additional drivers and conductors for operation of newly purchased buses under JnNURM. Though the Department sent the requisition to Haryana Staff Selection Commission yet it did not yield the results. Thereafter, the Director General, State Transport Department advertised for recruitment of drivers and conductors in December 2011. Consequently, these buses, except 15 low floor Volvo buses, could not be utilized to a minimum of 180 kms per day. Against this norm, actual operation on an average was 75.60 kms per bus per day. Even after taking into consideration 10 *per cent* under utilisation allowance on buses due to their detention for unavoidable circumstances, the buses were underutilized to the extent of 53 *per cent* during the period 2010-12. Thus the objectives of JnNURM of providing organized and efficient city bus service in Faridabad remained unachieved to a large extent.

The Additional Chief Secretary to Government of Haryana, Transport Department informed (August 2012) that the requisition for recruitment of staff was submitted to recruitment agency of the State well in time. As such, delay in recruitment was not on the part of the Department.

The point, however, remains that non-recruitment of staff corresponding to the process of procurement of buses resulted in underutilisation of buses to the extent of 53 per cent besides non-achievement of the objective of JnNURM of providing organized and efficient city bus service in Faridabad.

Agriculture Department (Haryana State Agricultural Marketing Board)

4.3.7 Blockade of funds on construction of incomplete buildings of Agro Malls due to ill planning

The Haryana State Agricultural Marketing Board started construction of four Agro Malls at Panchkula, Karnal, Panipat and Rohtak without finalising their detailed project reports and drawings with the result that the buildings remained incomplete leading to blocking of ` 132.52 crore.

Paragraph 9.5 of Haryana PWD Code 2009 (Paragraph 2.89 of earlier PWD code), stipulates that for every work proposed to be carried out, a detailed estimate based on essential drawings and preliminary structural and service designs must be prepared for sanction of the competent authority. The spirit being that the proposals are technically sound, specifications are appropriate for the service intended, and the estimates are realistic, based on adequate data. Paragraph 10.6.12 of PWD Code further provides that preferably all the architectural and structural drawings should be available at the time of award of the work and if that is not possible, a phased schedule specifying target dates by which complete architectural and structural drawings shall be supplied may be fixed.

In order to provide modern facilities to the consumers where they can get all types of goods required for their daily use under one roof, Haryana State Agriculture Marketing Board (HSAMB) approved (July 2007 to December 2008) construction of Agro Malls in four cities (Karnal, Panchkula, Panipat and Rohtak). The administrative approvals amounting to ` 122.62 crore²⁸ to construct four agro malls in these towns were accorded by the Chairman, HSAMB during July 2007 and December 2008. The tenders for the works were invited during April 2008 and February 2009 and the civil works were allotted to various agencies at a total cost of ` 90.62 crore²⁹ with completion time of 12 months for every work. After allotment of work, the scope of work in Panchkula was increased by making

28 Panchkula ` 24.82 crore (July 2007), Panipat ` 22.27 crore (June 2008), Rohtak ` 45.51 crore (December 2008), Karnal ` 30.02 crore (June 2008)

29 Panchkula 24.00 crore (April 2008), Panipat 16.63 crore (September 2008), Rohtak ` 33.05 crore (February 2009), Karnal 16.94 crore (September 2008)

additional provision of basement and one storey and in Rohtak covered area of agro mall was increased due to provision of additional shops. In Karnal, the rough cost estimate was got approved on plinth area basis due to which the quantities and cost had increased. As such, revised administrative approvals amounting to ` 49.80 crore (October 2008) for Panchkula, ` 89.53 crore (March 2011) for Rohtak and ` 47.28 crore (September 2011) for Karnal were accorded by the Board. Though an expenditure of ` 132.52 crore had been incurred on the works in four cities upto October 2012 yet all the buildings were still incomplete (December 2012).

Test check of records relating to construction of malls (March 2012) revealed:

Agro Mall, Panchkula

The Detailed Notice Inviting Tender (DNIT) for the work of construction of Mall building was approved for ` 23.97 crore by Chief Engineer, HSAMB, Panchkula, in February 2008 and work was awarded in April 2008. The Board rescinded the agreement in March 2010 and the work was lying abandoned due to non-finalisation of further designs. A total expenditure of ` 14.42 crore was incurred on the work (March 2010). Tenders for the balance work were invited in January 2012 and the work awarded to another agency in March 2012 for ` 16.55 crore with a completion time of one year.



Photograph of Agro Mall, Panchkula lying abandoned (date 21 March 2012)

Audit observed that the work of construction of building was awarded in April 2008 whereas the work of preparing drawing and design was allotted to a separate agency in May 2008. As a prudent practice the detailed design and drawings should have been drawn first and the cost estimates of the construction drawn later on. The work was incomplete (December 2012).

Agro Mall, Panipat

For Agro Mall, Panipat, the work was awarded (September 2008) for ` 16.63 crore with time limit of one year. Again the work was awarded without finalisation of design and drawings. The revised drawings were provided to the agency as late as in May 2009, due to which after executing work to the tune of ` 1.33 crore, the agency left the work incomplete. A penalty of ` 1.66 crore was levied against the agency which was not imposable as there were no means to impose it. Balance work was re-awarded at previous

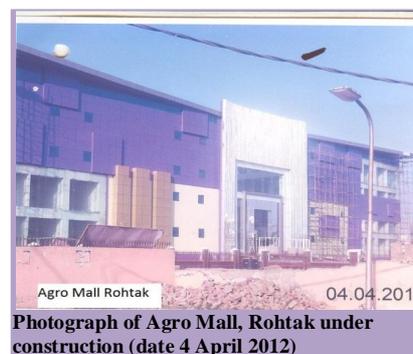


Photograph of Agro Mall, Panipat under construction (date 2 May 2012)

agency's risk and cost (April 2010) for ` 10.44 crore. The second agency had executed the work to the tune of ` 11.75 crore. The work was still incomplete (December 2012).

Agro Mall, Rohtak

Agro Mall, Rohtak's construction covering an area of 18,288.96 square metres was administratively approved at a cost of ` 45.51 crore by the Board. The work was allotted (February 2009) to an agency for ` 33.05 crore. The plans were revised and covered area was enhanced from 18288.96 to 31305.11 square metres to construct more shops. The revised administrative approval amounting to ` 89.53 crore was accorded by the Board in March 2011 for completion of work by February 2012. An expenditure of ` 76.68 crore (including electrical expenditure of ` 17.30 crore) was incurred till October 2012 but the work was still incomplete (December 2012).



Agro Mall, Karnal

The work was awarded (September 2008) at a cost of ` 16.94 crore with time limit of one year. An expenditure of ` 28.34 crore (including electrical expenditure of ` 8.86 crore) had been incurred till October 2012 but the work which was required to be completed by September 2009 was still incomplete (December 2012).



Apart from above, Audit observed other shortcomings:

- Non-scheduled items amounting to ` 15.42 crore (Panchkula-` 0.63 crore, Karnal-` 1.20 crore and Rohtak-` 13.59 crore) were got executed by the concerned Executive Engineers without obtaining approval of the competent authority.
- Provision of recovery of welfare cess from the construction agencies in terms of Building and Other Construction Work Welfare Cess Act, 1996 was not made, which added the Board with a liability of ` 12.74 lakh.

The Principal Secretary, Government of Haryana, Agriculture Department in an exit conference held on 22 November 2012 stated that the conditions of preparation of detailed estimates and design, etc. before award of work were not included in the contracts as Haryana PWD Code was made applicable from November 2009 whereas tenders for the work were finalised before that date. The

reply was not based on facts as these conditions already existed in the old PWD code and standard bidding documents. The Department intimated that welfare cess could not be recovered from the contractors as no clause was incorporated in the agreements as this was made applicable in the Board from April 2008. The reply was not acceptable as levy and deduction of cess was a statutory requirement and was applicable for all construction works in Haryana from February 2007.

Thus, the works were conceived and allotted without finalizing their actual requirements, detailed project reports, approved designs and drawings and assessing the complete scope of work. There was also lack of planning in formulating the projects and contract agreements as the main conditions of levying of penalty on account of non-completion of work in time and deduction of welfare cess were not incorporated in the contract agreements. These led to compromising the financial interests of the Board and resulted into blockade of funds amounting to ` 132.52 crore on incomplete buildings and the intended benefits not reaching the target group.

**Town and Country Planning Department
(Haryana Urban Development Authority)**

4.3.8 Undue benefit to contractors due to refund of cess

Refund of labour cess to contractors resulted in additional expenditure of ` 63.62 lakh to Haryana Urban Development Authority besides undue financial aid to the contractors.

Government of India (GOI) enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act). The main objective of the Act was to regulate the employment and conditions of service for building and other construction workers. The GOI, Ministry of Labour vide notification dated 26 September 1996 specified that cess at the rate of one *per cent* of the total cost of construction was to be levied on the employer. Accordingly, the Haryana Government framed (March 2005) the Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules 2005. Further, it constituted (November 2006) Haryana Building and Other Construction Workers Welfare Board (Board) to carry out the welfare schemes for construction workers and imposed (February 2007) cess at the rate of one *per cent* in accordance with the requirements of the Cess Act. The cess was to be deducted at source on building or other construction works of Government or Public Sector Undertakings from the bills paid and the proceeds of the cess collected were to be transferred to the Board. The cess so collected was required to be spent for the welfare of building and other construction workers on schemes like maternity benefits, pension, advances for purchase or construction of houses, disability pension, loans for

tools, payment of funeral assistance, death benefits, medical assistance, financial assistance for education and marriage of children, etc. The Government in a meeting of all the Heads of the Departments decided (26 June 2007) that where the works were being carried out through contractors, their new contracts were to be awarded by incorporating provision for deduction of cess and for already running projects, the departments were to add one *per cent* of the cost to their bills and transfer these proceeds of cess to the Board.

Test-Check of records (June 2009 to March 2010) of five³⁰ Executive Engineers (EE) of the Haryana Urban Development Authority (HUDA) Divisions revealed that welfare cess of ` 63.62 lakh was deducted from 16 contractors who executed 27 works (*Appendix 4.10*) during the period from June 2007 to October 2008. The deducted amounts were deposited with Board between July 2007 and February 2009. On the representation by agencies/contractors, the Chief Administrator (CA), HUDA directed (June 2008) all the EEs to refund the amount of cess recovered after 2 November 2006, in cases where the clause regarding deduction of cess was not included in the agreement. The five EEs refunded the cess amounting to ` 63.62 lakh to the contractors between July 2008 and June 2010. Scrutiny further revealed that the agreements executed with these contractors contained provision to the effect that the rates given were inclusive of all other taxes as applicable. In view of this clause the refund of cess to the contractors tantamounts to undue financial aid to contractors, resulting in additional expenditure of ` 63.62 lakh to HUDA.

In his reply, CA, HUDA stated (July 2012) that refund of cess was allowed to those contractors where there was no clause in the agreements. The action of CA, HUDA was not as per the provisions of the agreements as there was provision in the agreements to the effect that the rates given were inclusive of all taxes as applicable. Thus, the refund of cess resulted into additional expenditure of ` 63.62 lakh besides undue financial benefit to contractors.

The matter was demi-officially referred to Financial Commissioner and Principal Secretary to Government of Haryana, Town and Country Planning Department (March 2012); but their reply has not been received (December 2012).

4.3.9 Undue favour to the Society

A school building at Rohtak constructed at a cost of ` 11.09 crore was leased out to an Educational Society at a token lease amount of ` 100 per annum resulting in undue favour to the Society.

As per Section 13 of Haryana Urban Development Authority (HUDA) Act, 1977 the objects of Authority shall be to promote and secure development of all or any other areas comprised in an urban area. It was observed that as per policy guidelines (February 2009), HUDA had been carving out plots for various community

30 (i) HUDA Electrical Division Gurgaon: ` 1.86 lakh; (ii) HUDA Division No. 1 Gurgaon: ` 9.10 lakh; (iii) HUDA Division No. VI, Gurgaon: ` 9.58 lakh; (iv) HUDA Division Rohtak: ` 30.83 lakh and (v) HUDA Division Panipat: ` 12.24 lakh.

building sites like creches, school, hospital, etc. and also constructing buildings on some of the sites and handing over the same to the respective departments on 99 years lease hold basis on a nominal token lease of ` 100 per annum. The policy guidelines for leasing school buildings *inter alia* provides that:

- The applications for leasing of constructed school buildings constructed by HUDA shall be invited through advertisement.
- Only the reputed NGOs registered for the last two years before the date of issue of advertisement were eligible to apply.
- Only those NGOs who are working in the field of imparting education to the poor on charitable basis were eligible.
- Buildings were to be leased out initially for a period of five years at token lease money of ` 100 per annum which was to be renewed for another five years subject to performance of the Society.

Scrutiny of records of the Estate Office, Rohtak revealed that HUDA constructed a building for Senior Secondary School on a plot measuring 22,132 square metre at a cost of ` 11.09³¹ crore in Sector 4, Rohtak for its transfer to the Education Department without ascertaining the needs from the Education Department. The Estate officer, HUDA, Rohtak handed over (February 2010) the building to the President, Model School Society, Rohtak without inviting tenders at a token lease of ` 100 per annum for a period of 30 years by giving relaxation to the Society from the policy guidelines.

On this being pointed out (October 2010), the Principal Secretary to Government, Town and Country Planning Department and Director General, Urban Estate Department (UED) during exit conference held in November 2012 stated that the school building was leased to the Society where predominantly, the Government officers including Deputy Commissioner (DC) are its members/ Chairperson, are running the affairs of the Society in their ex-officio capacity on “No profit no loss” basis. The DG, UED further stated that the necessity of advertisement about giving school building on lease through press was not felt as it was strongly recommended by the DC and Administrator, HUDA, Rohtak to allot the building to the Model School Society. Further, the Society was imparting high standard of education to the residents of Rohtak and no objection was conveyed by the Director General, School Education, Haryana.

The plea of the Department was not acceptable as the lease agreement in the absence of wide publicity in the media lacked transparency which tantamounts to undue favour to the Society. The Society was charging hefty fee ranging between ` 1,400 and ` 2,100 per month from each student for different classes as compared with nominal or no fee being charged by Government schools thereby negating the claim of the Principal Secretary and Director General, UED that the said model school was running on ‘no profit and no loss’ basis like Government

31 Cost of construction: ` 2.26 crore; Land cost: ` 8.83 crore.

organisation. The contention of the PS and DG that high standard of education was being provided by the said model school to the 'residents' of Rohtak did not hold good as the students belonging to poor families/economically weaker sections (EWS) were not able to afford admission in model school. Against the required reservation for 201 students of EWS category (25 per cent of total strength prescribed by Government) for the academic year 2012-13, only two students of EWS category were admitted in this school by the school management. Further, against the provision of leasing the building initially for five years in the lease policy, the building was leased for 30 years.

It was further noticed during audit that besides leasing the school at a token lease amount of ₹ 100 per annum, an amount of ₹ 39.50 lakh (detailed in **appendix 3.2**) was given to the Society during 2009 to 2011 as discretionary grants.

Thus, in violation of the policy guidelines, undue favour was extended to a Society by leasing out the school building constructed at a cost of ₹ 11.09 crore at a token lease amount of ₹ 100 per annum.

Town and Country Planning Department

4.3.10 Grant of licenses to private colonizers

Due to non-renewal of these licenses, renewal fee amounting to ₹ 1.86 crore remained unrecovered from colonizers. Further, absence of system to watch revalidation of bank guarantees resulted in expiry of bank guarantees of ₹ 1.92 crore.

The Director General (DG), Town and Country Planning Department (TCPD) grants licenses in terms of Section 3 of the Haryana Development and Regulation of Urban Areas Act, 1975 and the Rules made thereunder, to Colonizers³² for developing residential group housing or plotted colonies on payment of prescribed fee and conversion charges. The license initially valid for a period of two years can be renewed on annual basis till the completion of colony on payment prescribed renewal fee. During the period from 2001-02 to 2010-11, the Department issued 863 licenses to colonizer in the State. Of these, 225 license files were checked in audit on random selection basis during January 2012 in the office of the DG, TCPD and the following deficiencies and irregularities were noticed:

(a) Non-recovery of renewal of license fee

Rule 13 of the Haryana Development and Regulation of Urban Areas Rules, 1976 provides for renewal of licenses in cases where the colonizer fails to complete the development work in the colonies. The colonizers are required to apply for

32 Coloniser means an individual, company or association, body of individuals, owning land for converting it into a colony.

renewal alongwith the renewal fee at the rate of 10 *per cent* of the fee prescribed for issuance of license in cases where completion certificate had not been issued and at 2.5 *per cent* of the prescribed fee in cases where part completion certificate had been issued.

A mention was made in para 3.16 (v) regarding, “Non-renewal of licenses” in the Report of Comptroller and Auditor General of India for the year ended 31 March 2001 (Civil)-Government of Haryana. The Public Accounts Committee while discussing the para in March 2007 recommended that the Department should have evolved its own effective and speedy system to know the dates of renewal of licenses and the amount to be recovered on this account. Audit further noticed that the licenses of four colonisers³³ in Gurgaon were last renewed upto the dates between June 2010 and December 2011. Though development works of the colonies were incomplete, these licenses were not renewed as of December 2012. Thus, due to non-renewal of these licenses, renewal fee amounting to ` 1.86 crore remained unrecovered from colonizers.

The Director General intimated (December 2012) that in two cases the colonizers had applied for renewal upto May and June 2012. In remaining two cases they had not applied for renewal of licenses and action would be initiated against them as per rules. The fact, however, remains that the Department had not put in place any system whereby the due dates of renewal of licenses and amount of license fee to be recovered could be closely monitored by the Department.

(b) Lapse of Bank Guarantees

Rule 11, *ibid*, provides that colonizers are required to furnish bank guarantees equivalent to 25 *per cent* of the estimated cost of development works. In the event of breach of any agreement by the colonizers, the Director General may cancel the licenses granted to them and the Bank guarantees in that event are required to be forfeited.

Audit scrutiny of bank guarantee registers in the Directorate revealed that the validity period of six bank guarantees amounting to ` 1.92 crore though expired between September 2005 and September 2006, were not got revalidated from the colonizers (December 2012) as the system to watch the revalidation of bank guarantees was not put in place.

On this being pointed out by Audit (January 2012), the Department issued notices (November 2012) to the concerned colonisers.

(c) Non-completion of colonies

Rule 12, *ibid*, provides that the development works in the colonies should be

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- 33 (i) Unitech Ltd. Gurgaon- December 2011 (` 11.87 lakh), renewal applied in May 2012.
(ii) Unitech Ltd, Gurgaon-June 2011 (` 8.19 lakh), renewal not applied.
(iii) Unitech Ltd, Gurgaon-May 2011 (` 46.12 lakh), renewal not applied.
(iv) Dr. Fresh Real Estate Gurgaon -June 2010 (` 119.80 lakh), renewal applied in June 2012.

completed within two years and a certificate of completion be obtained under Rule 16 from TCPD.

During audit, it was noticed in 160 cases, out of 225 cases, where the colonisers were to develop group housing or plotted colonies in 17 districts up to November 2011, none of the colonizers had completed colonies fully (January 2012). As such, the completion certificates were not issued by the Department.

On this being pointed out by audit, the Director General stated (January 2012) that the final completion of these projects took several decades for development as infrastructural works such as providing of water supply, sewerage, storm water drainage, roads, schools, dispensaries, community centres, electric sub stations, etc were required to be provided. In view of reply of the Department, Audit is of the opinion that the provision for time limits for extension for completion of all such amenities is required to be made in rules so that the residents are not deprived of basic amenities.

The matter was referred to the Principal Secretary to Government of Haryana, Town and Country Planning Department (June 2010) but the reply had not been received so far (December 2012).

CHAPTER 5

CHIEF CONTROLLING OFFICER BASED AUDIT OF A GOVERNMENT DEPARTMENT

5.1 Department of Technical Education

Highlights

Technical education plays vital role in the socio-economic development of a State. The Technical Education Department is responsible for providing trained manpower in various fields of engineering and technology encompassing diploma, degree and postgraduate level to meet the requirements of industries as well as other sectors. The Chief Controlling Officer based audit of the department brought out deficiencies in planning, financial management, implementation of the schemes and inadequate infrastructure for classrooms, hostels, dispensaries, etc. There are many areas of concern and issues requiring urgent attention of the Department. Some significant audit findings are as under:

An amount of ` 14.53 crore, drawn by polytechnics without immediate requirement, remained outside the Government Account.

(Paragraph 5.1.8.2)

Out of the Grant-in-aid of ` 27 crore release to an engineering college during 2007-12, a sum of ` 12.22 crore (45 per cent) was lying unutilised.

(Paragraph 5.1.8.3)

Maintenance allowance of ` 17.17 lakh was paid to students in excess of their entitlement.

(Paragraph 5.1.9.3)

An amount of ` 3.09 crore provided for Faculty Development Programme was diverted towards payment of salary to guest teachers.

(Paragraph 5.1.9.4)

An amount of ` 15.88 crore on account of pre-admission coaching for entrance to All India Engineering Entrance Examination and Diploma Entrance Test was released without following proper procedure. Poor monitoring by the department facilitated many lapses which benefited the service provider.

(Paragraph 5.1.9.8)

The department had not prepared any plan to utilize the services of teaching staff of closed vocational institutions.

(Paragraph 5.1.11.3)

5.1.1. Introduction

Technical education contributes substantially to the socio-economic development of the State and country as a whole. The Technical Education Department (TED) is responsible for all round development of technical education and controlling the activities of technical education institutions. It produces the technical managers/scientists/engineers/skilled professional through post-graduate/ undergraduate and diploma in the fields of engineering and technology, computer, information technology, management, pharmacy, architecture, hotel management and applied arts and crafts.

5.1.2. Organizational set-up

The Principal Secretary to Government of Haryana (PS), Technical Education Department is the administrative head at the Government level and is responsible for implementation of Government policies, programmes/schemes relating to technical education. The Director General (DG) is the head of the Department and Chief Controlling Officer and is assisted by two Additional Directors, four Joint Directors and three Deputy Directors at the Headquarters. Principals of Government Polytechnics implement the policies/plan of the department in the field. The department implemented 13 plan and 8 non-plan schemes (*Appendix 5.1*). There are 11 Government Polytechnics, 12 Government Polytechnic Societies, 4 Government Aided Polytechnics and 158 Private Polytechnics in the State. In addition to the Directorate, following apex bodies were also constituted by the Government for management of various functions of the Department:

Haryana State Counselling Society: The Government had constituted (March 2007) Haryana State Counselling Society (the society) under the Societies Registration Act 1860 for implementation of transparent and uniform policies for admission and completion of admission process in a time bound manner.

The society is self sustaining and meets its expenses out of counselling and examination fees. It conducts entrance test, if required, and conducts online counselling for various admissions. The society is the nodal agency for carrying out online paperless admissions for various technical courses approved by All India Council of Technical Education (AICTE).

Haryana State Board of Technical Education (HSBTE): HSBTE is a statutory body created in 2008 for affiliation, curriculum development and examination including coordinated development of technical education in polytechnics.

State Fee Committee: The Supreme Court of India had directed (August 2003) all the State Governments to constitute a State Fee Committee to regulate the fee structure of all technical courses offered by private unaided technical institutions. Accordingly, an ad-hoc State Fee Committee was constituted by the Government consisting of two sitting judges of the High Court. Constitution of regular committee was still under process. The number of private technical institutions

was increasing day by day, therefore, Haryana Private Professional Technical Education Institution (Regulation of Admission and Fixation of fee) Bill 2012 had been prepared which was under consideration of the Government (June 2012).

5.1.3. Audit objectives

The objectives of the CCO based Performance Audit were to assess whether:

- effective planning and programme management in terms of delivery of goals of schemes/ programmes existed;
- efficient financial administration with reference to allocated priorities existed in the Department and resources were optimally utilized;
- efficient management of human resources in terms of sanction, deployment and training of personnel for skill upgradation was prevalent;
- effective procedure for procurement and inventory control were in place; and
- adequate provision and monitoring including suitable internal control mechanisms were in place.

5.1.4. Audit criteria

The audit criteria were derived from the following sources:

- Five Year Plan document and Annual Action Plans of the Department.
- Government notifications and instructions issued from time to time.
- Provisions of Punjab Budget Manual/Punjab Financial Rules/Punjab Treasury Rules as applicable to the State.
- AICTE Guidelines on technical education.
- Procedures prescribed for monitoring at various levels.

5.1.5. Audit mandate, scope and methodology

Chief Controlling Officer (CCO) based audit of the Department as well as Haryana State Counseling Society and HSBTE covering its overall working including the performance audit of the implementation of State schemes and Centrally Sponsored Schemes (CSSs) for the period 2007-12 was conducted (January-June 2012) by test-check of records in the offices of the DG, Technical Education Department and selected 10 (32 *per cent*) Government Polytechnics (Government: 4, Societies: 4, Aided: 1 and Engineering College: 1) (*Appendix 5.2*).

Audit was conducted under Sections 13 and 23 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) Act, 1971.

Before commencing audit, the audit objectives, criteria and scope of audit were discussed (May 2012) with the Principal Secretary (PS), Technical Education Department. Audit conclusions were drawn after scrutiny of records, analysis of available data by issuing audit memos and questionnaires and obtaining response of the departmental functionaries at various levels. Audit findings were discussed with the PS, Technical Education Department at an exit conference held in December 2012 and views of the Government have been incorporated at appropriate places in the Report.

5.1.6. Acknowledgement

Office of the Principal Accountant General (Audit), Haryana acknowledges the co-operation of the Technical Education Department and their subordinate offices in providing information and records for audit.

Audit findings

5.1.7. Planning

With a view to develop skills in human resources at the post school stage and enable the youth to acquire skills and exploitation of available opportunities both inside and outside the State, the Department planned its activities with reference to goals set in Eleventh Five Year Plan (2007-12). Annual Programmes were prepared wherein targets for various activities were fixed and budget estimates for achieving targets were prepared. Audit noticed that the plan was not based on any survey regarding prospective demand of technical manpower and feedback from institutions. The Department had been spending huge funds on construction of buildings of new polytechnics without considering the demand as a large number of seats remained vacant in the existing polytechnics. The Department spent huge funds on creation of infrastructure but nothing concrete was done to improve the quality of education. Most of the institutions were run mainly by engaging guest teachers as the Department was facing shortage of teaching staff. This resulted in decline in pass percentage, dropouts, etc. as discussed in succeeding paragraphs. As such, there was lack of adequate planning in the Department.

5.1.8. Financial management and budgetary control

Budgets set the annual financial agenda for each Department and are the most important tools for ensuring financial discipline. It is, therefore, imperative that budget preparation is marked by due care and diligence. Monitoring the progress

of expenditure against well formulated budget targets is an important management oversight function. Poor budgetary control not only results in inefficient use of scarce financial resources but also hampers achievement of organizational objectives.

5.1.8.1 Budget provision and expenditure

As laid down in paragraph 5.3 of the Punjab Budget Manual as adopted by the State, the budget estimates of ordinary expenditure should be framed as accurately as possible. All items of expenditure that can be foreseen should be provided for and included under the proper sub-heads. The position of budget provision and expenditure during the last five year is given in **Table 1**.

Table 1: Details showing budget provisions and expenditure during 2007-12

(` in crore)

Year	Original budget	Revised budget	Actual expenditure	Excess(+)/ Saving (-) (per cent) with reference to original budget
2007-08	144.91	112.82	112.95	(-) 22.06
2008-09	156.24	234.27	234.66	(+) 50.19
2009-10	287.61	206.23	206.38	(-) 28.24
2010-11	239.09	261.48	195.26	(-) 18.33
2011-12	222.47	254.30	254.32	(+) 14.32

Source: Appropriation accounts

The variations ranged between (-) 22.06 *per cent* and (+) 50.19 *per cent* in the original budget and actual expenditure. Scrutiny of the records revealed that the Department revised its budgets drastically. Budget was revised due to savings mainly under training programmes, special component for SC categories, stipend to SC students, less release of grant to Chhotu Ram Polytechnic, Rohtak, Vaish Technical Institution, Rohtak, Young Men's Christian Association (YMCA), Faridabad, assistance to non-Government technical colleges and institutes, etc. Actual expenditure exceeded the budget in 2008-09 due to setting up of new Government Polytechnics.

5.1.8.2 Parking of funds outside the Government Account

Paragraph 2.10 (b) (5) of the Punjab Financial Rules, as applicable to the State, provides that no money should be withdrawn from the treasury unless it is required for immediate disbursement. Further, the Finance Department had reiterated (March 2009) that the money should not be kept outside the Government Account in any shape after drawing the same from the Consolidated Fund of the State. Audit noticed that all drawing and disbursing officers (DDOs) had drawn funds relating to various schemes from the treasury in advance of requirement and kept the same in bank accounts. Funds amounting to ` 14.53 crore in respect of four DDOs including interest thereon was lying in

bank account as on 31 March 2012 (**Appendix 5.3**). An amount of ` 6.78¹ crore was lying in six current accounts. Drawal of funds in advance of requirement and parking the same in bank accounts was in violation of the financial rules.

Further, scrutiny of records to identify the reasons about unspent balances disclosed that the funds were drawn without taking into account the previous balances lying under particular schemes. The position of unspent funds with various institutions under different schemes is depicted in **Tables 2, 3 and 4**.

Table 2: Special Component Scheduled Caste Plan

(` in lakh)

Name of the Institution	Year	Opening balance	Funds released	Total funds available	Expenditure	Balance
Government Polytechnic, Nilokheri	2008-09	Nil	260.00	260.00	95.93	164.07
	2009-10	164.07	190.00	354.07	151.76	202.31
	2010-11	202.31	Nil	202.31	36.61	165.70
	2011-12	165.70	Nil	165.70	102.02	63.68
Government Polytechnic for Women, Faridabad	2008-09	Nil	147.60	147.60	124.76	22.84
	2009-10	22.84	189.96	212.80	60.41	152.39
	2010-11	152.39	Nil	152.39	40.37	112.02
	2011-12	112.02	Nil	112.02	39.14	72.88

Table 3: Post Matric Scholarship

(` in lakh)

Name of the Institution	Year	Opening balance	Funds released	Total funds available	Expenditure	Balance
Government Polytechnic Nilokheri	2009-10	Nil	145.00	145.00	72.95	72.05
	2010-11	72.05	960.00	1032.05	1010.97	21.08
	2011-12	21.08	1964.80	1985.88	1487.18	498.70
Government Polytechnic for women Faridabad	2008-09	Nil	3.86	3.86	3.86	Nil
	2009-10	Nil	347.00	347.00	163.62	183.38
	2010-11	183.38	284.14	467.52	459.58	7.94
	2011-12	7.94	300.00	307.94	302.48	5.46
Government Polytechnic Jhajjar	2009-10	Nil	174.00	174.00	173.99	0.01
	2010-11	0.01	240.00	240.01	239.81	0.20
	2011-12	0.20	300.00	300.20	162.73	137.47

Table 4: Scholarship/Stipend/Incentives by Haryana State Counselling Society

(` in lakh)

Name of the institution	Year	Opening balance	Funds released	Total funds available	Expenditure	Balance
Government Polytechnic, Nilokheri	2009-10	Nil	634.22	634.22	247.13	387.09
	2010-11	387.09	Nil	387.09	294.49	92.60
	2011-12	92.60	Nil	92.60	58.06	34.54

Audit noticed in Haryana State Counselling Society that the funds were released to the institution without assessing the actual requirement.

¹ Adampur: ` 173.67 lakh, Nilokheri: ` 42.57 lakh, Faridabad: ` 74.47 lakh, ` 322.70 lakh, ` 45.19 lakh and Jhajjar: ` 19.30 lakh.

Apart from above, there were heavy cash balances in the main cash books with the institutions at the end of each month during the year 2011-12.

Name of the institute	(` in lakh)
Government Polytechnic, Nilokheri	Ranging between ` 38.95 lakh and ` 58.61 lakh
Government Polytechnic, Jhajjar	Ranging between ` 3.68 lakh and ` 47.07 lakh

The closing balances with Government Polytechnic Society, Manesar at the close of financial years during 2008-12 ranged between ` 20.03 lakh and ` 406.37 lakh.

While admitting the facts, during the exit conference, the PS directed the staff to avoid such occurrences in future.

5.1.8.3 Grants-in-aid

The Department is also responsible for releasing grants-in-aid to various engineering colleges, universities, etc. Details of grants-in-aid released during 2007-12 are given in Table 5.

Table 5: Details of grants-in-aid released during 2007-12

Name of the College/ University		Grants-in-aid released (` in crore)					Total
		2007-08	2008-09	2009-10	2010-11	2011-12	
Guru Jambheshwar University, Hisar		11.00	11.00	10.60	20.00	35.00	87.60
Deen Bandhu Chhotu Ram University of Science and Technology, Murthal	Plan	12.00	13.00	15.00	25.00	25.00	90.00
	Non-plan	5.10	7.86	10.04	10.05	11.48	44.53
YMCA, Faridabad		5.14	7.51	9.06	5.62	6.23	33.56
Chaudhary Devi Lal Engineering College, Panniwala Mota (Sirsa)		6.00	4.00	5.00	6.00	6.00	27.00
Total		39.24	43.37	49.70	66.67	83.71	282.69

Source: Departmental figures.

Rule 8.14 (a) (3) of Punjab Financial Rules provides that the Department before sanctioning a grant to any public body or institution should as far as possible insist on an audited statement of accounts in order to see that grants-in-aid is justified by the financial position of the grantee and to ensure that any previous grant was spent for the purpose for which it was intended.

Audit noticed that out of the grants-in-aid of ` 27 crore released to Chaudhary Devi Lal Engineering College, Panniwala Mota (Sirsa), during 2007-12, a sum of ` 12.22 crore (45 per cent) was lying unutilized as per details given in Table 6.

Table 6: Details of unutilised grants-in-aid

(` in lakh)					
Year of sanction	Balance of previous year	Sanctioned during the year	Total funds available	Expenditure during the year	Balance at the close of the year
2007-08	(-) 21.59	600	578.41	278.62	299.79
2008-09	299.79	400	699.79	258.48	441.31
2009-10	441.31	500	941.31	321.95	619.36
2010-11	619.36	600	1219.36	256.83	962.53
2011-12	962.53	600	1562.53	340.32	1222.21
Total		2700		1456.20	

Source: Departmental figures.

The savings out of grants-in-aid were either required to be refunded to the Government or were to be adjusted in release of future demands. Audit observed that the unspent amount was neither refunded to the Government nor adjusted in future demands. Tuition fee amounting to ₹ 14.43 crore was also lying with the college in bank accounts with the college.

The Department while releasing grants-in-aid did not take into consideration the expenditure incurred by the institution during the previous years and continued releasing further grants resulting in accumulation of huge funds.

During exit conference, the PS stated that instructions had been issued to this institute as well as all the other polytechnics (cent *per cent* aided) to credit the fee collected in the Government account. As regards the accumulation of funds out of grants-in-aid, it was stated that the developmental activities could not be taken up by the Institute and as such the unspent balances had accumulated. The reply was not convincing as the accumulation of funds could have been avoided, had the Department released grants-in-aid after taking into consideration the funds available with the Institution.

5.1.8.4 Non-adjustment of temporary advances

The temporary advances should be adjusted immediately after the occasion for which the advances were given. In any case, it should not be allowed to be carried over to next financial year. It was noticed that the institutions were giving temporary advances out of Student Fund to carry out the activities specified in the Student Fund. The concerned staff was required to submit the details of expenditure incurred out of the funds advanced and return the unspent balances if any. In seven test checked districts, it was observed that adjustment bills against advance of ₹ 61.70 lakh (**Appendix 5.4**) had not submitted by the concerned staff upto March 2012.

While admitting the facts, during exit conference, the PS informed that orders had been issued to adjust the advances within one month of the drawal.

5.1.8.5 Rush of expenditure during the month of March

The expenditure should be evenly distributed throughout the year and rush of expenditure in the closing month of the financial year avoided. It was seen during test check that the average expenditure during the last month of the year in the test checked institutions was 21 *per cent*, highest of which was in Government Polytechnic, Nilokheri where it ranged between 17 and 54 *per cent* of total expenditure during 2007-12 (**Appendix 5.5**).

The heads of six² institutions stated (March-June 2012) that rush of expenditure was mainly due to release of funds by the Government in February-March each year. This indicated faulty system in release of funds by the Government. Audit

² Government Polytechnic: (i) Adampur, (ii) Jhajjar, Government Polytechnic Society: (iii) Nathusari Chopta, (iv) Narwana, (v) Loharu and (vi) Chhotu Ram Polytechnic, Rohtak

recommends that the Government should streamline the system of release of funds evenly throughout the year to avoid rush of expenditure in the month of March.

5.1.9. Implementation of schemes

5.1.9.1 Delay in setting up of new polytechnics in the State

As per policy of the State Government, atleast one new polytechnic was to be opened in each district. Accordingly, the State Government planned to set up 22 new polytechnics and a provision of ` 115 crore was made in Eleventh Five Year Plan (2007-12). The construction work of 13 polytechnics was taken up with the administrative approval of ` 198.73 crore. A sum of ` 124.25 crore was released to the executing agencies. Out of this, an expenditure of ` 108.43 crore was incurred upto June 2012. Out of 13, buildings of seven polytechnics were targeted to be completed by May 2011 but only three buildings had been completed (June 2012). The work of construction of four polytechnics was still in progress, the delays ranged between 10 to 20 months as on March 2012. The building work of remaining six polytechnics had not yet started (**Appendix 5.6**). The DG stated (December 2012) that the delay was on the part of Public Works Department. The reply was not convincing as the Department should have pursued the matter to get the works completed within the stipulated period for which initial amounts had already been released.

5.1.9.2 Construction of Scheduled Caste hostels

The State Government had identified that in the process of allocation of hostel facilities on academic merit based criteria, many of the Scheduled Caste (SC) students were deprived of the hostel facilities. Therefore, the Government decided to construct separate hostels for SC students. In these hostels, the priority was to be given to SC students. During the period 2007-12, 12³ new hostels were to be constructed and a sum of ` 74.92 crore was released by the Department. Out of these, 10 hostels were to be completed by October 2010 and two hostels were to be completed by April-June 2013. However, eight such hostels had been completed (March 2012). The work of two hostels located at Loharu and Uttawar had not been completed even after delay of 34 and 30 months respectively.

The DG stated (July 2012) that the delay was on the part of Public Works Department (PWD). The reply was not convincing as the Department should have pursued the matter with PWD to get the works completed within the stipulated period so as to provide intended facility to SC students.

³ (i) Adampur, (ii) & (iii) Ambala: 2, (iv) Jhajjar, (v) Hisar, (vi) Loharu, (vii) Manesar, (viii) Nathusari Chopta, (ix) Nilokheri, (x) Sirsa, (xi) Sonipat and (xii) Uttawar.

5.1.9.3 Post Matric Scholarship Scheme

The scheme was launched (2003) by Government of India (GOI) with an objective of providing financial assistance to the SC students studying at post matriculation or post secondary stage to enable them to complete their education. The scheme was to provide assistance in the shape of maintenance allowance to all the SC students falling within the criteria, additional allowance for SC students with disabilities, refund of fee paid by the scholars, study tour charges, thesis typing, printing charges and annual allowance for correspondence courses including distance education and book-bank facilities.

Test check of records further revealed the following shortcomings:

- **Maintenance allowance**

Maintenance allowance was categorised into four groups and was required to be paid to students. The details are given in **Table 7**.

Table 7: Rates of maintenance allowance

Group	Courses	Rate of maintenance allowance (₹ per month)	
		Hostellers	Non hostellers.
Group I	Degree and Post graduate level courses	740	330
Group II	Other professional and technical graduate and post graduate level courses not covered in group I	510	330
Group III	All other courses leading to a graduate or above degree	355	185
Group IV	All post matriculation level courses before taking up graduation like classes XI and XII in 10+2 system and intermediate examination	235	140

Since all the Government polytechnics were running the courses falling under Group IV, the maintenance allowance was payable to the students at ₹ 235 and ₹ 140 to the hostellers and non-hostellers respectively. In Government Polytechnic, Nilokheri, the payment of maintenance allowance was made to the students at the rates applicable to Group-II i.e. ₹ 510 and ₹ 330 during 2007-10. The claims were prepared by the Principal, Government Polytechnic, Nilokheri and approved by the District Social Welfare Officer, Karnal. This wrong application of rates resulted in extra payment amounting to ₹ 17.17 lakh during 2007-10.

While admitting the facts, during exit conference, the PS stated that recovery of the amount was difficult as the students had left the institutions and might have gone to other places in connection with their jobs, etc. and the payments made after the observation of audit were regularized as per Group IV of the scheme. No responsibility had, however, been fixed by the Department for overpayment.

- **Book-bank facility**

Book-banks were to be set up under this scheme in all the recognized colleges/institutions. Out of nine test-checked institutions, six⁴ institutions had not

⁴ (i) Adampur, (ii) Jhajjar, (iii) Loharu, (iv) Manesar, (v) Nathusari Chopta and (vi) Rohtak.

provided this facility in their institutions. Further, in Government Polytechnic for Women, Faridabad, only 177, out of 351 students were provided books while 174 students were deprived of the facility. Thus, the facility provided to students was negligible in test-checked institutions. It was observed that though sufficient funds were available under the Post Matric Scholarship Scheme, yet the book-bank facility was not provided.

While admitting the facts, during exit conference, the PS assured that facility would be improved and instructed the staff to provide minimum 10 sets of books for each course in the book banks.

5.1.9.4 Faculty Development Programme

Scholarships are provided to the existing faculty members for pursuing higher studies i.e., ME/M.Tech, Ph.D, etc. Scholarships were to be provided to 50 faculty members during an academic year. In addition to this, short term /long-term training courses/ seminars/workshops, conferences were also to be organized. It was observed that funds placed at the disposal of test-checked institutions amounting to ` 3.09 crore (**Appendix 5.7**) under the project were utilized for making payment of the salary to guest teachers. The fund has not been used for the purpose for which it was granted and was diverted towards unintended purpose.

While admitting the facts, during exit conference, the PS instructed (December 2012) to make payment to guest teachers from salary head and the funds of scheme should be spent only for the scheme related activities.

5.1.9.5 Supply of free books to SC students

Under the scheme “Supply of free books”, SC Students were to be reimbursed cost of prescribed books, reference books, etc.

Scrutiny of the records revealed that books were not supplied to economically weaker SC Students during 2007-12 despite budget provision of ` 7.40⁵ crore. Entire funds of ` 6.40 crore provided during 2008-09 were diverted towards “Construction of SC Hostels” in March 2009 and regularised by Government. Due to non-supply of books, economically weaker SC students were deprived of the benefits of the scheme.

The DG stated (April 2012) that due to possible change of syllabus, the purchase process was put on hold during 2008-09 and that the process was restarted in March 2011 which had not been finalized (March 2012). During exit conference, the PS ordered the departmental officers to ensure that the books were available by January 2013 for the session in progress.

⁵ 2008-09: ` 6.40 crore, 2010-11: ` 50 lakh and 2011-12: ` 50 lakh.

5.1.9.6 *Establishment of Community College and National Institute for Competency Advancement of Teachers*

The Scheme was approved by the Government in September 2010 in collaboration with the Indira Gandhi National Open University (IGNOU). According to the scheme, one community college and one institute for competency advancement of teachers were to be set up. These institutes were to be run by a registered society. The State Government and IGNOU contributed ` one crore each as seed money to run the society. The society was registered in October 2010 and started functioning in teaching block of the Government Polytechnic Educational Society, Manesar. The building was provided to the society at a token lease rent of ` one per year.

The objectives of establishing the Institute of Competency Advancement of Teachers were mainly to:

- provide training to pre-service and in service teachers;
- design short-term certificate level programmes for early childhood education, primary, upper primary and college and university teachers;
- conduct training programmes in administration, school leadership and management of higher education institutions; and
- training of trainees with special emphasis on community colleges.

It was observed that the Institute of Competency Advancement of Teachers had not been started (June 2012). The objective of the establishing the institute remained unachieved.

The community college was running two courses with 48 candidates only. No specific programme was designed for short term certificate level courses. A proposal was made (January 2011) by the society to IGNOU to start eight courses, which was also not implemented.

While admitting the facts, during exit conference, the PS stated that the institute had been delinked from IGNOU as the collaboration did not prove successful and the infrastructure would be put to use soon.

5.1.9.7 *Employment Oriented Institutes/Training Programme*

The scheme aimed at ensuring a steady flow of skilled workers in different trades of industry to reduce unemployment among the youth by equipping themselves for industrial employment and also to provide training to SC candidates through short-term courses in areas like driving schools, para-medical, automobile, food processing, etc. The Welfare of Scheduled Castes and Backward Classes Department sanctioned ` four crore in 2008-09 to implement the scheme and placed the amount at the disposal of Director, Technical Education Department. The amount was drawn (March 2009) by the Department and deposited with the Principal, Government Polytechnic for Women, Morni (Panchkula). The

guidelines for implementation of the scheme regarding target groups, executing agency, implementation strategy, nature and duration of courses, certification, etc. were finalised in March 2010. The funds were released to implementing agencies in January 2010 (₹ 0.50 crore) and March 2010 (₹ 3.50 crore). Meanwhile, the amount remained in the Bank account of the Principal and an amount of ₹ 10.45 lakh was earned as interest, out of which the Department spent a sum of ₹ 0.57 lakh on scheme and ₹ 9.88 lakh was still lying in the bank accounts of the Principal. Further, funds amounting to ₹ 76.45 lakh (including interest ₹ 5.81 lakh) remained unspent with 11 polytechnics as of July 2012. Audit observed that the amount was drawn without finalising the modalities of the scheme and immediate requirement which was against the financial rules and propriety.

The delay in formulation of policy for implementation of the scheme resulted into consequential delay in start of skill development courses and deprived the students of the benefit of the scheme.

5.1.9.8 Special coaching for competition/placement for SC Students

Expression of interest (EOI) for imparting coaching to SC students of Haryana seeking admission to All India Engineering Entrance Examination (AIEEE) and Diploma Entrance Test (DET) 2008 and 2009 were invited by the DG, Technical Education on 8 December 2007 through press notice. The applicant agencies were to fulfill the following criteria:

- Must be in this area for at least three years.
- Must have imparted training of similar nature to at least 500 students.
- Must have financial turnover of at least ₹ 25 lakh per year.
- Must have qualified and expert faculty.
- Must have arrangement of training facilities at Chandigarh /any or all of district Headquarters of Haryana/Delhi.

The bids were required to be received in two parts viz., technical bids and financial bids. In response to the advertisement, bids from seven⁶ agencies were received. Except for Gita Institute of Management, all the agencies were asked to give presentation before the committee consisting of Additional Director (Examination), Joint Director (Development), Joint Director (Engineering) and Accounts Officer on 21 January 2008. While approving the scheme, PS, Finance Department also advised the department to ensure that the agency engaged for coaching should have a good track record in terms of success rate in previous entrance examinations and should not go by the minimum quotation alone.

⁶ (i) PCES Education New Delhi, (ii) MMC Private Limited Chandigarh, (iii) IITS New Delhi, (iv) University Centre for Competitive Examination MDU Rohtak, (v) Gita Institute of Management Kurukshetra, (vi) Excellent coaching centre and (vii) Sahil study circle Chandigarh.

Being the lowest tenderer, the work was allotted⁷ (March 2008) to Mastermind Classes (MMC), Chandigarh for conducting DET/ All India Engineering Entrance Examination (AIEEE) course 2008 and Diploma Entrance Test (DET)/AIEEE 2009. Accordingly, agreement was signed with the Service provider on 14 March 2008. After the start of first course for admission to AIEEE/DET 2008, the agreement was revised on 20 June 2008 incorporating the attendance based and rank based payment clause. Two Years Course Programme was also included. According to revised agreement, payments to the service provider were to be made for Focused Crash Course (FCC) (AIEEE/DET): ` 2,500 per student, One Year Course Programme (OYCP) (AIEEE/DET): ` 12,500 without study material and ` 15,500 with study material per student and Two Year Course Programme (TYCP) (AIEEE): ` 25,000 without study material and ` 28,000 with study material per student. Fifty *per cent* payment of the course excluding cost of courseware was to be released during coaching and the remaining was linked to the rank obtained by the candidates in the competitive examinations.

Records relating to award of work and contract agreement revealed the following irregularities:

(a) Award of contract

The technical bid as well as commercial bid of Mastermind Classes was not accompanied by documentary evidence such as three years experience certificate, balance sheet, etc. Audit observed that the eligibility criteria of the bidder in terms of experience and turnover were not fulfilled. Further, the bidder did not have service tax registration number which indicated that it was a new company. It was observed that Mastermind Classes was a franchise of Mastermind Classes (MMC), Gwalior. The turnover indicated by the bidder was that of MMC Gwalior and not of MMC Chandigarh. As such, MMC, Chandigarh was not fulfilling the basic conditions of bid.

The Department stated (December 2012) that MMC, Gwalior was corporate office of the MMC, Chandigarh and assured to provide study material and technical knowhow as per franchise agreement, as such, MMC, Chandigarh was considered eligible.

The reply of the department was not acceptable as it was clearly mentioned in the Expression of Interest (EOI) that the service provider should have requisite qualifications. In this case, the bidder did not have experienced qualified teaching staff along with other requirements. The records made available to Audit did not prove that the MMC, Chandigarh was having qualified teaching staff on the date of the submitting EOI. The fact that the MMC, Chandigarh did not have service tax registration number proves that it was a new company.

⁷ DET /AIEEE 2008: ` 2500 per student, DET /AIEEE 2009: ` 15,500 per student with study material and ` 12,500 without study material (Service Tax extra).

(b) Deficiencies in contract agreement

i) The agreement dated 14 March 2008 was revised in June 2008 and two years course programme was included without assessing the performance of the first course. Agreement neither contained any penal clause nor any security deposit to cover the loss in case of failure to perform as per contract agreement.

The Department stated (December 2012) that to ensure better performance, it was thought fit to add provisions for attendance and rank based payments into the agreement. Accordingly, as per prevailing wisdom at that time, revised agreement with these provisions was signed. The reply was not convincing as performance based payment did not cover the penalty clause.

ii) Audit further observed that the contract document was not vetted by Additional District Attorney (ADA) or any other legal authority. The Department stated (December 2012) that it was logical that vetting by ADA would have been better (but only obligatory) and in this case competent authority deemed fit to grant approval to the revised agreement. The reply was not convincing as it is always better to get the contract documents vetted from legal angle.

iii) The Department agreed to pay the sum of ` 3,000 and ` 500 for course material for One Year Course Programme and Focused Crash Course (FCC) respectively without specifying the content of material to be supplied to the candidates. As such, the service provider was at liberty to supply any type of material.

(c) Course-wise irregularities

The Service Provider conducted five courses during April 2008 to March 2011 and was paid a sum of ` 15.88 crore⁸. The agency submitted all the bills to DG and the genuineness of the claims was verified by the Directorate but not by the Drawing and Disbursing Officer in the Directorate. The payments were released through Government Polytechnics, Ambala, Nilokheri and Kalpana Chawla Polytechnic for Women, Ambala City. The bills submitted by the service provider were neither scrutinized by the accounts branch at Directorate nor by the concerned polytechnic which released the payments.

The Department stated (December 2012) that the scheme was formulated and conceived at the Head Office and it was deemed appropriate by the competent authority to execute the project in a centralized manner and leaving the clerical exercise of releasing payments to field offices after the same had been verified at Directorate level by adopting a uniform yardstick for releasing interim payments as well as settlement of final accounts as per provisions of the agreement. Reply of the Department was not convincing as the proper scrutiny of the claims was not done by the accounts branch either at Directorate or in the field office which was quite necessary.

⁸ 2008-09: ` 5.00 crore, 2009-10: ` 6.33 crore and 2010-11: ` 4.55 crore.

The deficiencies in making the payment are discussed as under:

(d) Focused Crash Course 2008

Focused Crash Course of one month was started in April 2008 for All India Engineering Entrance Examination (AIEEE) and Diploma Entrance Test (DET) 2008. As per registration data, there were 1,128 students for AIEEE coaching and 2,144 for DET coaching. In the bill for payment submitted by the MMC, Chandigarh there were 1,149 students for AIEEE and 3,894 for DET. In every bill submitted by the MMC, Chandigarh number of students varied from one another. Finally, the department entertained the claim of 1,126 students for AIEEE and 7,829 for DET and worked out payment of ` 1.84 crore, of which ` 1.70 crore was paid. The Department did not enquire the reasons for varying number of students in each bill.

In the final bill submitted (September 2008) by the MMC, Chandigarh on the basis of revised agreement (June 2008), the results of 2,831 students for DET and 664 students for AIEEE were not available which clearly indicated that these students were not candidates for the entrance tests. It was observed that the last date for submission of applications for AIEEE (January 2008) was over before the start of coaching course by MMC. Thus, their admission for coaching was not justified. The department had not allowed result based payment in the final bill in these cases but the payments at the rate of ` 1,500 per candidate to 3,495 candidates had already been made. The department also could not provide the list of such candidates whose result was not available. The total payment in these cases worked out to ` 52.43 lakh (Service Tax extra), which was not judicious. The department stated (December 2012) that due to adoption of head count method, the list was not obtained and the number of students was frozen according to physical inspection. The reply is not tenable as physical head count is not a proper method for making payment. The Department should have devised a proper system whereby the name of the students enrolled for coaching, appeared for coaching and those who cleared the entrance examination were available at the coaching centre and the basis on which the payment to the agency was certified.

(e) Regular Course 2009

The advertisement for the One Year Course Programme (OYCP) DET and AIEEE 2009 appeared in the news papers on 23 July 2008 for the courses starting from 7 August 2008. A sum of ` 8.80 crore was paid to the service provider as detailed in **Table 8**.

Table 8: Details of payments to service provider

Sr. No.	Bill No and Date	Details of payment claimed	Payment claim	Payment made
			(in crore)	
1.	1/29 December 2008	Cost of courseware 1,848 AIEEE (OYCP) and 5,732 DET (OYCP) students @ ` 3,000 per student	2.27	1.50
2.	2/7 January 2009	Tuition fee 30 per cent 1,207 AIEEE (OYCP) and 5,732 DET (OYCP) students @ ` 3,750 per student = ` 260.21 lakh 835 AIEEE (TYCP) students @ ` 5,000 per student = ` 41.75 lakh Service Tax = ` 37.32 lakh	3.39	1.00
3.	3/17 February 2009	Revised the bill showing 830 AIEEE (OYCP), 5081 DET (OYC) and 365 AIEEE (TYCP) students for ` 418.16 lakh Less already received ` 250 lakh =	1.68	3.05
4.	5 May 2009	Against letter dated 30 April 2009	-	0.50
5.	3/3 March 2009	Tuition fee 10 per cent 830 AIEEE (OYCP), 365 AIEEE (TYCP) and 5,081 DET (OYCP) students @ ` 1,250 per student	0.78	Nil
6.	13/3 August 2009	Result based bill 819 AIEEE (OYCP) and 4,703 DET (OYCP) students	3.09	2.75
		Total	11.21	8.80

Note: Claim for balance 10 per cent payment was not submitted.

As evident from the above table, the service provider not only increased the number of students but also included the students of two year programme. The department entertained the bills of the service provider for the courses for which no advertisement was given.

The Department stated (December 2012) that the Two Year Course Programme (TYCP) was approved in the agreement. As such, the candidates for the TYCP were admitted. Reply of the department was not convincing as for all the courses except this one, specific permission had been granted by the Department and advertisement was released. In this case, Two Year Course Programme (TYCP) was neither mentioned in the permission accorded to the service provider nor mentioned in the advertisement.

The Department had frozen on 16 February 2009 the number of candidates at 830 AIEEE (OYCP), 365 AIEEE (TYCP), 5081 DET (OYCP), which was accepted by the service provider on the next day (17 February 2009) without any protest and submitted bills for payment. This was indicative of the fact that the number of students was exaggerated by the service provider. The Department stated (December 2012) that the service provider had no other option but to accept because as per the provisions of the agreement, in case of any difference/dispute related to terms and conditions of the agreement, the same was to be referred to the sole arbitrator i.e. DTE which were acceptable, agreeable and final. The Department's reply was not acceptable as any service provider who had admitted

higher number of students and had already supplied course material to them would have not accepted less number of students without any protest.

- (f) The Department released a sum of ` 3.05 crore through Government Polytechnic for Women, Ambala and Government Polytechnic, Nilokheri by using the photocopies of the bill no. 3 dated 17 February 2009 as given in **Table 9**.

Table 9: Details of payments released on the photocopies of the bill

Sr. No.	Details of Service Provider's bill		Details of Payments released on the photocopies of the bill.		
	Bill Number and Date	Amount (in lakh)	Amount (in lakh)	Bill no and date	Name of the institution releasing the payment
1	3/17 February 2009	168.15	80.00	504/19 March 2009	GPW, Ambala city.
			75.00	108/28 May 2009	GPW, Ambala city.
			100.00	244/27 August 2009	GP, Nilokheri
			25.00	237/ 9 October 2009	GP, Nilokheri
			25.00	307/24 December 2009	GP, Nilokheri
	Total	168.15	305.00		

Release of payments without obtaining proper bills from the service provider and release of payment in excess of the amount claimed was not justified. The department stated (September 2012) that it was not practically possible to release the invoice based payments as the process of verification and stages of bills raised could not synchronize. The reply was not convincing as the Department should have obtained the bills before making payments.

(g) Crash course 2009

The permission to start the crash course for admission to All India Engineering Entrance Examination (AIEEE)/ Diploma Entrance Test (DET) 2009 was granted on 19 March 2009 with a cost ceiling of ` 60 lakh. Against this course, the Department made payment of ` 33.86 lakh (February 2010). The scrutiny of records revealed that no advertisement was published in the newspapers by the Department for starting the crash course.

On this being pointed out by Audit, the Department stated (December 2012) that the advertisement was not released as the agreement was valid for three years and the students continued adding through word and mouth publicity. The reply of the department was not acceptable as for all the courses except this course, advertisement was released by the Directorate in the newspapers. Further, against the claims of ` 50.56 lakh, an amount of ` 33.86 lakh was released as interim payment by the department. No further payment was either claimed by the service provider or released by the department. The department could not submit any supporting records viz., list of centres, list of students and their roll numbers to prove the genuineness of the payment for this course.

(h) Crash course 2010

The permission to start the crash course for admission to AIEEE/DET 2010 was granted on 27 January 2010. It was observed that the number of enrolled students

as submitted by the service provider and assessed by the department on the basis of inspections varied from time to time as detailed below:

Sr. No.	Basis	Number of students	
		AIEEE	DET
1.	Bill No 1 dated 29 March 2010	1270	8200
2.	Bill No 2 and 3 dated 12 May 2010	853	9825
3.	Inspection by the Department (First during March to May 2010)	203	4395
4.	Inspection by the Department (Second during April and May 2010)	692	11059
5.	Allowed for final payment as per bill of the service provider	685	9852

The Department made payment of ` 183.82 lakh as detailed below:

Sr. No.	Particulars	Number of students		Payment made (in lakh)
		AIEEE	DET	
1.	Courseware	685	9852	52.68
2.	50 per cent for course teaching	406	7809	82.15
3.	50 per cent for course teaching on the basis of result	257	3827	36.74
	Service Tax			12.25
	Total			183.82

It would be seen from the above that there were wide variations in the number of students at every stage and finally the service provider could submit the claim for 257 for AIEEE and 3,827 students for DET. The ratio of number of students provided coaching and rank based payment claimed was disproportionate. It is also pertinent to mention that in DET, a total number of 70,507 candidates appeared in the examination and full payment was made to the coaching centre upto the rank of 70,000. The Department had not revised the criteria for performance based payment keeping in view the decrease in number of students for DET.

The DG stated (September 2012) that the agreement was entered in the year 2008 for 3 years when the number of students was 1.3 lakh, thereafter the number of candidates declined sharply to 0.70 lakh which was beyond the control of the department. The reply of the department was not convincing as being the agency for conducting entrance test and admissions for DET, it was well within the notice of the department that number of students was declining sharply and necessary amendments should have been made in the contract agreement before starting the next course.

Since the results of AIEEE and DET were available in respect of very less number of students than the number of students who were provided coaching, the chances of showing more number of students by the MMC to get more payment cannot be ruled out as it involved extra payment of ` 73.31⁹ lakh.

In this course also, a sum of ` 44.21 lakh was released through Government Polytechnic, Nilokheri against the photocopies of bill No. 4 dated 21 July 2010 for crash course for DET 2010 and AIEEE 2010 as per given in **Table 10**.

⁹ 257 + 3,827 @ ` 2,500 = ` 102.10 lakh plus service tax @ 10.3 per cent ` 8.41 lakh = Total 110.51 lakh. Difference ` 183.82 lakh - ` 110.51 lakh = ` 73.31 lakh.

Table 10: Details of payments released on the photocopies of the bill

Sr. No.	Details of Service Provider's bill		Details of payments released on the photocopies of the bill.		
	Bill Number and Date	Amount (₹ in lakh)	Amount (₹ in lakh)	Bill no & date	Name of the institution releasing the payment
1	4/21 July 2010	38.89	19.21	441/22 January 2010	GP Nilokheri.
			25.00	177/26 July 2010	GP Nilokheri
	Total	38.89	44.21		

(i) Regular course 2011

The permission to start the regular course for admission to AIEEE/DET 2011 was granted (15 December 2010) with a ceiling of 1,500 students for AIEEE and 3,000 students for DTE. The classes were to commence from 22 December 2010 and to conclude before the commencement of AIEEE and DET. As the course was started late, it was reduced to 100 days against one year course of 140 days and accordingly the course fee was reduced to ₹ 8,929 per student. On the basis of the bills submitted for ₹ 4.78¹⁰ crore by the service provider, the department calculated a sum of ₹ 3.57 crore payable to the service provider (on account of courseware and 30 per cent of tuition fee for 1,115 AIEEE and 4,889 DET candidates) and released (March 2011) an amount of ₹ 3.21 crore.

The Department calculated the payment on the basis of 4,889 students of DET whereas the service provider was granted permission to enroll 3,000 students for DET. While calculating the amount admissible, this fact was not taken into account. The service provider was also not asked to intimate the reasons as to why he enrolled students in excess of the prescribed limit. Due to this, the Department released an extra payment of ₹ 87.09¹¹ lakh which was not justifiable.

On this being pointed out, the Department stated (September 2012) that the payment was released after approval of the competent authority (DG). The reply of the Department was not convincing as the excess number of students should have been got regularised from the Government.

The inspections conducted in May 2011 by departmental officers disclosed serious shortcomings in conducting coaching classes such as centres found closed, poor attendance, non-maintenance of teacher-student ratio (1:25), non-providing of courseware to students, etc.

The service provider ultimately left the courses in between (as per 2nd Phase inspection carried out by special team of the Directorate in May 2011). Leaving the course in between by the service provider deprived the weaker students of the benefit of coaching. As such, the entire expenditure of ₹ 3.21 crore was rendered wasteful. The Department had not taken any action against the service provider for leaving the coaching incomplete.

¹⁰ Bill No. 6 dated 15 January 2011: ₹ 2.01 crore, 7 dated 27 January 2011: ₹ 0.92 crore, 8 dated 15 February 2011: ₹ 0.92 crore and 9 dated 1 March 2011: ₹ 0.93 crore.

¹¹ Actually paid ₹ 3,20,78,760 (-) Due for 1,115 AIEEE + 3,000 DET candidate: (₹ 3,000 + ₹ 2,679 i.e. 30 per cent of ₹ 8,929 x 4,115) ₹ 2,33,69,085 = Excess paid ₹ 87,09,675.

While admitting the facts, during exit conference, the PS stated that detailed investigations were being made in this regard and strict action would be taken against the defaulters. Legal notice had been sent to the firm (11 November 2012) for recovery of the excess amount paid to them. Further, the scheme of coaching had also been discontinued (7 September 2012) as the same was not considered necessary in view of the availability of large number of seats even without qualifying the DET.

Other irregularities

(j) Irregular payment on account of courseware

As per terms and conditions of the agreement, the payments for the courseware were to be released on the basis of actual receipt of enrolled students. The Department released a sum of ` 4.73 crore for course material to the service provider as per details given in **Table 11**.

Table 11: Details of payments released for courseware

Sr. No.	Course	Details	Payments released (in lakh)
1	Crash course 2008	AIEEE: 1126 and DET: 7,777 students @ ` 500	44.52
2	Regular course 2009	AIEEE: 830+365 and DET: 5081 students @ ` 3000	188.28
3	Crash course 2009	AIEEE: 144 and DET: 1325 students @ ` 500	7.35
4	Crash course 2010	AIEEE: 685 and DET: 9852 @ ` 500	52.69
5	Regular course 2011	AIEEE and DET: 6004 students @ ` 3000	180.12
		Total	472.96

Source: Departmental records.

Audit noticed that the receipts for courseware were not found to be attached with the bills. The actual payee receipts were also not available with the Department. In the absence of receipt of courseware, the genuineness of the payments could not be verified in audit. The Department stated (December 2012) that the records were obtained from the service provider and were lying with them in about 400 files. The Department also submitted a sample of the receipts to Audit. The reply of the department was not convincing as the department did not have list of students for which payment was allowed to the service provider. As such, the actual payee receipts submitted by the department could not be verified with reference to list of enrolled students. Further, in his Expression of Interest, the service provider had offered to provide genius study material package (15-18 books) for one year course but the department did not verify at any stage that full learning material as agreed to had been provided. This fact was also not included in the agreement. The sample APRs submitted by the department also did not indicate that complete material had been supplied by the service provider.

(k) Unauthorised use of Government infrastructure

As per clause 2 and 3 of agreement (20 June 2008), the service provider was to establish coaching centres at the designated places and submit a list of centres to the DTE which was to issue advertisement in the newspapers for wide publicity. It

was observed from the records that the MMC had submitted list of centres of Government schools before the start of each course without taking any approval from Education Department. The advertisement published by the DTE was used as a tool to obtain infrastructure of Government schools for conducting coaching classes for which no rent was paid to the Government. This practice had resulted in extending undue benefit to the service provider and loss to the Government.

On this being pointed out, the Department stated (December 2012) that there was nothing to establish that advertisements were used as tool by the service provider. Secondly, if it was actually the case, it was breach of trust on the part of service provider and a lesson for future in dealing with such matters. Reply of the Department was not convincing as during test check, it was informed by the Principals of the schools that they allowed the conduct of coaching classes on the basis of Technical Education Department's advertisement. Further, it was the responsibility of the department to verify that centres were genuine and were established with proper authorisation of concerned authority i.e. Education Department.

(l) *Non-installation of bio-metric system of attendance*

As per clause 9 of the agreement, the service provider may explore the possibility of installation of biometric sensor and online monitoring of attendance. But the Department after entering into contract did not ask the service provider to implement this. The Department stated (December 2012) that it was not done as it was not mandatory. The scrutiny of records revealed that the Department never insisted for this issue. Had these checks been applied, many irregularities could have been avoided.

(m) *Inspection of centres*

In all the courses, the entire admission process of students was left with the service provider and the department had neither made the admissions themselves nor obtained detailed centre-wise list of candidates containing names/addresses and other particulars of the students taking admission for coaching. Due to non-availability of list of candidates, it could not be verified in audit whether the candidates were genuine and had appeared in the respective competitive examinations. Further, the list furnished by the service provider while claiming the performance based payment, it could not be verified whether the payment was claimed for those candidates to whom the coaching was provided by the service provider.

The inspection of centres conducted during each course by the departmental officers disclosed serious shortcomings such as centres found to be closed, insufficient infrastructure, thin presence of students, variation in number of students enrolled as shown by inspecting officers with that of MMC, Chandigarh. The Directorate had not taken cognizance of these reports as no remedial measures were taken.

5.1.10. Academic activities

5.1.10.1 Approval for establishment of private colleges

At the time of formation of Haryana State in 1966, there were only 6 polytechnics (Government: 4, Government aided: 2) which had increased to 194 (Government: 23, Aided: 5, Private: 158) up to the academic session 2012-13. The number had increased sharply during the last five years. **Table 12** indicates the rapid growth of polytechnics in the State providing diploma in technical education in various trades.

Table 12: Details showing growth of polytechnics in the State

Year	Number of institutions	Intake capacity
2007-08	83	25575
2008-09	137	48680
2009-10	151	49875
2010-11	163	53590
2011-12	194	63470*

*Eight institutions were not allowed admissions

(Source: Prospectus of HSCS for the academic year 2011-12)

The HSBTE was responsible for controlling the activities of the polytechnics in the State. The Board was required to inspect the polytechnics and ascertain that norms fixed by AICTE were adhered to. The Review Committee formed by HSBTE inspected 115 polytechnics during 2011-12. On the basis of inspection reports, seven institutions were issued show cause notices for withdrawal of affiliation, 40 for reduction in intake capacity and in balance 68 institutions various deficiencies were pointed out. The major deficiencies included lack of faculty as per norms, inadequate computer and laboratory facilities, poor industrial interaction, non-posting of heads of the institutions, etc.

On this being pointed out in Audit, the DG stated (December 2012) that the private polytechnics had filed civil writ petition in the Hon'ble Punjab and Haryana High Court against the denial of affiliation by the Board and the court had passed an interim order in September 2012 to carry out admissions to the respective institutions.

5.1.10.2 Benefits provided by the Department

There was substantial increase in number of seats for aspiring students in polytechnics and engineering colleges both in Government as well as private institutions as discussed in the following paragraph:

- **Increase in vacant seats in polytechnic and engineering colleges**

Tables 13 and 14 indicate the position of admissions in Technical Education Institutions.

Polytechnics

Table 13: Admissions in Government and private polytechnics

Year	Government Institutions			Private Institutions		
	Sanctioned	Filled	Vacant (percentage)	Sanctioned	Filled	Vacant (percentage)
2008-09	17000	16685	315 (2)	31680	29368	2312 (7)
2009-10	17250	16553	697 (4)	32625	27787	4838 (15)
2010-11	17170	14993	2177 (13)	36420	24887	11533 (32)
2011-12	17170	11999	5171 (30)	46300	28379	17921 (39)

The number of students taking admission in Government Polytechnics declined sharply during 2008-12. The Secretary, HSBTE stated (July 2012) that decline in admission in polytechnics was due to increase in number of polytechnics, which was not in their control.

Engineering Colleges

Table 14: Admissions in Government and private engineering colleges

Year	Government Institutions			Private Institutions		
	Sanctioned	Filled	Vacant (Percentage)	Sanctioned	Filled	Vacant (percentage)
2008-09	2245	2237	8 (0)	32025	27569	4456 (14)
2009-10	2775	2423	352 (13)	41930	27312	14618 (35)
2010-11	2775	2471	304 (11)	46850	28056	18794 (40)
2011-12	2915	2740	175 (6)	55856	26269	29587 (53)

The vacancy of seats in Government institutions was negligible while vacancy of seats in private institutions was as higher as 53 *per cent* in 2011-12.

5.1.10.3 Dropouts

Table 15 indicated number of dropout candidates of diploma courses during the last five years.

Table 15: Details of dropout candidates

Year	Number of candidates admitted	Number of regular candidate appeared for the first time in the examination	Number of dropout candidates	Percentage of dropout students
2007-08	25575	24130	1445	5.65
2008-09	46053	43794	2259	4.91
2009-10	44340	42499	1841	4.15
2010-11	42378	39306	3072	7.25
2011-12	44232	40461	3771	8.53

Source: Departmental data.

The dropout percentage of students ranged between 4.15 to 8.53 *per cent* during 2007-12. The DG stated (December 2012) that during the year 2009-10, the Government declared that 10th class pass students, even though they had failed in science and mathematics, were eligible to take admission in polytechnics. Such students could not cope up with the system of higher study and resulted in higher dropout rate. Further, majority of the students had passed out from Haryana School Education Board, Bhiwani where medium of instruction was Hindi,

whereas in polytechnics, the medium of instruction was English. It was also intimated (December 2012) that efforts were being made to introduce bridge courses and bilingual examination pattern.

5.1.10.4 Pass percentage of students

The pass percentage of students in the polytechnics declined sharply as is clear from the **Table 16**.

Table 16: Details showing the pass percentage of students

Year	Government/Government Aided Polytechnics			Private Polytechnics		
	Total Students	Pass	Pass percentage	Total Students	Pass	Pass percentage
2008	6084	5025	83	2013	1304	65
2009	6956	5501	79	4072	2358	58
2010	10307	7240	70	11020	4840	44
2011	14780	9584	65	27534	9773	35
2012	13745	8168	59	21407	4925	23

Analysis of result data shows that pass percentage of students in Government/Government Aided Polytechnics had declined sharply from 83 to 59 during 2008-12 while in case of private polytechnics it declined from 65 to 23. Poor pass percentage indicated imparting of poor quality education in polytechnics. Shortage of teaching and other allied staff i.e. Workshop Instructors, Laboratory Instructors, Junior Programmer, etc. and non-implementation of faculty development programme could be responsible for poor pass percentage of students. The DG stated (December 2012) that the poor pass percentages in polytechnics was due to the fact that a student having passed Matric was eligible to seek admission in polytechnics and there was no minimum cut off percentage for admission.

5.1.10.5 Results of revaluation

The candidates who appeared in examinations were permitted to apply for revaluation on payment of specified fees. The details of answer sheets submitted for revaluation by students of polytechnics during 2007-12 were as given in **Table 17**.

Table 17: Details of revaluation of results

	December 2008	June 2009	December 2009	June 2010	December 2010	June 2011
Total Number of students appeared in the examination	77076	77549	111258	107104	126686	119205
Number of revaluated student (percentage)	4444 (6)	2450 (3)	8441 (8)	3248 (3)	7078 (6)	13354 (11)
Fail to pass category on revaluation (percentage)	1085 (24)	502 (20)	600 (7)	467 (14)	3592 (51)	931 (7)
Increase in marks on revaluation already passed candidates	50	105	315	150	1030	379
Change on revaluation (percentage)	1135 (26)	607 (25)	915 (11)	617 (19)	4622 (65)	1310 (10)

The percentage of students applying for revaluation increased from six in December 2008 to 11 in June 2011. The percentage of answer sheets where the marks got changed on revaluation ranged between 10 and 65 and pass percentage of fail to pass candidates was between seven and 51. This showed that there were weaknesses in the evaluation system. The Secretary, HSBTE stated (July 2012) that the change in revaluation marks has been observed due to posting error, individual judgment of examiner/evaluator and that necessary corrective measures had been taken by strengthening the table marking system and operation of vigilance team to verify the awards.

While admitting the facts, during exit conference, the PS stated that huge variation in result after revaluation was a matter of concern and instructed the staff not to put same staff for revaluation.

5.1.10.6 Campus placement

The campus placement cell had been established in all the polytechnics. The Department fixed 100 *per cent* targets for placement of eligible candidates. The position of the placement of eligible candidates during the last four years, however, was as given in **Table 18**.

Table 18: Details of placement during 2008-12

Year	Government polytechnics		
	Total students	Placements	Percentage
2008-09	4,870	1,732	35.56
2009-10	6,826	2,476	36.27
2010-11	8,229	2,770	33.66
2011-12	5,081	1,207	23.76
Total	25,006	8,185	32.73

Source: Departmental figures.

Note: Data for 2007-08 not available with Department.

The campus placement rate has come down in Government Polytechnics to 23.76 *per cent* in 2011-12 from 35.56 *per cent* in 2008-09. The Principal, Government Polytechnic, Nilokheri stated (July 2012) that there was no Training and Placement Officer in the institute with the result that the activities under industry-institute interaction remained inoperative.

The DG stated (December 2012) that the shortfall was due to the reason that 40-50 *per cent* students opt for higher studies under lateral entry scheme. The reply was not convincing as the students willing to opt for higher studies would have not certainly applied for placements. While admitting the facts, during exit conference, the PS stated that the low placements were mainly due to availability of higher qualified technical staff whom the companies prefer to appoint. All the facilities were being provided to the institutions to boost this activity and Training and Placement Officers have been posted in all the institutions and in case of vacancy in the institution, these would be filled up immediately.

5.1.11. Human resource development

5.1.11.1 Vacancies in teaching and non-teaching cadres

As against 1,536 sanctioned posts in various categories of teaching cadres in Government Polytechnics including that of societies, the actual strength as on March 2012 was 899 while 637 (41.47 per cent) posts were lying vacant as detailed given in **Table 19**.

Table 19: Details showing the vacancies in teaching cadre

Teaching cadre	Sanctioned	Persons in position	Vacant	Vacancy percentage
Government Polytechnics	890	600	290	33
Government Polytechnic Societies	646	299	347	54
Total	1,536	899	637	41

Audit observed deployment of guest faculty by the polytechnics. In four polytechnics, it was also observed that 29 guest faculty members were not having requisite qualifications for recruitment as lecturers/instructors.

While admitting the facts, during exit conference, the PS stated that efforts were being made for recruitment of fresh staff and also ordered his staff to ensure that guest faculty in the institute should have same qualification as that of regular faculty and no guest faculty should be allowed to continue whose result was less than 30 per cent.

It was further observed (June 2012) that 25 Heads of the Departments/Senior Lecturers/ Lecturers were drawn from various polytechnics and were deputed in the Directorate/HSBTE for performing non-teaching functions like establishment work, replying to RTI applications, release of grants-in-aid, publication of results, etc. This affected the teaching work in the polytechnics. The Department should have recruited proper staff for such works to avoid deployment of teaching staff on non-teaching activities.

While admitting the facts, during exit conference, the PS stated that such adjustments were made due to shortage of staff and heavy work load. The reasons were not acceptable as the adjustment have negative impact upon the study of the students in polytechnics. This work could have been got done by appointing temporary staff under outsourcing policy of the State Government.

The vacancy position in non-teaching cadre (Class III) was as given in **Table 20**.

Table 20: Details showing the vacancies in non-teaching cadre

Non Teaching cadre	Sanctioned	Persons in position	Vacant
Government Polytechnics	506	298	208
Government Polytechnic Societies	246	98	148
Total	752	396	356

As is evident from above, 47 per cent posts in class III cadre were lying vacant. It was observed that out of the 356 vacant posts, 231 posts (Government Polytechnics: 172 and Government Polytechnic Societies: 59) related to teaching

cadres i.e. Workshop Instructors, Junior Programmers and Laboratory Instructors which were very critical posts for imparting practical education. Thus, such shortages certainly impact the quality of technical education.

5.1.11.2 Teacher-student ratio

As per norms fixed by the AICTE, the ideal teacher-student ratio is 1:20 in the polytechnics. Higher ratio affects the studies of the students as the teachers are not able to pay due attention to the larger number of students. It was seen during test check that the average teacher-student ratio in the test checked institutes was 1:30. The position was worst in the Government Polytechnic for Women, Faridabad and Government Polytechnic, Nilokheri where it was 1:40.

Non-maintenance of teacher-student ratio affected the study of the students which ultimately resulted in poor pass percentage and high dropout rates. While admitting the facts, during exit conference, the PS stated that teacher student ratio could not be maintained due to shortage of staff. The reply was not convincing as a large number of staff from polytechnics had been deputed to Directorate/ Board/Society away from their regular duties.

5.1.11.3 Under-utilisation of staff

The basic principle for appointment of technical staff is to utilize them for teaching purposes. In three¹² institutions, the staff of closed Vocational Education Institutes was merged. Though this staff was drawing salary in the scale of Instructors and Vice-Principals, they were engaged for clerical work. Total salary drawn by them amounted to ₹ 1.03 crore during 2009-12 (**Appendix 5.8**). It was observed that in the absence of vocational training courses in the Polytechnics, they were doing clerical or routine jobs instead of deploying their services in places where the technical posts were lying vacant. This indicated that the department had not planned the utilization of the services of these staff members in a proper manner.

It was observed (June 2012) during audit that Skill Development Initiative Scheme was being run by GOI under which job oriented vocational courses were to be introduced by the institutes. Some of the Government Sector Industrial Training Institutes, viz Ambala, Karnal, Sirsa and private polytechnics were implementing the scheme. Under the scheme, short and long term courses were being run by the institutes wherein students on being successful in the examination get full reimbursement of the fees including examination fee. Though Director, Technical Education Department instructed (December 2009) the Principals of polytechnics under his control to get themselves registered with the GOI as service provider with Regional Directorate of Apprenticeship and Training (RDAT), Faridabad to avail of benefit of the scheme, none of the institutes test-checked had registered themselves for the purpose. Had the scheme been implemented by the polytechnics in the State, the services of surplus

¹² Faridabad, Jhajjar and Loharu.

teaching staff of vocational institutions could have been utilized appropriately by deploying them for these courses.

While admitting the audit observation, during exit conference, the PS stated that this staff was less qualified in comparison to the staff required for teaching in the polytechnics as such they have been put on other works.

5.1.11.4 Skill upgradation of teaching staff

Regular training programmes were necessary for the teaching faculty to update their knowledge and skill. It was observed that neither any plan for skill upgradation of teachers was prepared nor was any orientation/ refresher course organized by the department during 2007-12. The training programmes were being organized by NITTR and HIPA which had circulated the yearly training programme to the Institutes to ascertain that the teaching staff was being trained properly from time to time. Records of this activity were not maintained by the Directorate. However, the training policy of the Department was under formulation (March 2012).

5.1.12. Estate management and miscellaneous activities

5.1.12.1 Non-installation of separate electricity meters for residences

The Government Polytechnic for Women, Faridabad and Government Polytechnic Educational Society, Manesar were receiving bulk supplies of electricity. Out of this line, the supplies were also made to the residences situated in the campus but separate meters for residences were not installed. The institutions were charging fixed amount ranging between ` 150 and ` 1000 from these residences. The electricity bill should have been charged according to consumption. As remaining bill was being paid out of the Government funds, there was burden on the State ex-chequer to the extent of 86 per cent. The position of the amount paid by the Government and residents during 2007-12 was as given in **Table 21**.

Table 21: Position of amount paid by the Government and residents during 2007-12

(` in lakh)

Name of the Institution	Total bill	Paid by institute	Paid by residents
Government Polytechnic for Women, Faridabad	84.74	79.72	5.02
Government Polytechnic Educational Society, Manesar.	78.11	68.09	10.02
C.R Polytechnic, Rohtak	59.40	42.47	16.93
Total	222.25	190.28	31.97

The Principals of Polytechnics concerned should have installed separate meters for consumers to avoid loss to the Government.

While admitting the facts, during exit conference, the PS stated that meters had been installed in the Government Polytechnic for Women, Faridabad and that all the other institutions were being ordered to charge the bills according to their consumption.

5.1.12.2 *Non-refund of security to the students*

At the time of admission, the students were required to deposit security at prescribed rates which was refundable to them after the completion of the studies. It was observed that none of the institutions had evolved any system to refund of security to students while leaving the institute. As the students take admission from distance places also, it was not practicable for them to come time and again for taking refund of security deposit, as a result of which, it remained non-refunded. A sum of ` 1.13 crore was lying unpaid in test-checked institutes (*Appendix 5.9*) as of March 2012.

While admitting the facts, during exit conference, the PS ordered the DG to streamline the system so that the security of the students was refunded to them at the time of leaving the institution.

5.1.12.3 *Non-return of library books by the students*

Library facility was provided to the students in the institutions. The students were required to return the library books after a prescribed period. In case of loss of books, they were required to deposit full cost of the books. It was observed in five test-checked institutions that the students had not returned the books costing ` 5.47 lakh (*Appendix 5.10*), though they had left the institutions. Though the students were required to get 'No Due Certificate' before leaving the institute, yet return of books was not insisted upon by the institutions. Thus, proper control was not exercised for taking back the library books from students.

While admitting the facts, during exit conference, the PS stated that the amount would be got adjusted from the security of the students lying with the polytechnics.

5.1.13. Adequacy of infrastructure

5.1.13.1 *Shortage of class rooms*

Class room is the basic need to provide education. Inadequate class room directly affects the studies of the students. Audit observed that there was shortage of class rooms in the test checked institutions as per details given in **Table 22**.

Table 22: Details showing the shortage of class rooms

Name of Institution	Required	Available	Shortage	Percentage
Jhajjar	45	40	5	11
Nilokheri	29	27	2	7
Loharu	15	8	7	47
Manesar	24	20	4	17

Source: Departmental figures.

While admitting the facts, during exit conference, the PS stated that all efforts would be made to provide additional rooms in the institutions.

5.1.13.2 *Inadequate hostel accommodation*

Hostel facility is the most important facility for the students. Hostels had been constructed in all the test checked Polytechnics (except Narwana) to provide accommodation to the students. It was observed (June 2012) that in eight test-checked institutions, the average number of hostellers was 1,977 against the average intake capacity of 1,846 hostellers during the years 2007-12 (*Appendix 5.II*). The most crowded hostels were Government Polytechnic, Nilokheri and Government Polytechnic for Women, Faridabad. It was also observed that in Government Polytechnic Educational Society, Manesar, only the first year students were provided hostels. Students studying in 2nd year onwards were denied the facility.

While admitting the facts, during exit conference, the PS stated that new hostels were under construction and the position was likely to improve in the near future. The adjustments were being made to provide facility to more students so that the outstation students were not forced to live outside.

5.1.14. Monitoring and evaluation

5.1.14.1 *Internal control*

Internal control provides reasonable assurance to the management about the compliance of applicable rules and regulations. The internal control in the Department was inadequate for implementation of the schemes, monitoring of construction works, etc. as discussed in the foregoing paragraphs.

5.1.14.2 *Internal Audit*

With a view to improve the overall quality of work and reduce errors/irregularities, there should be an internal audit system in all Government Departments. Audit observed (June 2012) that there was no dedicated internal audit wing in the Department. There was no internal audit manual also. There was huge pendency of internal audit as depicted in **Table 23**.

Table 23: Details showing the pendency of internal audit

Year	Planned	Audited	Pendency (in percentage)
			(Number of units)
2007-08	26	8	18 (69)
2008-09	27	9	18 (67)
2009-10	29	12	17 (59)
2010-11	29	20	9 (31)
2011-12	29	4	25 (86)
Total	140	53	

Source: Departmental figures

As on March 2012, 466¹³ paragraphs of internal audit were outstanding against 29 institutions. The paragraphs were pending from 1999-2000, showing that the institutions were not attending to the audit objections seriously. As such, the internal audit system was not effective in the Department.

While admitting the facts, during exit conference, the PS stated that the internal audit system was being strengthened by requesting more staff.

5.1.14.3 Non-preparation of Administrative Report

The department was required to prepare Administrative Report showing activities of the department every year and submit the same to the Government. It was observed that Administrative Report of the department had been prepared up to 2008-09 only. In the absence of the report, the activities/performance of the department after 2008-09 could not be made public. The DG stated (December 2012) that report for the financial year 2009-10 was being submitted to the Government and for 2010-11, the data was being collected from field offices. The Administrative Report had not yet been prepared (December 2012).

5.1.14.4 Monitoring

The DG, as head of the Department, was responsible for monitoring the implementation of programmes, schemes and other activities of the Department. Monthly progress reports to monitor the activities of the department had not been prescribed by the department except submission of monthly expenditure report. There was no centralized data base of schemes and programmes for monitoring, with the result that huge funds remained unspent with the institutions. Construction of works was also delayed by executing agencies.

During exit conference, the PS stated that meetings were held from time to time at every level including Chief Minister Level to review the progress and necessary feedback was given.

5.1.14.5 Performance evaluation by students

During performance audit, feedback from 205 students of test-checked institutions was obtained through questionnaire method in the presence of staff of institutions. The sample size included 135 boys and 70 girls. Students were asked to give rating about the facilities provided to them as poor, average, good, very good and excellent. Compilation of the data revealed as shown in **Table 24**.

¹³ More than 10 year old: 11, More than 5 year: 39, More than 3 years old: 55, More than one year old: 344 and Less than one year old: 17.

Table 24: Statement showing the compilation of the data

Activities	Number of students						
	Poor	Average	Good	Very good	Excellent	No comments	Total
Faculty performance	10	16	91	40	48		205
Food quality	15	51	41	24	5	69	205
Drinking water	21	38	50	72	24		205
Bath room	31	34	59	35	14	32	205
Toilet	39	43	67	39	14	3	205
Hostel maintenance	7	21	31	35	11	100	205
Library facility	18	25	60	60	38	4	205
Lab facility	23	48	61	38	25	10	205
Syllabus covered	4	36	47	59	55	4	205
Course contents	8	17	52	68	43	17	205
Behaviour Administrative staff	5	16	48	57	76	3	205
Computer facility	45	28	59	47	24	2	205
Total	226	373	666	574	377	244	2460

As is evident from above, the students mainly rated the below mentioned facilities as poor or average as such they were not satisfied with the facilities.

- Computer facilities: 36 per cent students.
- Laboratory facilities: 35 per cent students.
- Quality of food served: 32 per cent students.
- Bath room facilities: 32 per cent students.
- Drinking water: 29 per cent students.
- Library: 21 per cent students.

Overall about 50 per cent students rated the facilities as good or very good, 15 per cent students rated as excellent while 24 per cent students rated the facilities as poor or average. Thus, the above facilities provided to students require improvement.

While admitting the facts, during exit conference, the PS ordered the DG to provide adequate facilities immediately so that the students may get better environment for their studies.

5.1.15 Working of Haryana State Counselling Society and Haryana Board of Technical Education

5.1.15.1 Haryana State Counselling Society

The Society was formed in the year 2007 mainly for the purpose of smooth conduct of admissions and counselling of students for polytechnics and engineering colleges. As per constitution of the Society, the surplus funds were to be utilised in providing scholarships and other student beneficial activities. The Society was self sustaining and was functioning with the help of fees collected for

conduct of entrance examination and Counselling which were previously being credited to Government. Position of funds received and expenditure incurred after the formation of Society as per balance sheet was as given in **Table 25**.

Table 25: Position of funds received and expenditure

(` in crore)

Year	Opening balance	Funds received	Total funds available	Expenditure incurred	Balance at the close of the year
2007-08	Nil	16.86	16.86	10.73	6.13
2008-09	6.13	77.25	83.38	80.16	3.22
2009-10	3.22	59.95	63.17	57.53	5.64
2010-11	5.64	10.76	16.40	8.19	8.21
2011-12	8.21	9.77	17.98	6.00	11.98
Total		174.59		162.61	

Scrutiny of balance sheet of the Society revealed that the grants-in-aid amounting to ` 12.72 crore was released to four institutions. Out of this, ` 5.26 crore was lying unspent with the institutions as per details given in **Table 26**.

Table 26: Statement showing the position of unspent funds

(` in crore)

Year	Name of the institution	Purpose	Amount given	Expenditure up to March 2012	Balance
2007-08	G.P, Nilokheri	Scholarships	6.34	6.00	0.34
2008-09	GPW, Faridabad	Free books and learning material	3.00	0.71	2.29
2008-09	GP, Ambala	ISO Grading	1.08	0.13	0.95
2008-09	GPW, Ambala	Personality Development and communication skills	2.30	0.62	1.68
		Total	12.72	7.46	5.26

The PS during exit conference stated that all the funds lying undisbursed with the institutions would be called back in case the funds were not required by them.

5.1.15.2 Financial irregularities

- **Non-preparation of inventory of furniture**

The Society incurred an expenditure of ` 1.16¹⁴ crore on purchase of new furniture during 2008-12. This furniture was purchased for the entire department. It was also observed that the inventory of furniture had not been prepared. The PS during exit conference admitted the fact and ordered the concerned staff to prepare the inventory immediately.

- **Irregular purchase of learning material**

The Expression of Interest (EOI) for the purchase of books for library was invited in December 2008 through press advertisement. Against this advertisement, nine firms quoted their rates for books of various publications giving discount up to 33 per cent and two firms (one of them was M/s Tathastu Services Ambala Cantt) quoted rates for learning

14 2008-09: ` 1.05 crore, 2009-10: ` 0.10 crore and 2011-12: ` 0.01 crore.

material offering 20 *per cent* discount though the department had not invited EOIs for learning material. On the basis of EOIs, the DG empanelled 5 suppliers for supply of books for library.

After finalization of empanelment for library books, the department without inviting fresh EOIs for learning material placed supply order (February 2009) on M/s Tathastu Services, Ambala Cantt for supply of 14,905 sets of learning material to the polytechnics (Government as well as Private) @ ` 750 per set less 20 *per cent* discount. A total expenditure of ` 0.71 crore was incurred on purchase of learning material.

On being enquired from various institutions, 10 institutions intimated that out of 3,657 sets supplied to them, 2,960 sets were lying undistributed with them due to change in syllabus and average quality of material which was not useful for the students (*Appendix 5.12*). Further, the price of material was not marked on the material, in the absence of which the basis of the price of ` 750 arrived at by the Department could not be ascertained.

Thus, the purchase of learning was made without inviting quotations and without having competitive rates. Further, the usefulness and demand of the material was not assessed properly.

The PS during exit conference stated that the matter would be investigated and necessary action taken.

- **Non-conducting of audit of the Society**

As per para 19.2 of the Memorandum of Association of the Society, the audit of the Society was entrusted to Registrar, Cooperative Societies (RCS). It was observed that audit of the society was not conducted by the RCS. On this being pointed out in audit, the department stated (October 2012) that the RCS refused to conduct the audit of the society. Therefore, the Board of Governors of the Society decided (February 2011) that the audit of the Society would be got conducted from the internal audit party of the Directorate of Technical Education Department. However, audit of the Society had not been conducted so far (November 2012).

5.1.15.3 Haryana State Board of Technical Education

In order to control the activities regarding examination and results etc, in respect of diploma courses, the Haryana State Board of Technical Education (the Board) was formed in the year 2008 vide Act no.19 of the Legislature of State of Haryana. Prior to the formation of the Board, the State Board of Technical Education was functioning as part of the Director, Technical Education Department.

The financial position of the Board since its inception is depicted in **Table 27**.

Table 27: Financial position of the HSBTE

(` in crore)

Year	Opening balance	Funds received	Total funds available	Expenditure incurred	Balance at the close of the year
2008-09	-nil-	5.70	5.70	4.47	1.23
2009-10	1.23	9.35	10.58	8.86	1.72
2010-11	1.72	13.61	15.33	8.13	7.20
2011-12	7.20	18.35	25.55	7.89	17.66
Total		47.01		29.35	

• **Non-preparation of inventory of furniture ` 0.61 crore**

HSBTE spent an amount of ` 0.61 crore on purchase of furniture in 2008-09. As per report of the Chartered Accountant appended to the Balance sheet, inventory of the furniture had not been prepared by the HSBTE. During exit conference while admitting the facts, the PS ordered the concerned staff to prepare the inventory of furniture immediately.

5.1.16. Conclusions

- The department created adequate infrastructure for imparting education. However, shortage of teaching staff affected the quality of education. As such, the planning process of the department was inadequate.
- Parking of funds outside the Government accounts, release of grants-in-aid in excess of requirement, non-adjustment of temporary advances affected the financial management of the department.
- Delay in setting up of new polytechnics and construction of SC hostels, non-providing of book-bank facility, non supply of free books to SC students impeded the process of achievement of the schemes.
- Improper selection of coaching institute resulted in discontinuation of the programme midway. Payment of ` 15.88 crore was made to the Institute without following proper procedure. Poor monitoring by the department facilitated many lapses which benefited the service provider.
- There was lack of facilities in the Government Polytechnics.

5.1.17. Recommendations

The Government may consider to:

- evolve long term and short term plans (Annual Action Plan) with measurable goals;

- release grants-in-aid to Government aided institutions after taking into consideration the funds available with them to avoid unnecessary accumulation of funds;
- pursue properly with the PWD for completion of polytechnic and hostel buildings;
- ensure effective implementation of schemes for the benefit of targeted beneficiaries; and
- strengthen monitoring mechanism for the effective implementation of schemes.

Chandigarh

Dated:

(Onkar Nath)

**Principal Accountant General (Audit),
Haryana**

Countersigned

New Delhi

Dated:

(Vinod Rai)

Comptroller and Auditor General of India

Appendix 1.1
(Reference: Paragraph: 1.8.1; Page 10)

Statement showing year-wise breakup of outstanding Inspection Reports and Paragraphs

Year	Public Works Department (Building and Roads)			Social Justice and Empowerment Department			Total		
	Inspection Reports	Paragraphs	Amount	Inspection Reports	Paragraphs	Amount	Inspection Reports	Paragraphs	Amount
1998-99 to 2003-04	6	7	6.44	43	66	29.14	49	73	35.58
2004-05	9	11	1.83	10	11	0.22	19	22	2.05
2005-06	13	19	5.07	15	23	10.96	28	42	16.03
2006-07	15	27	46.36	13	22	18.12	28	49	64.48
2007-08	30	52	201.29	12	24	1.49	42	76	202.78
2008-09	40	67	69.77	16	35	30.40	56	102	100.17
2009-10	45	91	165.74	25	63	88.83	70	154	254.57
2010-11	52	159	174.85	20	124	104.77	72	283	279.62
2011-12	43	242	2,654.96	15	111	22.35	58	353	2,677.31
Total	253	675	3,326.31	169	479	306.28	422	1154	3,632.59

Appendix 1.2

(Reference: Paragraph: 1.8.1; Page 11)

Details of serious irregularities pointed out through outstanding Inspection Reports

Sr. No.	Nature of Irregularities	Number of Paragraphs	Amount (in crore)
(A) Public Works Department (Buildings and Roads)			
1.	Loss due to theft, misappropriation and embezzlement.	2	0.02
2.	Recoverable amounts from contractors/agencies on account of excess payments, excess issue of material, cost of work done at their risk and cost and non-recovery of income tax, sales tax and liquidated charges.	103	133.91
3.	Recoverable amount on account of shortages/excess payments from government officials.	10	0.56
4.	Non-observance of rules relating to custody and handling of cash, reconciliation of withdrawal from treasuries, maintenance of cash books and irregular utilization of departmental receipts and non-observance of codal provisions.	153	2,074.18
5.	Extra and avoidable expenditure, excess expenditure incurred on deposit works, irregular, unauthorized and infructuous expenditure.	297	908.81
6.	Irregular/injudicious purchases.	6	2.27
7.	Undue financial aid to contractors.	34	39.67
8.	Execution of sub-standard works.	7	5.02
9.	Blocking of funds.	12	40.22
10.	Non-accounting/short receipt of materials.	13	14.97
11.	Non-preparation of tools and plant returns, non-closing of manufacturing accounts and under-utilisation of machinery.	25	5.21
12.	Unsanctioned estimates and loss of measurement books	13	101.47
Total - Public Works Department (B&R)		675	3,326.31
(B) Social Justice and Empowerment Department			
1	Non-obtaining/Non-production of utilisation certificate and wanting actual payees receipts from firms/departments	50	5.63
2	Non-recovery/short recovery and outstanding recovery of loan/seed and margin money/interest free loan/subsidy/pension	10	0.41
3	Excess/irregular/wasteful/avoidable expenditure on pay and allowances/ pensions/insurance/schemes	181	93.93
4	Irregular/wasteful/unfruitful/injudicious/improper expenditure	45	40.94
5	Non-production/non-maintenance of records	26	4.08
6	Non-condemnation of old/unserviceable articles/vehicles and non-disposal of condemned store articles/vehicles	11	0.07
7	Irregular/ retention/ drawal/ mis-utilisation/ non-utilisation of Government money/ funds/ loans/blockade of Government funds and excess expenditure over budget.	70	76.59
8	Non-adjustment of advance payments/advances.	2	0.03
9	Miscellaneous irregularities/cash book.	84	84.60
Total - Social Justice and Empowerment		479	306.28
Grand Total (A+B)		1154	36,32.59

Appendix 1.3

(Reference: Paragraph 1.8.3; Page 11)

Details of Audit Report paragraphs for which replies are awaited for the years 2006-07, 2007-08, 2008-09 and 2009-10 (Civil Reports) as on 31 May 2012

Sr. No.	Name of department	Period	Total paras	Para No.
1.	Agriculture	2009-10	1	1.1
2.	Education	2008-09	2	2.1.3, 2.1.4
		2009-10	1	2.4.1
3.	Finance	2008-09	1	2.6.1
		2009-10	1	2.6.1
4.	General Administration	2006-07	1	4.4.2
5.	Home (Police and Jail)	2008-09	2	1.2, 2.1.2
6.	Irrigation	2008-09	2	2.1.5, 2.3.8
		2009-10	3	2.2.2, 2.2.3, 2.3.4
7.	Medical and Health	2008-09	3	1.1, 2.1.1, 2.2.2
8.	Public Works Department (B&R)	2008-09	4	2.3.2, 2.3.3, 2.3.4, 2.3.7
		2009-10	2	2.2.1, 2.4.2
9.	Public Works Department (P&H)	2008-09	1	2.3.6
		2009-10	3	1.3, 2.2.5, 2.4.3, 2.4.4
10.	Revenue	2008-09	1	1.3
		2009-10	1	2.5.2
11.	Rural Development	2008-09	1	1.3
		2009-10	1	2.5.2
12.	Town and Country Planning (Haryana Urban Development Authority)	2006-07	1	4.4.3
		2008-09	1	2.3.1
		2009-10	2	1.4, 2.3.1
13.	Transport	2008-09	1	1.4
		2009-10	1	2.3.2
14.	Administration of Justice	2008-09	1	2.2.1
15.	Supplies and Disposals	2008-09	1	2.3.5
16.	Women and Child Development	2009-10	1	1.2
		2008-09	3	1.1, 2.1.1, 2.2.2
17.	Social Justice and Empowerment	2009-10	2	2.1.1, 2.5.1
18.	Fisheries	2009-10	1	3.1
Total			46	

Appendix 1.4

(Reference: Paragraph 1.8.3; Page 12)

List of paragraphs where recovery has been pointed out but no action has been taken by the Administrative Department

Sr. No.	Name of Administrative Department	Year of Audit Report	Paragraph Number	Amount (₹ in lakh)
1.	Agriculture	2000-01	6.3	40.45
			6.6	30.60
2.	Animal Husbandry	2000-01	3.4	21.96
		2001-02	6.3	747.00
3.	Finance	2001-02	3.3	5.62
4.	Food and Supplies	2002-03	4.6.8	23.89
5.	Rural Development (DRDA)	2001-02	6.1.11	0.54
		2003-04	4.5.1	273.00
6.	Town and Country Planning (HUDA)	2000-01	3.16	15,529.00
		2001-02	6.10	4,055.00
7	Women and Child Development	2009-10	1.12.13.1	8.25
			1.12.13.3	4.09
8	Social Justice and Empowerment (District Red Cross Society)	2010-11	3.11	1.53
9	PWD (Irrigation Branch)	2010-11	3.1.2	62.25
Total			14	20,803.18

Appendix 1.5
(Reference: Paragraph 1.8.3; Page 12)
Details of outstanding recommendations of Public Accounts Committee on which the Government is yet to take final decision

Sr. No.	PAC Report	Total number of outstanding recommendations
1.	7 th	1
2.	9 th	1
3.	14 th	1
4.	16 th	1
5.	18 th	1
6.	19 th	1
7.	21 st	1
8.	22 nd	2
9.	23 rd	1
10.	25 th	3
11.	26 th	2
12.	28 th	1
13.	29 th	3
14.	32 nd	7
15.	34 th	5
16.	36 th	8
17.	38 th	7
18.	40 th	8
19.	42 nd	9
20.	44 th	12
21.	46 th	7
22.	48 th	3
23.	50 th	34
24.	52 nd	17
25.	54 th	13
26.	56 th	16
27.	58 th	40
28.	60 th	37
29.	61 st	12
30.	62 nd	24
31.	63 rd	26
32.	64 th	09
33.	65 th	23
34.	67 th	37
Total		373

Appendix 2.1
(Reference: Paragraph 2.1.11.1; Page 25)
Year-wise expenditure on the statutory schemes

(Amount in lakh)

Name of the scheme	2007-08		2008-09		2009-10		2010-11		2011-12	
	Number of cases	Amount								
Maternity Benefit	0	0	0	0	02	0.02	11	0.60	174	7.90
Payment of funeral assistance	0	0	2	0.02	40	0.36	45	1.39	128	7.66
Death Benefit	0	0	3	0.45	43	7.80	48	20.95	134	93.85
Medical Assistance	0	0	0	0	0	0	0	0	2	0.02
Financial Assistance for education	0	0	0	0	02	0.15	186	5.05	389	20.28

Source: Compiled from the records of the Board.

Appendix 2.2
(Reference: Paragraph 2.1.11.1; Page 26)
Year-wise expenditure on the non-statutory schemes

Name of the scheme	Amount (` in lakh)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Health Insurance Scheme	0	5.60	0.45	86.19	48.16
Mobile Dispensary vans	0	0.53	27.28	15.34	38.45
Shelters for construction workers	0	0	48.05	0	14.06
Financial Assistance for marriage/ Financial Assistance for marriage of daughters	0	0.41	9.23	99.45	153.90
Workers facilitation centres	0	0	0	4.70	16.93
Crèches and mobile toilets	0	0.82	7.51	29.23	25.07

Source: Compiled from the records of the Board.

Appendix 2.3
(Reference: Paragraph 2.2.5; Page 34)
List of selected Circles and Divisions

Sr. No.	Name of circle	Name of Division
1	Bhakra Water Services, Sirsa	Rori Water Services Division, Sirsa
		Nehrana Water Services Division, Sirsa
		Ghaggar Water Services Division, Sirsa
		Sirsa Water Services Division, Sirsa
2	Bhakra Water Services, Kaithal	Pundri Water Services Division, Kaithal
		Kaithal Water Services Division, Kaithal
		Narwana Water Services Division, Narwana
		Bhakra Main Line Water Services Division, Kaithal
3	Yamuna Water Services, Bhiwani	Siwani Water Services Division, Bhiwani
		Bhiwani Water Services Division, Bhiwani
		Jui Water Services Division, Bhiwani
		Lift Water Services (Mechanical) Division, Bhiwani
4	Hathni Kund Barrage, Jagadhri	Hathni Kund Barrage Division 1, Jagadhri
		Construction Division No. 14, Kurukshetra
		Dadupur Water Services Division, Dadupur
		Jagadhari Water Services Division, Jagadhari
5	Yamuna Water Services, Rohtak	Rohtak Water Services Division, Rohtak
		Sampla Water Services Division, Rohtak
		Gohana Water Services Division, Gohana
		Water Services (Mechanical) Division, Rohtak
		Construction Division No. 21, Rohtak
		Bahadurgarh Water Services Division, Bahadurgarh
Construction Division No. 30, Gohana		
6	Jawahar Lal Nehru Water Services, Narnaul	Mahendergarh Canal Water Services Division, Charkhi Dadri
		Mahendergarh Canal Water Services Division, Mahendergarh
		Mahendergarh Canal Water Services Division, Narnaul
		Mahendergarh Water Services Division (Mechanical), Narnaul
7	Yamuna Water Services, Jind	Jind Water Services Division, Jind
		Construction Division No.28, Jind
		Safidon Water Services Division, Safidon
8	Yamuna Water Services, Karnal	Karnal Water Services Division, Karnal
		Indri Water Services Division, Karnal
		Construction Division No 17, Karnal
		Panipat Water Services Division, Panipat
9	Workshop, Karnal	Procurement and Disposal Division, Panchkula
		Water Services (Mechanical) Division, Karnal
10	Construction Hisar	Construction Division No. 6, Hisar
		Construction Division No.7, Hisar

Appendix 2.4
(Reference: Paragraph 2.2.7; Page 35)
Statement showing the details of schemes included in Eleventh Five Year Plan.

Sr. No.	Name of scheme	Approved outlay	Expenditure incurred	Status of work	Remarks
		(' in crore)			
Major Irrigation Schemes					
1	Dadupur Nalvi Irrigation Scheme	267.70	135.71	Only Phase-I completed, Phase-II in progress	Phase-III of scheme i.e. construction of minor deferred due to protest of farmers
2	Linking BML with Hansi Branch Butana Branch	170.89 392.00 (Revised)	383.28	Completed except linking with Bhakra Main Line	Channel could not be linked to BML due to court case matter being inter-state dispute.
3	Remaining Distribution work of JLN Canal	22.78	37.22	In progress	
4	Remaining work of WRCP Project under AIBP	172.50	117.97	In progress	
Medium Irrigation Schemes					
5	Construction of Dewanwala Dam on Ghaggar river 12Km. upstream Panchkula	79.75	Nil	Not started	Not cleared by the Ghaggar Committee.
6	Construction of Dangarana Dam on Ghaggar river 25 Km. upstream Panchkula	79.75	Nil	Not started	Not cleared by the Ghaggar Committee.
7	Construction of Kaushalya Dam on Kaushalya river 8 Km. upstream Panchkula	102.53 217.00 (Revised)	188.35	Complete	Pipeline linking with HUDA for water works in progress.
8	Renovation and modernization of Bibipur lake	8.74	7.00	In Progress	
9	Renovation and modernization of Kotla lake	22.78	Nil	Not started	Approval of Govt. awaited
10	Renovation and modernization of Otu lake	62.66	44.57	Phase-I and II complete	Phase-III under progress
11	Renovation and modernization of Bhindawas lake	39.87	Nil	Not started	Scheme dropped and transferred to Forest Department
12	Renovation and modernization of Massani reservoir	11.39	Nil	-	Scheme has been dropped
13	Minor Scheme of Irrigation being executed under NABARD Loan	170.89	180.00	In progress	Out of 1332 works sanctioned 170 works still not completed and are under progress.
14	Mewat Irrigation Scheme	282.74	Nil	-	Approval of Govt. is awaited.
15	Gharaunda Irrigation Scheme	22.78	Nil	-	Dropped
16	Ladwa Irrigation Scheme	22.78	Nil	-	Dropped
17	Improving capacity of pump and installation of new pump on lift canal unit	45.57	Nil	-	Scheme taken under NBARD
18	Ambala Irrigation Scheme	283.10	Nil	-	Approval of Govt. is awaited
19	NCR Water Supply Channel	1.00 322.00 (Revised)	278.61	Completed	-

Source: Departmental records.

Appendix 2.5
(Reference: Paragraph 2.2.8.1; Page 38)
Statement showing the details of budget provision, revised budget and expenditure of the department

(in crore)

Year	Revenue/ Capital	Voted/ Charged	Budget	Revised Budget	Expenditure	Saving (-)/ Excess (+)
2007-08	Revenue	Voted	681.37	817.82	633.39	(-) 184.43
	Capital	Voted	530.00	555.00	833.73	(+) 278.73
	Capital	Charged	25.00	57.00	53.72	(-) 3.28
2008-09	Revenue	Voted	738.41	1089.20	661.33	(-) 427.87
	Capital	Voted	586.00	558.50	757.02	(+) 198.52
	Capital	Charged	42.00	45.00	54.38	(+) 9.38
2009-10	Revenue	Voted	1040.42	1121.52	729.34	(-) 392.18
	Capital	Voted	561.00	560.80	731.44	(+) 170.64
	Capital	Charged	42.00	42.00	24.93	(-) 17.07
2010-11	Revenue	Voted	1037.53	1069.94	758.46	(-) 311.48
	Capital	Voted	436.40	514.40	712.98	(+) 198.58
	Capital	Charged	40.00	50.80	47.63	(-) 3.17
2011-12	Revenue	Voted	1075.46	1219.54	846.09	(-) 373.45
	Capital	Voted	443.50	553.40	823.14	(+) 269.74
	Capital	Charged	40.00	70.00	64.15	(-) 5.85

Source: Compiled from the data received from the department.

Appendix 2.6
(Reference: Paragraph 2.2.10.2; Page 47)
Details of silt clearances not done under Mahatma Gandhi National Rural
Employment Guarantee Act

(in lakh)

Circle	Division	Expenditure on silt clearance	Payment made through contractor	Payment made through MNREGA
Yamuna Water Services, Bhiwani	Siwani Water Services	663.33	663.33	0
	Bhiwani Water Services	512.53	512.53	0
	Jui Water Services	193.70	193.70	0
	Total	1369.56	1369.56	0
Hathni Kund Barrage, Jagadhari	Hathni Kund Barrage Construction Divisioin No.1	3.38	3.38	0
	Dadupur Water Services	24.11	24.11	0
	Total	27.49	27.49	0
Yamuna Water Services Rohtak	Rohtak Water Services	1534.68	1534.68	0
	Sampla Water Services	291.60	291.60	0
	Gohana Water Services	197.48	197.48	0
	Bahadurgarh Water Services	3.85	3.85	0
	Total	2027.61	2027.61	0
	Grand Total	3424.66	3424.66	0

Source: Compiled from the data received from the department.

Appendix 2.7

(Reference: Paragraph 2.2.10.4; Page 49)

Statement showing the details of disposal of sewage/effluent in Western Jamuna Canal

Sr. No.	Point of effluent disposal in Western Jamuna Canal	Approximate quantity of effluents (in cusecs)
1	Near RD 17000/L sewage disposal from village Fatehgarh	1.00
2	Near RD/R gates provided water goes directly from open Nallah to Western Jamuna Canal	2.00
3	Near RD 57000/R open drain/sewage line water entering into Western Jamuna Canal	1.00
4	Near RD 57000/R water entered through pipe near Pump house	0.50
5	Near RD 57300/L water from 10 MLD-STP of Public Health	3.00
6	Near RD 59700/R near Jamuna Ghat water from open drain/sewage line enter in Western Jamuna Canal	1.00
7	Near RD 62500/R D/S old Saharanpur road	0.50
8	Near RD 61200/R water from Jamuna Gali through open drain	1.00
9	Near RD 68600/R water enter from village Hamida/Garhi from open drain	1.00
10	Near RD 125000/R village Radaur disposal water entered in Western Jamuna Canal	1.00
11	Municipal Corporation area Yamuna Nagar	14.00
	Total	26.00

Source: Compiled from the records of the department.

Appendix 2.8
(Reference: Paragraph 2.2.11.2; Page 52)
Statement showing the details of Sub standard works

Sr. No.	Name of Division	Name of works	Revised cost	Expenditure	Date of sampling
			(in lakh)		
1	Dadupur Water Services Division, Dadupur	Repairing damaged pitching and launching apron of Gorynee Bund of Tajewala after flood 2010	224.00	178.51	7 July 2011
2		Repairing damage right side wall and curved guide bund at Tajewala after flood 2010	263.00	227.10	6 July 2011
3		Repairing damaged bund and launching apron RD1900 to 3080 of RLDSE at Tajewala	334.00	196.87	6 July 2011
4		Repairing damaged providing pitching and launching apron from RD 1100 to 1700 of RLDSE at Tajewala after flood 2010	456.00	172.42	6 July 2011
5		Repairing damaged bund providing pitching and launching apron from RD 3080 to 3750 of RLDSE at Tajewala after flood 2010	565.00	321.45	28 June 2011
6		Repairing damaged bund providing pitching and launching apron from RD 4270 to 5040 (Breach side) of RLDSE at Tajewala after flood 2010	628.00	254.77	28 June 2011
7.		Repairing damage bund providing pitching and launching apron from RD 5040 to 5920 (Breach side) of RLDSE at Tajewala after flood 2010	653.00	260.79	27/28 June 2011
8	Water Services Division, Jagadhri	Providing 26 No CC Block stud and 2000 fee bund with Stone Pitching etc. for protection to village Belgarh from River Yamuna	238.40	189.41	27 June 2011
Total			3361.40	1801.32	

Source: Compiled from the records of the concerned divisions.

Appendix 2.9
(Reference: Paragraph 2.2.12.1; Page 52)
Statement showing the details of amount not refunded by Land Acquisition Officer

(in lakh)

Circle	Division	Amount deposited	Award amount	Month of award	Received back from LAO	Balance	Period of delay in refund (Year-Month)
Bhakra Water Services, Sirsa	Ghaggar Water Services, Sirsa	320.72	316.32	March 2009	Nil	4.40	3-0
	Sirsa Water Services, Sirsa	90.00	80.06	May 2008	Nil	9.94	3-10
Bhakra Water Services, Kaithal	Kaithal Water Services, Kaithal	873.61	824.46	October 2011	Nil	49.15	0-5
	Narwana Water Services, Narwana	1355.29	1276.71	April 2010	78.05	0.53	2-0
Yamuna Water Services, Bhiwani	Siwani Water Services, Bhiwani	590.16	541.24	September 2011	Nil	48.92	0-5
	Jui Water Services, Bhiwani	852.84	798.66	May 2011	Nil	54.18	0-10
Hathni Kund Barrage, Jagadhari	Construction Division No. 14, Kurukshetra	3728.00	3606.47	March 2008	115.00	6.53	4-0
Jawahar Lal Nehru Water Services, Narnaul	Mahendergarh Canal Water Services, Charkhi Dadri	424.52	421.37	June 2011	1.18	1.97	0-9
	Mahendergarh Canal Water Services, Mahendergarh	463.37	449.30	September 2011	8.80	5.27	0-6
	Mahendergarh Canal Water Services, Narnaul	347.03	345.42	October 2011	Nil	1.61	0-5
Yamuna Water Services, Jind	Jind Water Services, Jind	1393.95	1248.00	January 2010	Nil	145.95	2-2
	Construction Division No. 28, Jind	1397.35	1350.89	June 2011	Nil	46.46	0-9
	Safidon Water Services, Safidon	206.91	112.52	March 2007	76.67	17.72	5-0
Construction Circle, Hisar	Construction Division No. 7, Hisar	3542.00	3442.17	February 2010	Nil	99.83	2-1
Total		15585.75	14813.59		279.70	492.46	

Source: Compiled from the records of the concerned divisions.

Appendix 2.10
(Reference: Paragraph 2.2.12.2; Page 52)
Statement showing the details of mutation of land

Circles	Division	Land acquired	Mutation made	Mutation not made
			(In acre)	
Bhakra Water Services, Sirsa	Ghaggar Water Services Division, Sirsa	42.35	29.77	12.58
	Sirsa Water Services Division, Sirsa	104.95	88.05	16.90
Bhakra Water Services, Kaithal	Kaithal Water Services Division, Kaithal	73.03	44.90	28.13
Yamuna Water Services, Bhiwani	Bhiwani Water Services Division, Bhiwani	277.83	184.25	93.58
	Jui Water Services Division, Bhiwani	47.50	37.63	9.87
Hathni Kund Barrage, Jagadhri	Construction Division No. 14, Kurukshetra	112.565	92.301	20.264
	Dadupur Water Services Division, Dadupur	82.068	51.492	30.576
	Jagadhri Water Services Division, Jagadhri	69.013	21.45	47.563
Yamuna Water Services, Rohtak	Rohtak Water Services Division, Rohtak	187.41	0	187.41
	Gohana Water Services Division, Gohana	10.85	0	10.85
	Construction Division No. 21, Rohtak	74.924	60.785	14.139
	Bahadurgarh Water Services Division, Bahadurgarh	103.02	0	103.02
Jawahar Lal Nehru Water Services, Narnaul	Mahendergarh Canal Water Services Division, Narnaul	14.04	6.21	7.83
Yamuna Water Services, Jind	Jind Water Services Division, Jind	71.10	0	71.10
	Construction Division No. 28, Jind	96.9263	37.4175	59.5088
	Safidon Water Services Division, Safidon	6.896	0.85	6.046
Yamuna Water Services, Karnal	Panipat Water Services Division, Panipat	74.37	36.14	38.23
Construction Circle, Hisar	Construction Division No. 7, Hisar	7.02	0	7.02
Total		1455.8623	691.2455	764.6168

Source: Compiled from the records of the concerned divisions.

Appendix 2.11

(Reference: Paragraph 2.2.14.2; Page 54)

Statement showing the details of non-transfer of amounts lying in deposit to revenue head of the department

Circle	Division	3 to 5 year	5 to 10 year	Above10 year	Total
		(` in lakh)			
Bhakra Water Services Sirsa	Rori Water Services Division, Sirsa	0.46	0.08	0.07	0.61
	Nehrana Water Services Division, Sirsa	4.20	0	0	4.20
	Ghaggar Water Services Division, Sirsa	2.32	0.90	0	3.22
	Sirsa Water Services Division, Sirsa	0.66	0.21	0.19	1.06
Yamuna Water Services, Bhiwani	Siwani Water Services Division, Bhiwani	21.42	2.10	1.11	24.63
	Bhiwani Water Services Division, Bhiwani	2.57	0	1.00	3.57
	Jui Water Services Division, Bhiwani	9.00	12.46	0	21.46
	Lift Water Services (Mechanical) Division, Bhiwani	0.22	0.02	0	0.24
Hathni Kund Barrage, Jagadhari	Hathni Kund Barrage Construction Division No 1, Jagadhri	1.26	5.63	1.95	8.84
	Construction Division No. 14, Kurukshetra	17.32	8.37	16.73	42.42
	Dadupur Water Services Division, Dadupur	232.53	0	0	232.53
	Jagadhri Water Services Division, Jagadhari	0.17	0	0	0.17
Yamuna Water Services, Rohtak	Sampla Water Services Division, Rohtak	115.58	0	0	115.58
	Gohana Water Services Division, Gohana	9.32	7.77	5.53	22.62
	Rohtak Water Services Mechanical Division, Rohtak	0.12	0.28	0.04	0.44
	Bahadurgarh Water Services Division, Bahadurgarh	4.98	0	0	4.98
	Construction Division No. 30, Gohana	24.86	11.22	0	36.08
Jawahar Lal Nehru Water Services, Narnaul	Mahendergarh Canal Water Services Division, Charkhi Dadri	0.28	0.35	0.56	1.19
	Mahendergarh Canal Water Services Division, Mahendergarh	18.09	0	0	18.09
	Mahendergarh Canal Water Services Division, Narnaul	0.88	0.99	0.12	1.99
Yamuna Water Services, Jind	Jind Water Services Division, Jind	20.34	10.05	11.25	41.64
	Safidon Water Services Division, Safidon	0.33	0.29	0	0.62
Yamuna Water Services, Karnal	Construction Division No. 17, Karnal	0	0.97	18.43	19.40
	Panipat Water Services Division, Panipat	1.62	0.58	0	2.20
Construction Hisar	Construction Division No. 6, Hisar	9.58	0.25	0.20	10.03
	Construction Division No. 7, Hisar	0.05	0.07	1.08	1.20
Total		498.16	62.59	58.26	619.01

Source: Compiled from the records of the concerned divisions.

Appendix 2.12
(Reference: Paragraph 2.2.14.3; Page 55)

Statement showing the details of non-deposit of labour cess

Circle	Division	Receipt head of the labour department	Kept in Deposit Head	Total
		(in lakh)		
Bhakra Water Services Sirsa	Rori Water Services Division, Sirsa	0	3.28	3.28
	Nehrana Water Services Division, Sirsa	37.07	Nil	37.07
	Ghaggar Water Services Division, Sirsa	39.27	Nil	39.27
	Sirsa Water Services Division, Sirsa	15.38	Nil	15.38
Yamuna Water Services, Bhiwani	Siwani Water Services Division, Bhiwani	14.06	Nil	14.06
	Bhiwani Water Services Division, Bhiwani	84.58	Nil	84.58
	Jui Water Services Division, Bhiwani	Nil	8.69	8.69
Hathni Kund Barrage, Jagadhri	Hathni Kund Barrage Construction Division No 1, Jagadhri	3.95	6.40	10.35
	Construction Division No. 14, Kurukshetra	14.23	1.13	15.36
	Dadupur Water Services Division, Dadupur	21.37	23.31	44.68
	Jagadhri Water Services Division, Jagadhri	Nil	6.28	6.28
Jawahar Lal Nehru Water Services, Narnaul	Mahendergarh Canal Water Services Division, Charkhi Dadri	Nil	4.14	4.14
	Mahendergarh Canal Water Services Division, Mahendergarh	Nil	0.68	0.68
	Mahendergarh Canal Water Services Division, Narnaul	Nil	4.83	4.83
	Mahendergarh Water Services (Mechanical), Narnaul	Nil	0.05	0.05
Yamuna Water Services, Jind	Jind Water Services Division, Jind	1.47	Nil	1.47
	Safidon Water Services Division, Safidon	12.19	Nil	12.19
Yamuna Water Services, Karnal	Karnal Water Services Division, Karnal	3.54	12.80	16.34
	Panipat Water Services Division, Panipat	45.33	Nil	45.33
Construction Hisar	Construction Division No. 6, Hisar	6.60	Nil	6.60
	Construction Division No. 7, Hisar	6.59	Nil	6.59
	Total	305.63	71.59	377.22

Source: Compiled from the records of the concerned divisions.

Appendix 2.13
(Reference: Paragraph 2.3.5; Page 61)
List of test-checked units

Sr. No.	District Selected	Name of LAOs/ DRO-cum-LAC	Name of Divisions
1.	Rohtak	DRO-cum-LAC, Rohtak	Provincial Division, PWD (B&R) No.-I, Rohtak Provincial Division. PWD (B&R) No.-II, Rohtak Rohtak Water Services Division, Rohtak Sampla Water Services Division, Rohtak Feeder Water Services Division, Rohtak Construction Division No. 19 (Irrigation), Rohtak Construction Division No.21 (Irrigation), Rohtak Public Health Engineering Division No. I, Rohtak Public Health Engineering Division No. II, Rohtak Public Health Engineering Division No. III, Rohtak
2.	Gurgaon	DRO-cum-LAC, Gurgaon LAO, PWD (B&R), Gurgaon	Provincial Division, PWD (B&R), Gurgaon Construction Division No. 31 (Irrigation), Gurgaon Public Health Engineering Division, Sohna
3.	Faridabad	DRO-cum-LAC, Palwal	Public Health Engineering Division No. I, Palwal Public Health Engineering Division No. III, Palwal

Appendix 2.14
(Reference: Paragraph 2.3.10.1; Page 77)

Statement showing the detail of surplus land under encroachment

Sr. No	Name of Circle	Name of village	Location	Total Area (in acre)
1	Bhakra Water Services, Sirsa	Abubshahar	Opposite RD 200-L Abubshahar Minor No 2	7.86
2		Panniwala Ruldu	Opposite RD 362000-R Bhakra Main Branch	5.40
3		Ganga	Abandoned Lisara Nallah in the chak of O/L RD 29776-R-33100-R-33100-L Chautala Dy. and 34820-R-35700-L-44000-L-45850-R-49000-L-57000-T.L-57000-T.R-Jandwala Disty.	12.13
4		Makha	Opposite RD-346000-L Bhakra Main Branch	15.81
5		Desu Malkana	Opposite RD-329000-L Bhakra Main Branch	8.32
6			Near the village on the road	0.71
7		Takhatmal	Opposite RD-313262-L Bhakra Main Branch	9.69
8		Panniwala Morika	Abandoned Minor No 1 in front of 35800-Tail	9.20
9		Desu Jodha	Opposite RD 3000-L Minor No. 3	0.91
10			Opposite RD 64851-R Dabwali Distributary	0.16
11			Opposite RD 65000-L Dabwali Distributary	1.06
12			Takhatmal	Opposite RD-303000-L Bhakra Main Branch
13	Bhakra Water Services, Kaithal	District Kaithal	Fatehpur Minor Tail	9.50
14		District Karnal	1-R Minor of Habri Branch Tail	52.21
15	Bhakra Water Services, Hisar-1	Daroli	Adampur Water Services Division Unauthorised possession at village Daroli	11.30
16		Sadalpur	Adampur Water Services Division Unauthorised possession at village Sadalpur	5.20
17		Naya Gaon	Abandoned old Daulatpur Minor	4.20
18			Abandoned old Daulatpur Minor	8.89
19	Sutlej Yamuna Link, Ambala	Jansui	Abandoned at village Jansui	9.77
20		Bishangarh	Abandoned at village Bishangarh	44.88
21		Segti	Abandoned at village Segti	5.21
22		Segta	Abandoned at village Segta	5.06
23	Yamuna Water Services, Rohtak	Pathri (District Panipat)	Unauthorised encroachment at village Pathri	5.74
24	Yamuna Water Services, Bhiwani	Dhanana	Abandoned Mithathal Minor	7.77
25	Yamuna Water Services, Faridabad	Jhahlana, Tehsil Punhana, District Mewat	RD 188000-L Rajasthan Link Canal	8.50
26		Mithapur Tehsil Kalkaji District Saket (Delhi)	L/side of Agra Canal and South of Abadi village Mithapur RD 4500 of L/side of G.C. Feeder	10.75
Total				265.03

Source: Compiled from the records of the concerned divisions.

Appendix 2.15
(Reference: Paragraph 2.3.10.6; Page 78)
Statement showing the position of mutation of land

(Area in acres)

Name of Urban Estate/Division	Land acquired	Mutation entered	Un-entered mutations
Urban Estate, Faridabad	2097.11	1308.04	789.07
Urban Estate, Rohtak	4022.97	728.08	3294.89
Urban Estate, Panipat	3212.77	1869.51	1343.26
Public Works Division (B&R) Division, Gurgaon	25.91	4.38	21.53
Construction Division No 31 (Irrigation), Gurgaon	111.66	83.38	28.28
Rohtak Water Services Division, Rohtak	189.71	Nil	189.71
Grand Total	9660.13	3993.39	5666.74

Source: Compiled data from the records of the UED and concerned divisions.

Appendix 2.16
(Reference: Paragraph 2.3.12; Page 81)
Statement showing sanctioned strength vis-à-vis men in position

Category of post	LAO	Sanctioned strength	Present staff	Vacant	Remarks
Section officer	Faridabad	1	0	1	Additional charge given to SO of STP, Faridabad
	Gurgaon	1	1	NIL	
	Rohtak	1	1	NIL	
Naib tehsildar	Faridabad	2	1	1	
	Gurgaon	2	1	1	
	Rohtak	2	2	NIL	
Kanugo	Faridabad	4	1	3	
	Gurgaon	4	2	2	
	Rohtak	4	4	NIL	
Patwari	Faridabad	16	9	7	Six patwaries were on contract basis
	Gurgaon	14	11	3	Five patwaries were on contract basis
	Rohtak	10	6	4	Six patwaries were on contract basis

Source: Data furnished by concerned LAOs.

Appendix 2.17

(Reference: Paragraph 2.3.13.2; Page 83)

Details of wrong payments received back in Land Acquisition Officer, Gurgaon

Sr. No	LAC No/Sector	Name of the Land Owner		Amount received
1	NTLA2008/1451/ 20 March 2008	Smt. Sunil W/O Mukesh, Rohtak	Wrong person	5289021
2	Sector 81-95 Road, Gurgaon	Oskar Land and Housing Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	8997692
3		Fortune Land and Housing Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	647100
4		Elegant Land and Housing Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	23045965
5		Bright Build Tech Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	1657420
6		Salmon Land and Housing Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	854529
7		Orris Land and Housing Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	61460
8		Radhe Estate Pvt. Ltd., DLF Phase-II, Gurgaon	Wrong person	747940
9		Village Khapra, District Mahendergarh	Balwant Singh, Village Khapra, District Mahendergarh	Wrong person
10	Award 37/12 August 2009 Village Behrampur	ECU Builder & Developers Pvt. Ltd., New Delhi	Wrong person	2613855
11	58-67 Road , Village Medavas	Sakuntala Devi W/O Nanuram, Village Medavaas	Wrong person	187990
12	Sector81-88, Hayatpur, District Gurgaon	Crazy Land and Housing Pvt. Ltd., Gurgaon	Wrong person	277662
			Total	64861219

Source: Compiled data from the records of the LAO, Gurgaon.

Appendix 2.18
(Reference: Paragraph 2.3.13.2; Page 83)
Details of Excess payments received back in Land Acquisition Officer, Gurgaon

Sr. No	LAC No/Sector	Name of the Land Owner		Amount received
1	Sector 81-95 Road, Gurgaon	Ved Prakash, Om Parkash, etc. Village Sihi	Excess amount	728860
2		Raja Ram Village Nakhrola	Excess amount	1482859
3	LAC 85/1996, 707/2000, 47/2005	Om Parkash, Kailash Singh, Dharampal	Excess amount	5419973
4	Village Nawada Fatehpur	Rajpal	Excess amount	419860
5	Village Dhanwapur	Sukhlal	Excess amount	82853
6	Sector 81-95, Gurgaon	Sukhbir	Excess amount	355356
7	Award 17/ 14 June 2010	Sher Singh S/O Bane Singh Village Wazirpur	Excess amount	646111
8	LAC 74/94, Sector 6, Gurgaon	Devender Kumar	Excess amount	950500
9	Sector 81 Tawru/Hodel	Rajkumari W/O Ajit Village Hayatpur	Excess amount	44230
10	81-95 Road, Village Bhangrolla	Ishwar S/O Ramchander, Village Bhangrolla	Excess amount	79584
11	Village Chauma District Gurgaon	Karam Singh, Village Chauma	Excess amount	2694549
12	99-115 Mtr Road, Village Dhankot	Vijay Garg, B-6 Tagore Market, Kirti Nagar, New Delhi	Excess amount	2087889
13	Village Dhankot	Kamla W/O Ramphal, Village Dhankot	Excess amount	56156
14	Village Khachra, District Mahendergarh	Basti Ram S/O Mushaddi Lal, etc., Village Khachra	Excess amount	298599
15	Sector 99-115 Road, Gurgaon	Ram Kishan S/O Amir Chand, Sunil, etc., Village Mohmadheri	Excess amount	108733
			Total	15456112

Source: Compiled data from the records of the LAO, Gurgaon.

Appendix 2.19

(Reference: Paragraph 2.4.5; Page 92)

List of districts, blocks and Gram Panchayat selected

Sr. No.	District	Block	Name of selected GPs
1	Ambala	Ambala-I	Jansui, Baroula, Kaleran, Raulan, Amipur, Mohra, Sekhupura, Jagouli, Bhurangpur
		Saha	Kesri, Samlehri, Khera, Sabga, Akbarpur, Nurd, Shergarh, Jharu majra, Chudiali, Saha
2	Fatehabad	Bhattu Kalan	Khabra Kalan, Sirdhan, Dhand, Mehuwala, Banmandori, Jandwala Bagar, Sarwarpur, Daiyar, Bhattu kalan, Pilli mandori, Dhabi Kalan, Dhingsara, Thuiya, Kirdhan, Bodiwali
		Ratia	Sehnal, Aharwan, Badalgarh, Chimmo, Raipur, Jandwala Sotter, Rattakhera, Kamana, Alik, Babanpur, Bahmanwala, Burj, Chando Kalan, Mohmedpur Sotter
3	Kurukshetra	Babain	Bir Sujra, Berthla, Bint, Jhandola, Kasithal, Nakhrojpur, Falsanda Rangran, Bargat, Mahua Kheri
		Thanesar	Barna, Bhansi Majra, Gamri Jattan, Khaspur, Ajrana Kalan, Jhiverheri, Tigri Khalsa, Untsal, Mirzapur, Daultpur
4	Mewat	Firozpur Jhirka	Jharpuri, Dungeja, Balkhera, Shabpur, Malhaka, Samir Bass, Chittora, Sulela, Shekhpur
		Taoru	Panchgaon, Nizampur, Hasanpur, Shikarpur, Bawla, Para, Uton, Dingerheri, Bhangoh, Silkhon
5	Palwal	Palwal	Ghori, Paroli, Kalwaka, Badha, Karna, Chirwari, Jodhpur, Alawalpur, Durgapur, Therki, Ratipur, Maheshpur, Johar Khera, Rampur Khor, Dhatir
		Hasanpur	Hasanpur, Maholi, Bata, Raidaska, Fatasko Nagar, Tikri Gujjar, Kawarka, Sehnoli, Kushak Ghasera, Bela, Mirpur Korali, Bilochpur, Ramgarh
6	Sirsa	Baragudha	Jhiri, Thiraj, Bhagsar, Buraj Karamgarh, Shekhupuria, Kurganawali, Sukhchain, Lehangewala, Alik,
		Odhan	Malikpura, Odhan, Chormar Khera, Ghukanwali, Rohiranwali, Khatravan, Hassu, Salamkhera, Kheowali, Tigri

Appendix 2.20

(Reference: Paragraph 2.4.7.3; Page 94)

Statement showing details of Gram Panchayats where Gram Rozgar Sahayaks not appointed

Sr. No.	District	Block	Gram Panchayat
1	Fatehabad	Ratia	Badalgarh
2			Sardarawala
3			Kamana
4			Raipur
5			Ratakhera
6			Chimmo
7			Sehnal
8			Jandwala
9			Aharwan
10			Alika
11		Bhattu Kalan	Daiyar
12			Sirdhan
13			Khabra Kalan
14			Ban Mandori
15			Mehuwala
16			Pili Mandori
17			Bhattu Kalan
18			Dhand
19			Jandwala
20			Sarwarpur
21	Palwal	Palwal	Paroli
22			Jodhpur
23			Badha
24			Karna
25			Durgapur
26		Hassanpur	Sehnoli
27			Tikri Gujjar
28			Hassanpur
29	Sirsa	Baragudha	Shekhupuria
30	Ambala	Ambala-1	Jansui
31			Sekhupur
32			Bhurangpur
33			Jagouli
34		Saha	Nurd
35			Chudiali
36			Saha

Source: Information supplied by the department.

Appendix 2.21

(Reference: Paragraph 2.4.9.6; Page 100)

Statement showing details of funds kept out of bank account

Date	Amount withdrawn from the bank (PNB, Railway road Kurukshetra) (In lakh)	Amount deposited in other bank account (UBI, Geeta Niketan School Kurukshetra) (In lakh)	Amount lying with the Sarpanch (In lakh)	Date of deposit	Delay involved
16 May 2011	2.40	1.40	1.00	26 May 2011	10 days
15 March 2011	0.52	0.52	0	25 May 2011	70 days
6 August 2011	0.67	0.68	-0.01	24 October 2011	89 days
16 June 2011	5.75	5.75	0	16 July 2011	30 days
18 January 2012	2.50	1.50	1.00	23 April 2012	96 days
9 January 2012	4.10	4.10	0	18 January 2012	9 days
23 December 2010	2.00	2.00	0	31 December 2010	8 days
Total Amount lying with the Sarpanch			1.99		

Source: As prepared from Cash book of GP, Tigri Khalsa.

Appendix 2.22
(Reference: Paragraph 2.4.10.2; Page 101)
Statement showing difference in job card issued as per Gram Panchayat Records
and as per MIS Report

Sr. No.	District	Block	Gram Panchayat	Number of job cards	
				As per Gram Panchayat	As per MIS Report
1	Mewat	Tauru	Panchgaon	489	385
2			Nizampur	143	210
3			Dhingerheri	72	132
4			Uton	121	97
5		Firozpurjhirka	Shekhpur	121	161
6			Jharpuri	449	361
7			Balkhera	161	71
8			Malhaka	295	184
9			Shahpur	245	145
10			Samirbass	107	125
11			Dingeja	172	175
12			Chitoda	221	140
13	Palwal	Hassanpur	Hassanpur	9	24
14	Ambala	Saha	Kesri	300	449

Source: Prepared from records of GPs concerned.

Appendix 2.23
(Reference: Paragraph 2.4.10.2; Page 101)
Details of GPs not maintaining job card registers

Sr. No.	District	Block	Gram Panchayat
1.	Fatehabad	Ratia	Jandwala Sottar
2.		Bhattu Kalan	Khabra Kalan
3.	Palwal	Palwal	Tehrki
4.		Hasanpur	Kushak
5.			Raidaska
6.			Sehnoli
7.			Tikri Gujjar
8.	Ambala	Ambala-1	Badola
9.			Jagouli
10.		Saha	Kesri
11.			Sabga
12.			Nurd
13.			Shergarh
14.			Chudiali
15.			Saha
16.			Jharumajra
17.			Kurukhetra
18.	Bhensi Majra		

Source: Information supplied by the concerned GPs.

Appendix 2.24
(Reference: Paragraph 2.4.11; Page 103)
Statement showing delayed payment of wages

Sr. No.	District	Name of Block	Name of GPs	Period of work done	Date of actual payment	Amount (in lakh)	Delay in days
1	Mewat	Firozpur Jhirka	Shekhpur	17 October 2010 to 31 October 2010	21 December 2010	2.09	35
			Jharpuri	1 October 2010 to 16 October 2010	17 December 2010	0.66	46
			Balkhera	1 May 2011 to 31 May 2011	30 July 2011	1.24	44
			Malhaka	2 July 2011 to 31 July 2011	04 October 2011	2.48	49
			Shafipur	1 March 2010 to 31 March 2010	13 March 2011	2.74	331
			Samirbass	17 September 2011 to 09 October 2011	19 January 2012	0.42	86
			Dungeja	01 July 2009 to 17 July 2009	25 September 2011	1.11	54
			Sulela	1 September 2011 to 26 September 2011	15 March 2012	0.54	154
			Chitoda	1 January 2008 to 16 January 2008	23 March 2008	2.57	50
			Uton	1 January 2011 to 31 January 2011	25 March 2011	1.79	37
		Tauru	Uton	1 June 2011 to 30 June 2011	24 October 2011	1.68	100
			Shikarpur	1 January 2011 to 31 January 2011	11 March 2011	0.98	23
			Shikarpur	1 February 2011 to 28 February 2011	9 April 2011	1.13	24
			Bangoh	1 September 2011 to 30 September 2011	14 May 2012	0.22	210
2	Sirsa	Baragudha	Sukhchain	1 August 2011 to 15 August 2011	2 November 2011	2.15	63
			Sukhchain	16 August 2011 to 10 September 2011	18 November 2011	2.81	53
			Alikan	5 August 2011 to 31 August 2011	23 November 2011	0.87	68
			Shekhupuria	26 August 2011 to 9 September 2011	19 October 2011	6.22	24
			Shekhupuria	10 September 2011 to 24 September 2011	29 October 2011	5.00	19
		Odhan	Chormarkhera	12 January 2012 to 26 January 2012	7 March 2012	3.10	24
			Odhan	21 February 2012 to 6 March 2012	27 April 2012	0.74	36
3	Ambala	Ambala-I	Shekhupur	1 March 2011 to 16 March 2011	21 April 2011	0.50	20
			Burangpur	1 August 2011 to 6 August 2011	14 January 2012	0.08	145
4	Palwal	Hassanpur	Maholi	1 April 2011 to 16 April 2011	14 July 2011	1.03	73
			Maholi	17 April 2011 to 2 May 2011	14 July 2011	1.18	57
			Maholi	3 May 2011 to 18 May 2011	10 August 2011	0.98	68
			Tikri Gujjar	1 April 2011 to 16 April 2011	25 August 2011	1.28	115
			Tikri Gujjar	1 May 2011 to 16 May 2011	25 August 2011	0.41	85
			Fatasko Nagar	1 April 2011 to 5 June 2011	26 March 2012	3.23	278
			Mirpur Korali	4 January 2011 to 19 January 2011	11 May 2011	1.33	96
				21 January 2011 to 31 January 2011	25 November 2011	1.31	273
			Bilochpur	1 January 2011 to 15 January 2011	28 May 2011	1.55	116
1 March 2011 to 15 March 2011	8 December 2011	1.55		251			

Sr. No.	District	Name of Block	Name of GPs	Period of work done	Date of actual payment	Amount (in lakh)	Delay in days		
				16 March 2011 to 31 March 2011	7 March 2012	0.55	325		
		Palwal	Tehrki	1 July 2011 to 16 July 2011	18 January 2012	1.22	170		
			Durgapur	1 May 2011 to 16 May 2011	27 March 2012	0.20	299		
			Maheshpur	1 February 2011 to 16 February 2011	25 January 2012	0.74	330		
			Dhatir	1 October 2010 to 16 October 2010	11 May 2011	0.28	191		
				17 October 2010 to 1 November 2010	11 May 2011	0.16	175		
				2 November 2010 to 15 November 2010	11 May 2011	0.13	161		
				1 December 2010 to 16 December 2010	11 May 2011	1.23	130		
5	Kurukshetra	Babin	Nakhrozpur	16 September 2011 to 30 September 2011	25 October 2011	0.18	9		
				1 October 2011 to 15 October 2011	18 November 2011	0.67	18		
			Mahwakheri	17 January 2011 to 31 January 2011	24 February 2011	0.27	8		
				16 March 2011 to 31 March 2011	29 April 2011	1.56	13		
				16 July 2011 to 31 July 2011	3 September 2011	0.91	18		
6	Fatehabad	Ratia	Chando Kalan	20 March 2011 to 31 March 2011	29 April 2011	1.46	14		
				1 May 2011 to 15 May 2011	13 June 2011	4.01	14		
				17 June 2011 to 31 June 2011	18 August 2011	6.28	34		
				1 July 2011 to 16 July 2011	3 September 2011	6.31	34		
				17 July 2011 to 25 July 2011	15 September 2011	1.37	37		
			Burj	18 August 2011 to 31 August 2011	21 December 2011	1.04	96		
				1 September 2011 to 13 September 2011	21 December 2011	0.46	83		
				7 March 2012 to 13 March 2012	20 April 2012	1.23	23		
				2 March 2012 to 3 March 2012	20 April 2012	0.28	33		
				1 April 2011 to 6 April 2011	12 May 2011	0.27	20		
					21 March 2011 to 31 March 2011	12 May 2011	1.08	28	
		Bhattu Kalan	Dhingsara	2 March 2012 to 14 March 2012	10 April 2012	1.87	12		
			Thuiya	2 March 2012 to 16 March 2012	9 April 2012	2.06	9		
			Thuiya	17 March 2012 to 31 March 2012	3 May 2012	0.91	18		
		Total						91.70	

Source: Prepared from records of concerned GPs.

Appendix 2.25
(Reference: Paragraph 2.4.11; Page 103)
Statement showing details of cuttings, overwriting in muster rolls by the Gram Panchayats

Sr. No.	District	Block	Gram Panchayat	Muster Roll Number	Period of employment	Remarks	
1	Ambala	Ambala I	Shekhupur	1376	1 July 2011 to 16 July 2011	Overwriting in attendance	
2			Bhurangpur	959	15 March 2011 to 31 March 2011		
3		Saha	Saha	452	3 August 2007 to 25 August 2007		
4			Sabga	301	1 August 2007 to 16 August 2007	Overwriting in attendance and period of work	
5	Sirsa	Odhan	Hassu	68866	24 March 2011 to 31 March 2011	Overwriting in bank account number	
6			Salamkhera	70942	1 March 2011 to 25 March 2011	Overwriting in number of days	
7			Chomarkhera	68743	28 February 2011 to 11 March 2011	Overwriting in attendance	
8				71298	22 December 2011 to 5 January 2012	Overwriting in job card number	
9		Baragudha	Alikan	89256	1 August 2011 to 15 August 2011	Overwriting in attendance and wages	
10				78216	1 Aug 2008 to 15 Aug 2008	Overwriting in attendance	
11				Sukhchain	89154	1 September 2011 to 10 September 2011	Overwriting in Period of work and wages
12		Palwal	Hassanpur	BDPO Hassanpur	489, 490	1 October 2010 to 16 October 2010	Overwriting in Period of work and wages
13					Blank	17 August 2010 to 30 August 2010	Overwriting in Period of work and without muster roll number
14				Karwaka	395, 396	1 October 2010 to 11 October 2010	Overwriting in Period of work and wages and muster roll without attendance marked
15					Blank	1 February 2011 to 16 February 2011	without muster roll number
16	Palwal		Badha	939	17 September 2010 to 2 October 2010	Overwriting in Period of work	
17				1774	1 September 2011 to 16 September 2011	Fluid in Name	
18				Paroli	1385, 1386	1 May 2011 to 16 May 2011	Fluid in wages paid
19	Fatehabad	Bhattu Kalan	Sirdhan	609	16 July 2011 to 25 July 2011	Attendance marked for 8 days while payment made for 9 days	
20				Kirdhan	411	1 December 2010 to 14 December 2010	Overwriting in wages and fluid in attendance
21			419		1 January 2011 to 14 January 2011	Fluiding and overwriting in number of 22days and wages	
22			421-422		18 January 2011 to 31 January 2011	Fluiding and Overwriting in the name of workers	
23			1371-1372		3 February 2011 to 16 February 2011	Fluiding and Overwriting in attendance of workers	
24		Ratia	Chando Kalan	11	17 April 11 to 28 April 2011	Absence of Cheti (Job card no. 11811) for two days from 26-4-11 to 27-4-11 converted into presence by overwriting which involved undue wages of ` 358.	
25				11	17 April 11 to 28 April 2011	Name of workers at sr. no. 37 & 38 changed by using fluid	

Source: Prepared from records of concerned GPs.

Appendix 2.26
(Reference: Paragraph 2.4.11; Page 103)
Miscellaneous deficiencies noticed in muster rolls

Sr. No.	District	Block	Gram Panchayat	Muster Roll Number	Nature of Irregularities
1.	Ambala	Saha	Samlehri	13669, 13673	Bank Account Number neither mentioned in the muster roll nor on MIS report
2.				13673	One beneficiary (Sh. Jitender) worked as per muster roll but in MIS report payment was shown against Sh. Rajiv.
3.				13670, 13671	Muster roll number not appeared in MIS report
4.			Akbarpur	11135, 11136	Beneficiaries Bank Account Number neither mentioned in the muster roll nor in the MIS report.
5.				11132, 11133, 11134, 11135, 11136	As per muster rolls, beneficiaries worked for one to 21 days and paid ` 287182 but in MIS report period of work done shown between one to 12 days and ` 189292 paid.
6.				14266	Muster roll not appeared in MIS report.
7.				14272, 14273, 14274, 14275	These muster rolls were not issued by the BDPO Saha to Gram Panchayat, Akbarpur.
8.				14261, 14264	Attendance of three persons (Baljit, Rajender and Rajkumar) marked in both the muster rolls from 10 October 2010 to 14 October 2010 (five days)
9.				14073	Muster roll was issued by the BDPO Saha on 21 February 2012 but labour was shown engaged on this muster roll from 1 January 2012 to 13 January 2012
10.				14177	Muster roll was issued by the BDPO Saha on 13 February 2012 but labour was shown engaged on this muster roll from 16 January 2012 to 24 January 2012
11.				14182	Muster roll was issued by the BDPO Saha on 21 February 2012 but labour was shown engaged on this muster roll from 1 February 2012 to 14 February 2012

Source: Prepared from records of concerned GPs.

Appendix 2.27

(Reference: Paragraph 2.4.12; Page 103)

Statement showing details of works Earth filling in rastas (Earthen roads) not providing all weather access

Sr. No.	District	Name of Block	Name of Gram Panchayat	Name of the work	Expenditure (in lakh)	Year
1.	Sirsa	Odhan	Khatrawan	Earth filling in Rasta from Primary school of Dogranwali to the fields	1.20	2009-10
2.			Odhan	Earth filling in Rasta from Ram Nagar to village Panniwala Mota	4.95	2008-09
3.				Earth filling in rasta from Odhan to Ram Nagar	1.10	2008-09
4.			Salam Khera	Earth filling in rasta	7.23	2010-11
5.				Earth filling in rasta	2.05	2009-10
6.			Ghukawali	Earth filling in rasta	4.30	2011-12
7.			Tigri	Earth filling in rasta	0.82	2010-11
8.		Baragudha	Burj Karamgarh	Earth filling in rasta (bus stand to dhani mohan lal)	0.86	2011-12
9.				Earth filling in rasta (bus stand to Soma Rani)	4.10	2011-12
10.			Sekhupuria	Earth filling in rasta (Firmi to Taj Public School)	2.53	2010-11
11.			Thiraj	Earth filling in rasta (Field of Mithu Singh to Ghaggar Bandh)	0.99	2010-11
12.			Jhiri	Earth filling in rasta (Jhiri to Jorer rohi rasta and harizen land)	13.04	2009-10
13.	Ambala	Ambala I	Badola	Earth Filling in rasta	2.69	2010-11
14.			Amipur	Earth work in Gohar	1.12	2009-10
15.				Earth work in Gohar	0.68	2009-10
16.			Jansui	Earth Filling in rasta	0.16	2008-10
17.			Rawalon	Earth Filling in rasta	1.69	2011-12
18.			Dhurangpur	Earth Filling in rasta	2.84	2008-09
19.	Ambala	Saha	Jharu Majra	Earth filling in Kacha Rasta	2.00	2009-10
20.			Khera	Earth filling in Kacha Rasta	2.25	2007-08
21.			Samlehri	Earth Filling in rasta	1.68	2009-10
22.			Saha	Earth Filling in rasta	2.60	2007-08
23.			Sabga	Earth Filling in rasta	0.91	2011-12
24.			Nurd	Earth Filling in rasta	1.75	2010-12

Sr. No.	District	Name of Block	Name of Gram Panchayat	Name of the work	Expenditure (in lakh)	Year		
25.			Nurd	Earth Filling in rasta	2.83	2009-10		
26.	Palwal	Hasanpur	Maholi	Earth filling in Streets	5.65	2011-12		
27.			Kushak	Earth filling in Streets and Rasta, Firni, etc.	23.19	2010-12		
28.			Kawarka	Earth filling in Streets	1.37	2011-12		
29.			Mirpur Korali	Earth filling in Rasta	3.09	2010-11		
30.			Palwal	Johar Khera	Earth filling in Rasta	3.68	2011-12	
31.		Earth filling in Rasta			4.82	2010-11		
32.		Earth filling in Rasta			4.48	2010-11		
33.		Earth filling in Rasta			5.60	2010-11		
34.		Maheshpur		Earth filling in Rasta	8.25	2010-11		
35.		Rampur Khor		Earth filling in Rasta	2.61	2010-11		
36.		Mewat		Firozpur Jirkha	Sahapur	Rural Connectivity(kherakalan to badapur rasta)	5.00	2011-12
37.						Rural Connectivity(umer khan khet to agon seema tak)	2.09	2011-12
38.						Rural Connectivity (Bandh se agon seema tak)	2.72	2011-12
Total					138.92			

Source: Prepared from data supplied by the concerned GPs.

Appendix 2.28
(Reference: Paragraph 2.4.12; Page 104)

Details of ponds excavated/deepened under NREGS lying without water

Source: Prepared from data supplied by the concerned GPs.

Sr. No.	Name of District	Name of Block	Name of GP	Name of the work	Expenditure (` in lakh)	Year
1.	Sirsa	Odhan	Odhan	Digging of Pond at Panchayati Land	2.21	2007-08
2.				Deepening of pond near Bilaspur Dhani	1.60	2009-10
3.			Tigri	Deepening of pond near Habuana Minor	4.90	2008-09
4.			Kheowali	Deepening of pond near Water Works	2.81	2007-08
5.			Hassu	Digging of pond	0.47	2007-08
6.			Baragudha	Shekhupuria	Digging of pond	8.79
7.	Ambala	Ambala I	Bhurangpur	Digging of pond	4.26	2011-12
8.		Saha	Shergarh	Digging of pond	2.73	2011-12
9.			Saha	Digging of pond	1.40	2007-08
10.					1.44	2010-11
11.		Nurd	Digging of pond	2.00	2010-11	
12.					1.81	2011-12
13.	Fatehabad	Bhattu Kalan	Bhattu Kalan	Digging of Ponds	5.56	2010-11
14.			Sirdhan	Digging of pond	3.17	2011-12
15.			Dhabi Kalan	Digging of pond	8.30	2009-12
16.			Thuiya	Digging of pond	6.60	2011-12
17.			Kirdhan	Digging of pond	6.94	2010-12
18.					Digging of pond	3.71
19.	Kurukshetra	Thanesher	Ajrana Kalan	Digging of Fish Ponds	12.75	2008-10
Total					81.45	

Appendix 2.29

(Reference: Paragraph 2.4.12; Page 105)

Statement showing details of Cement Concrete/Interlocking Paver Block street works not allowed under the Act

Sr. No.	Name of District	Name of Block	Name of Gram Panchayat	Name of the work	Expenditure (in lakh)	Year
1.	Sirsa	Odhan	Tigri	Construction of Cement Concrete road from Main road to the house of Dalbar Singh	0.61	2008-09
2.			Tigri	Construction of Cement Concrete road from the house of Chand Singh to to the house of Ajmer Singh	2.44	2008-09
3.			Tigri	Construction of Cement Concrete road from the house of Nachhattar Singh to the house of Bhag Singh	2.73	2008-09
4.			Kheowali	Construction of Cement Concrete interlocking road from Main road to the H/o Arji Ram	1.64	2010-11
5.			Khatrawan	Construction of Inter Paver Block street from Dharamshala to H/o Nachhattar Singh and Dharamshala to house of Hardyal	1.60	2010-11
6.			Khatrawan	Brick pavement of street from the house of Janta Singh to the house of Sukhdev Singh (IPB)	2.02	2008-09
7.			Khatrawan	Brick pavement of street from Dogranwali road to Iqbal Singh (IPB)	2.30	2008-09
8.			Odhan	Construction of Cement Concrete road from house of Hardyal to GT road	3.16	2009-10
9.			Odhan	Construction of Cement Concrete street from house of Babu Singh to Krishan	2.72	2008-09
10.			Malikpura	Construction of interlocking paver block street from Mithri Road to house of Iqbal Singh	3.79	2010-11
11.			Malikpura	Construction of interlocking paver block street from Ajaib Singh to house of Ajaib Singh son of Sarwan Singh	3.79	2010-11
12.			Gukawali	Interlocking paver block street from jagdish to firni	1.01	2010-11
13.			Rohirawali	Interlocking paver block street from ram murti to dhanpat	3.98	2010-11
14.				Interlocking paver block street from main road to transformer	3.16	2009-10
15.	Sirsa	Baragudha	Shekhupuriya	Interlocking paver block street from satpal to jal prakash	8.21	2010-12
16.			Jhiri	Interlocking paver block street from ajmer sing to harbansh singh	0.59	2009-10
17.				Interlocking paver block street from from jarnail singh to jagroop singh	0.57	2009-10
18.				Interlocking paver block street from biruwala to B. C. chaupal	1.06	2010-11
19.				Interlocking paver block street from biruwala to atma singh	5.66	2010-11
20.				Interlocking paver block street from atma ram to panjuana road	6.18	2010-11
21.			Alikan	Cement concrete street	0.70	2007-08
22.			Thiraj	Cement concrete street	0.54	2007-08
23.			Burj Karamgarh	Interlocking paver block street near ring bandh	3.07	2010-11
24.			Kurangwali	Interlocking paver block street from PWD road to mahender singh	1.86	2010-11

Sr. No.	Name of District	Name of Block	Name of Gram Panchayat	Name of the work	Expenditure (in lakh)	Year
25.	Ambala	Ambala-I	Shekhupur	Cement concrete street	2.49	2008-09
26.			Dhurangpur	Cement concrete street	3.27	2008-09
27.		Saha	Samlehri	Cement concrete street	11.00	2009-10
Total					80.15	

Source: Prepared from data supplied by the concerned GPs.

Appendix 2.30

(Reference: Paragraph 2.4.12; Page 107)

Statement showing details of Overpayment of wages to workers due to less work done at increasing capacity of 'Rangoi Kharif Channel'(Block Ratia)

Name of GP	Quantity of work done as per MB in cft	Output norms adopted per man day	Number of Man days paid	Number of man days payable @ 80 cft per day	Excess man days paid	Daily wage rate (in `)	Excess amount paid (in `)
Ahrwan	265518	66	4023	3319	704	179	1,26,016
	314434	58	5421	3930	1491	179	2,66,889
	301671	58	5201	3771	1430	191	2,73,130
Sukhmanpur	88110	58	1519	1101	418	179	74,822
Ghaswa	793075	66	12016	9913	2103	179	3,76,437
	103226	58	1780	1290	490	179	87,710
Chimmo	292256	66	4428	3653	775	179	1,38,725
	73273	58	1263	916	347	179	62,113
Chando Kalan	1049550	66	15902	13119	2783	179	4,98,157
Babanpur	195985	58	3379	2450	929	179	1,66,291
Burj	861904	66	13059	10774	2285	179	4,09,015
Mohmedpur Sotter	592995	66	8985	7412	1573	179	2,81,567
	120468	58	2077	1506	571	179	1,02,209
Total							28,63,081

Source: Prepared from the records supplied by the concerned GPs.

Appendix 2.31

(Reference: Paragraph 2.4.14; Page 109)

Statement showing details of payments to job card holders not on MIS Report

Sr. No.	Gram Panchayat	Muster Roll No.	Period	Name of Work	Job Card No.	Amount (in `)
1	Bangoh	1037-38	1 December 2011 to 31 December 2011	Filling of Rasta	24824	4833
2					24825	4833
3					6175	4833
4					52300	4833
5					6180	4833
6					6131	4833
7		1039-40	1 January 2012 to 31 January 2012	Filling of Rasta	6159	4117
8					6199	3901
9					6193	4117
10					6191	4117
11					52299	3401
12					24824	4117
13					24825	4117
14	Panchgaon	1045-46	1 June 2011 to 30 June 2011	Filling in chilawala Rasta	72512	9308
15					72515	9308
16					72517	9308
17		1045-46	1 June 2011 to 30 June 2011	Filling in chilawala Rasta	72518	9308
18					72514	9308
19					72516	9308
20		1047-48	1 June 2011 to 30 June 2011	Filling in chilawala Rasta	54363	4654
21	1049-50				1 June 2011 to 30 June 2011	Filling in chilawala Rasta
Total						

Source: Prepared from the records of the concerned GPs.

Appendix 2.32

(Reference: Paragraph 2.4.14; Page 109)

Details of GPs not maintaining Muster Roll Receipt Register

Sr. No.	District	Block	Gram Panchayat		
1.	Ambala	Ambala-I	Badola		
2.			Sekhupura		
3.		Saha	Sabga		
4.			Nurd		
5.			Shergarh		
6.			Chudiali		
7.			Saha		
8.	Sirsa	Baraguda	Sekhupuria		
9.		Odhan	Khatrawan		
10.			Hassu		
11.			Kheowali		
12.	Mewat	Firozpur Jirkha	Jharpuri		
13.			Sulela		
14.	Kurukhetra	Thanesher	Jhivarheri-II		
15.			Untsal		
16.			Mirjapur		
17.			Ganri jatan		
18.			Thuiya		
19.			Dhabi Kalan		
20.			Dhingsara		
21.			Kirdhan		
22.			Bhattu Kalan	Bodiwali	
23.					Burj
24.					Bahmanwala
25.					Babanpur
26.					Chando Kalan
27.			Fatehabad	Ratia	Mohmedpur Sotter
28.			Ghasera		
29.			Bela		
30.			Mirpur Korali		
31.			Bilochpur		
32.			Hassanpur	Ramgarh	
33.					Dhatir
34.					Maheshpur
35.					Ratipur
36.			Palwal	Palwal	Johar Khera

Source: Prepared from the information supplied by the concerned GPs.

Appendix 2.33
(Reference: Paragraph 2.4.14; Page 110)
Statement showing details of Overpayment of wages to workers

Name of GP	Muster Roll Number	Voucher Number/Month	Period of employment	Remarks
Ratia Block				
Chando Kalan	18	21/May 2011	17 April 2011 to 28 April 2011	Attendance marked for 11 days while payment was made for 12 days in respect of Bharowa w/o Uttam (Job card no. 26009). Thus, wages for one day amounting to ` 179 were over paid to the worker.
	1122	24/July 2011	1 June 2011 to 16 June 2011	Attendance marked for 13 days while payment was made for 14 days in respect of Amandeep (Job card no. 12355). Thus, wages for one day amounting to ` 179 were over paid to the worker.
	1951	34/September 2011	17 July 2011 to 25 July 2011	Attendance marked for three days while payment was made for four days in respect of Kulwant Singh (Job card no. 11637). Thus, wages for one day amounting to ` 179 were over paid to the worker.
	1953	34/September 2011	17 July 2011 to 25 July 2011	Attendance marked for two days while payment was made for three days in respect of Gulo Devi w/o Munshi (Job card no. 12399). Thus, wages for one day amounting to ` 179 were over paid to the worker.
Burj	90-92	7/ April 2011	1 April 2011 to 6 April 2011	As against the norms of one mate for 50 workers two mates were engaged for 28 workers involving irregular payment of ` 1104
	735	48/ July 2012	6 June 2012 to 8 June 2012	As per muster roll on 8 June 2012 Bhurobai and Karamjeet were absent. Later on their absence was converted into presence by overwriting in the muster roll and wages of ` 191 were paid to each even for the day on which they were absent.
	744	48/ July 2012	6 June 2012 to 8 June 2012	As per muster roll on 8 June 2012 Kulwant, Bagabai and jattibai were absent. Later on their absence was converted into presence by overwriting in the muster roll and wages of ` 191 were paid to each even for the day on which they were absent.
	773	48/ July 2012	6 June 2012 to 8 June 2012	As per muster roll on 8 June 2012 Jasbir and Iqbal were absent. Later on their absence was converted into presence by overwriting in the muster roll and wages of ` 191 were paid to each even for the day on which they were absent.
	859	48/ July 2012	13 June 2012 to 17 June 2012	As per muster roll on 14 June 2012 Shantibai was absent. Later on her absence was converted into presence by overwriting in the muster roll and wages of ` 210.10 were paid to her even for the day on which she was absent.
	3345	6/ May 2011	21 March 2011 to 31 March 2011	As per muster roll Manjeet was absent from 29 March 2011 to 30 March 2011. Later on his absence was converted into presence by

Name of GP	Muster Roll Number	Voucher Number/Month	Period of employment	Remarks
	1464	28/ August 2011	1 July 2011 to 16 July 2011	overwriting in the muster roll and wages of ` 358 were paid to him even for the day on which he was absent. As per muster roll Harpal and Inderjeet were absent from 15 July 2011 to 16 July 2011. Later on their absence was converted into presence by overwriting in the muster roll and wages of ` 358 were paid to each even for the days on which they were absent.
Mohmamdpur Sotter	1791-94	52/October 2011	19 July 2011 to 29 July 2011	As against the norms of one mate for 50 workers two mates were engaged for 50 workers involving irregular payment of ` 1840.
Bhattu Kalan Block				
Kirdhan	286	19/February 2010	11 February 2010 to 23 February 2010	Attendance marked for one day (11 February 2010) while payment was made for 11 days in respect of Shri Purnbhagat (Job card no. 3062). Thus, wages for 10 days amounting to ` 1510 were over paid to the worker.
	566	61/ June 2011	18 May 2011 to 30 May 2011	Wages for 28 days were paid to three workers but as per muster roll these workers were not present on the work as their attendance was not marked. Thus, payment of ` 5067 was paid without work.

Source: Prepared from the records of the concerned GPs.

Appendix 2.34
(Reference: Paragraph 2.4.15; Page)
Details of GPs not maintaining Complaint Register

Sr. No.	District	Block	Gram Panchayat
1.	Fatehabad	Bhattu Kalan	Sirdhan
2.	Palwal	Palwal	Alawalpur
3.			Karna
4.			Tehrki
5.		Hasanpur	Kushak
6.			Raidaska
7.			Sehnoli
8.			Tikri Gujjar
9.		Ambala	Ambala-I
10.	Saha		Samlehri
11.			Sabga
12.			Akbarpur
13.			Nurd
14.			Shergarh
15.			Chudiali
16.			Saha
17.	Sirsa	Baraguda	Sekhupuria
18.			Sukhchain
19.		Odhan	Hassu
20.	Mewat	Firozpur Jirkha	Shekhpur
21.			Saimirbas
22.			Bai Khera
23.			Malhaka
24.			Sahpurkhedla
25.			Dungeja
26.			Sulela
27.	Kurukhetra	Thanesher	Untsal
28.			Mirjapur
29.			Ganri Jatan

Source: Information supplied by the concerned GPs.

Annexure 2.35

(Reference: Paragraph 2.4.16.2; Page)

Number of muster rolls where attendance of workers was marked more than once

Name of district	Number of cases	Wages involved
Mahendergarh	2,219	47,93,982
Mewat	1,496	31,02,385
Sirsa	790	12,29,534
Hisar	695	9,39,301
Bhiwani	468	7,67,095
Rohtak	334	4,59,036
Ambala	304	5,29,539
Fatehabad	221	2,46,011
Jind	205	1,70,346
Karnal	122	1,63,787
Panchkula	104	1,79,280
Yamunanagar	76	95,219
Panipat	56	86,270
Jhajjar	48	99,411
Kurukshetra	44	69,853
Faridabad	42	76,489
Sonipat	36	58,759
Kaithal	30	53,392
Gurgaon	18	27,724
Rewari	10	13,872
Total	7,318	1,31,61,285

Say ~ 1.32 crore

Source: Analysis of data received from National Informatics Centre.

Appendix 3.1

(Reference: Paragraph 3.1.5.1 (a); Page 119)

District wise details of cases where the grants were given repeatedly by one or more than one minister to the same institutions

(C in crore)

Sr. No.	District	Total No. of grants in selected districts	Total Amount disbursed	Detail of grants disbursed repeatedly to the same beneficiaries					
				Total No. of grants	Total Amount disbursed	No. of beneficiaries	Amount released for the first time (5-9)	No. of grants repeated (4-6)	Amount released more than once
1	2	3	4	5	6	7	8	9	10
1	Faridabad	456	11.23	51	1.46	21	0.66	30	0.80
2	Gurgaon	216	4.93	12	0.31	4	0.11	8	0.20
3	Jind	479	9.62	57	2.78	20	1.08	37	1.70
4	Kurukshetra	914	12.05	51	1.66	16	0.48	35	1.18
5	Panchkula	266	8.49	53	2.90	19	1.03	34	1.87
6	Rohtak	354	12.02	77	6.41	24	1.97	53	4.50
7	Sirsa	666	9.31	45	1.91	15	0.48	30	1.43
8	Yamunanagar	251	5.63	27	1.35	8	0.21	19	1.14
9	Outside Haryana	82	3.93	8	0.27	4	0.12	4	0.15
Total		3,684	77.21	381	19.05	131	6.14	250	12.97

(Source: Compiled from the data received from the department)

Appendix 3.2
(Reference: Paragraph 3.1.5.1(a)(iii); Page 119)

Detail of grants disbursed to non-deserving institutions

Sr. No	Grant released by	No. of Grants	Amount of grant/grants (in lakh)	Month/ year of release	Name of beneficiary	Purpose of the grant	Amount at credit at the end of year
1	DC, Sirsa	3	5.00	January 2009,	Lala Dhira Mal Arora National College, Sirsa	Construction of building, purchase of furniture	2008-09: ` 1.17 crore and 2009-10: ` 1.49 crore
			5.00	August 2009			
			2.00	February 2010			
2		2	5.00	January 2009	GRG Girls Senior Secondary School, Sirsa	purchase of furniture and to provide computer education facility	2008-09: ` 26.62 lakh and 2010-11: ` 50.35 lakh
			5.00	September 2010			
3		9	42.00	December 2007 to August 2009	AV International Public school, Rania Road, Sirsa	Construction of building purchase of furniture, etc.	2007-08: ` 70.86 lakh; 2008-09: ` 80.13 lakh and 2009-10: ` 70.56 lakh
4	DC Yamuna Nagar	2	11.00	December 2010	Guru Nanak Khalsa College Yamuna Nagar	Repair of hall, construction of room in college [Rooms have not been constructed (July 2012)]	2010-11: ` 5.42 crore
			2.50	October 2010			
5	DC, Rohtak	5	5.00	October 2007	Vaish Education Society, Rohtak	Construction of building, providing computer education facility and development work	2008-09: ` 1.18 crore; 2009-10: ` 98.37 lakh; 2010-11: ` 1.14 crore and 2011-12: ` 75.91 lakh
			2.00	September 2008			
			1.21	August 2009			
			11.00	February 2010			
			2.00	January 2012			
6		4	10.00	December 2009	Model School, Rohtak	Construction of building, encouragement of student and development of infrastructure	2008-09: ` 6.45 crore; 2009-10: ` 7.40 crore and 2010-11: ` 10.42 crore
			2.00	February 2011			
			2.50	December 2011			
			25.00	December 2011			
7	DC, Faridabad	4	2.00	March 2009,	Rawal Education Society, Ballabgarh, Faridabad	Construction of building, rooms and providing sports activities	2007-08: ` 20.84 lakh; 2008-09: ` 20.58 lakh; 2009-10: ` 21.35 lakh; 2010-11: ` 23.92 lakh and 2011-12: ` 29.10 lakh
			5.00	July 2009,			
			1.00	October 2011			
			2.00	December 2011			
8		4	2.5	December 2007	DAV Centenary College, Faridabad	Purchase of computers and construction of building	2008-09: ` 1.08 crore; 2009-10: 1.83 crore; 2011-12 ` 2.53 crore
			2.5	February 2009			
			5.0	February 2011			
			2.5	October 2011			
Total		33	160.71				

(Source: Compiled from the data received from the department)

Appendix 3.3
(Reference: Paragraph 3.1.5.1(b); Page 119)
Detail of grants released for purposes not falling under the policy guidelines

Sr. No.	Grant released by	No. of Grants	Amount/ Month/ year of release (in lakh)	Name of beneficiary and purpose of the grant	Remarks
1.	DC, Jind	1.	11.00 (January 2009)	Saini Shiksha Samiti, Jind for Construction of Saini Girls High school.	The grant was given to establish the institution as construction work was started after receipt of grant money and was still under process.
		2.	5.00 (June 2009)		
2.	DC, Rohtak	3.	10.00 (July 2007)	Akhil Bhartiya Dhanak Samajik Vikas Manch, Rohtak for construction of Sant Kabir Bhawan, Sanjay Nagar, Rohtak	The institution was not in existence and the status of grant released as well as beneficiaries was not available with SDO (C), Rohtak
3.		4.	21.00 (November 2008)	Jat Education Society, Rohtak for construction of Chhotu Ram Institute of Law, Rohtak building and purchase of furniture	The grant was given to establish the Chhotu Ram Institute of Law, Rohtak. The construction work started after receipt of grant, was still under process.
	5.	5.00 (December 2008)			
4.		6.	31.00 (January 2012)	Shri Vishvakarma Education Society, Rohtak for construction of building of Vishvakarma Technical Institute at Rohtak	The grant was given to establish the institution as construction was still under process and the institute had not received technical sanction from the competent authority/ agency to run polytechnic courses.
5.		7.	2.50 (February 2009)	Ajit Pal Trust, Kalanaur, Rohtak for repairing of trust building	The building was not open to benefit to all communities.
	8.	1.00 (August 2009)			
6.		9.	21.00 (March 2010)	Gaur Brahman Vidya Parcharni Sabha, Rohtak. for construction of Technical and Management Institute at Village Pehrawar	The construction of the institute was proposed on Panchayat Land but change of land use was not permitted. As such the grant was lying unused for more than two years.
7.	DC, Sirsa	10.	21.00 (June 2011)	Shri Aggarwal Sewa Sadan, Sirsa for construction of building	The grant was given to establish the institution on Government land vacated by BDPO, Sirsa. But the title of the land was not in the name of beneficiaries. The work was yet to be started.
8.		11.	21.00 (June 2011)	Shri Aroravansh Sewa Sadan, Sirsa for construction of building	
9.		12.	11.00 (June 2010)	Maharaja Agarsain Charitable Trust, Sirsa for installation of Lift in Maharaja Agarsain Girls Senior Secondary School, Sirsa	

Report of Social, General and Economic Sectors (Non-PSUs) for the year ended 31 March 2012

Sr. No.	Grant released by	No. of Grants	Amount/ Month/ year of release (` in lakh)	Name of beneficiary and purpose of the grant	Remarks
10.	DC, Gurgaon	13.	6.00 (July 2010)	Municipal Corporation, Gurgaon for construction of sewer and cement concrete street in Ashok Vihar.	The entire amount remained unutilized as the colony where the work was required to be executed, were unapproved. The MC returned the entire amount to DC in June 2012.
11.		14.	2.00 (July 2010)	Municipal Corporation, Gurgaon for construction of street in Sheetla Colony Phase II Gali No. 7	
12.		15.	10.00 (July 2010)	Municipal Corporation, Gurgaon for construction for construction of street in Sheetla Colony Phase II Gate No. 4	
13.	DC, Kurukshetra	16.	0.51 (October 2010)	Sh. Saraswati Tirth Sewa Dal, Pehowa, for purchase of momento	Against the policy guidelines as this was not a development activity
14.		17.	0.51 (October 2010)	Punjabi Sabhya, Charak Society, Karah Sahib, for purchase of momento	Against the policy guidelines as this was not a development activity
15.		18.	0.51 (July 2007)	Aggarwal Sabha, Shahbad, for purchase of Statue	Against the policy guidelines as this was not a development activity
16.		19.	1.00 (February 2009)	Iskcon Raslila, Kurukshetra, for purchase of spiritual books	Against the policy guidelines as this was for religious activities
17.		20.	1.20 (December 2008)	Pehowa Rice Miller Accociation Pehowa for purchase of furniture	To a commercial industries association which was against the policy guidelines
	21.	0.50 (July 2009)			
18.	DC, Faridabad	22.	10.00 (April 2007)	St. Joseph's Service society sanjoepuram Chandpur, tehsil-Ballabgarh, district Faridabad for establishment of basketball court and computer lab	` 10 lakh released to a beneficiary against whom a recovery of ` 4.03 lakh as per orders of court was pending by ignoring the advice of tehsildar, in this regard
Total			192.73		

(Source: Compiled from the data received from the department)

Appendix 3.4

(Reference Paragraph 3.1.5.1(c); Page 120)

Details showing the allocation/distribution of grants by the minister in his/her own constituency

Sr. No.	Name of Ministers/CPS/PS/ Speaker/Dy. Speaker	Name of District	Total amount allocated (in crore)	Amount allocated in the home district (in crore)	Percentage of amount allocated in the home district	Amount allocated in his/her own constituency (in crore)	Percentage of amount allocated in the home constituency
1	Smt Kartar Devi, Health Minister	Rohtak	1.03	0.84	82	0.71	69
2	Sh H.S. Chatta Finance Minister, Speaker	Kurukshetra	2.10	1.96	93	1.46	70
3	Sh Sukhbir Kataria, Minister of State for Agriculture and Co-operative	Gurgaon	0.30	0.29	97	0.28	93
4	Chaudhary Akram Khan, Deputy Speaker	Yamuna Nagar	0.30	0.30	100	0.21	70
5	Dr. Krishna Pandit, Parliamentary Secretary		0.25	0.21	84	0.20	80
6	Sh Mange Ram Gupta, Education Minister	Jind	1.50	1.42	95	1.27	85
7	Sh Birender Singh, Finance Minister		1.50	1.26	84	1.13	75
8	Sh Gopal Kanda, State Minister of Home	Sirsa	0.30	0.30	100	0.29	97
9	Sh Laxman Dass Arora, Industries Minister		1.50	1.30	87	1.24	83

(Source: Compiled from the data received from the department and election department.)

Appendix 3.5
(Reference Paragraph 3.1.5.1(e); Page 121)
Details of grants to the institutions constituted on Caste/Religion basis

(In lakh)

Sr. No	Name of the institution	No. of grants	Period	Total amount allocated
1	All India Rajput Students Aid Society (Regd) Chandigarh	4	Between July 2007 and July 2011	56.50
2	Guru Ravidas Sabha, HMT Pinjore, Panchkula	3	Between April 2007 and June 2011	6.00
3	Guru Ravidas Sabha, Sector 15, Panchkula	6	Between April 2007 and February 2009	31.50
4	Vishvakarma Education Society, Rohtak	2	Between January 2009 and January 2012	51.00
5	Vaish Education Society, Rohtak	5	Between December 2007 and January 2012	21.21
6	Jat Education Society, Rohtak	4	Between March 2008 and February 2011	57.00
7	Jat Sabha, Rohtak	3	Between July 2008 and January 2012	85.25
8	Gaur Brahmin Vidya Parcharni Sabha, Rohtak	11	Between January 2008 and March 2012	153.62
9	Swami Atmanand Harijan Shiksha Samiti, Rohtak	2	Between June 2009 and March 2011	20.00
10	Yadav Kalyan Parishad, Gurgaon	5	Between January 2010 and June 2011	10.00
11	Brahmin Avam Tirth Udhar Sabha, Kurukshetra	2	Between July 2007 and March 2012	7.00
12	Yadav Samaj Dharamshala, Kurukshetra	5	Between December 2007 and May 2011	7.5
13	Shree Ayyappa Sewa Samiti, Faridabad	3	Between November 2007 and March 2010	4.00
14	Himachal Welfare Association, Faridabad	3	Between January 2010 and June 2010	6.21
	Total	58		516.79

(Source: Compiled from the data received from the department and beneficiaries.)

Appendix 3.6
(Reference Paragraph 3.1.5.2(a); Page 121)

Details of cases where the grants were not utilised for the purposes for which the grant was sanctioned

Sr. No.	Grant released by	No. of Grants	Amount (in lakh)	month of release	Name of beneficiary and purpose of grant	Remarks
1.	DC Gurgaon	1.	8.00	August 2011	AVR Public School, Gurgaon for purchase of Computers, Laptops and Water Coolers	The amount was shown spent for purchase of 15 desktop computers (` two lakh) and 22 laptops (` six lakh). Laptops were neither shown to Audit during physical verification, nor any documents showing their distribution to students was shown.
2.	DC, Rohtak	2.	5.00	July 2008	Haryana Yuva Shakti, (NGO), Rohtak for holding Shivirs for working towards apradh mukt Haryana	An amount of ` 0.69 lakh was incurred on office expenses, furniture and fixture, travelling allowances, salary, etc resulting in irregular expenditure of ` 0.69 lakh. Remaining amount of ` 4.31 lakh had been shown as incurred on holding the <i>Shivir</i> but list of participants and detail of bills in support of expenditure were not found on record, whereas, the utilisation certificate was admitted in contravention of provision of para 6 of policy guidelines without any verification of facts.
3.		3.	7.36	August 2010	Haryana Viklang Kalyan Sangh, Rohtak for the purchase of Tata Sumo Ambulance Vehicle for the welfare of handicapped persons.	The vehicle was purchased in the name of a member of the Sangh instead of in the name of the institution which was in contravention of the instructions. The log book or any other record showing the purpose for which the vehicle was actually used was neither submitted by the beneficiary nor demanded/verified by the department.
4.		4.	11.00	February 2010	Vaish Education Society, Rohtak for construction of toddler section in primary school	Grant was used for the other purpose than for which it was sanctioned i.e. for construction of Vaish College of Law (VCL), Rohtak.
5.		5.	10.00	February 2009	Mahila Welfare Society, Kalanaur, Rohtak for construction of Mahila Shakti Sadan	The building was being used by Police Department for storing confiscated/ seized items
6.		6.	11.00	June 2008	Bar Association, Rohtak for purchase of library books and furniture	Books and furniture purchased with the assistance of grant and accounts thereof were not available with the beneficiary.
7.		7.	5.00	July 2007	Guru Ravidas Education Society, Rohtak	Record relating to expenditure incurred on construction of

Report of Social, General and Economic Sectors (Non-PSUs) for the year ended 31 March 2012

Sr. No.	Grant released by	No. of Grants	Amount (in lakh)	month of release	Name of beneficiary and purpose of grant	Remarks
		8.	5.00	November 2008	For construction of building and construction of girls hostel	building was not maintained and the building was not put to any use for public/community due to non-receipt of permission from Government to run the college/school.
		9.	3.00	March 2012		
8.	DC, Faridabad	10.	13.50	March 2011	Kalyankari Sangthan, Faridabad for Construction of hall	The grant was used for construction of street nearby Airforce Station.
9.		11.	2.00	July 2011	Punjabi Sabha, Sector 16, Faridabad for installation of generating set	The grant was used for construction work
10.		12.	5.00	February 2011	DAV Centenary College, Faridabad for construction of room	The grant was used for purchase of computers
11.	DC, Yamunanagar	13.	1.00	August 2011	Manav Vikas Samiti, Jagadhari, Yamuna Nagar for purchase of computers 7 sewing machines for distribution amongst poor youths and women	Amount was utilised by the Manav Vikas Samiti, Sector-19 Chandigarh i.e. out of jurisdiction of DC Yamuna Nagar
12.		14.	1.00	June 2010	Shri Satya Sai Trust (Haryana & Chandigarh) Yamuna Nagar for purchase of clothes, dresses etc. for poor people/children	Amount was utilised by Shri Satya Sai Trust (Haryana & Chandigarh) , old age home Sector-30 Chandigarh i.e. out of jurisdiction of DC Yamuna Nagar
13.		15.	0.51	February 2011	Deputy Commissioner Yamuna Nagar for distribution of sweets to children who participated in Independence Day parade 2010	Amount was disbursed to Distt. Education Officer, Yamuna Nagar in August 2011, almost after a year hence, grant could not be utilised for the purpose for which it was given.
14.	DC, Jind	16.	15.00	February 2009	Maharaja Agarsain Girls Senior Secondary School, Jind for Construction of mini auditorium	The grant was used for construction of rooms instead of construction of mini auditorium
15.		17.	21.00	September 2011	Rajiv Gandhi Sanatan Dharam College of Commerce and Science, Narwana, Jind for purchase of Equipments, Furniture, Computers and library books	Grant was used for paying short term loan/liability, salary of staff etc.
16.	DC, Kurukshetra	18.	11.00	February 2008	Sant Mohan Singh Dental College and Research Institute (SMSDCRI), Pehowa for construction of college building	Besides having sufficient balance of ` 1.79 crore (March 08) at its credit, the amount was utilised in another institute i.e. Sant Isharjot Degree College, Pehowa as no affiliation for SMSDCRI was received
17.		19.	3.00	August 2008	Gram Panchayat, Asmanpur, Pehowa for construction of cement concrete street from the house of Shri Kirpal Singh to the house of Shri Baldev Singh in Killa Farm	In contravention of the policy guidelines, the street was constructed (November 2008) in other area, that is Sukhdev Singh Wali Gali.

Sr. No.	Grant released by	No. of Grants	Amount (in lakh)	month of release	Name of beneficiary and purpose of grant	Remarks
18.		20.	6.00	August 2010	Block Development and Panchayat Officer, Thanesar for construction of cement concrete street around the house of Bakshish Singh	Utilised to cover the street around the house of Bakshish Singh
19.		21.	4.00	October 2011	from Dera Karnail Singh to Dera Bakshish Singh and construction of street to Dera Bakshish Singh	
20.		22.	3.00	September 2008	Jogi Samaj Sabha, Kurukshetra for construction of rooms in Dharmshala	In the Gopal Mochan (Mandir), Bilaspur, Yamunanagar
21.	DC, Panchkula	23.	11.00	February 2009	Shri Guru Ravidass Bhawan, Sector-15, Panchkula for Construction of basement	Tile flooring in the open ground within the boundary wall of bhawan
Total		23	162.37			

(Source: Compiled from the data received from the department)

Appendix 3.7

(Reference Paragraph 3.1.5.2(b); Page 121)

Details of the cases where the grants were not utilised by the beneficiaries

Sr. No.	Grant released by	No of Grants	Amount (in lakh)	Month/year of release	Name of beneficiary and purpose of the grant	Remarks
1	DC Gurgaon	1.	11.00	November 2011	Pawan Mamorial Trust, Gurgaon for development of cultural activities and purchase of sewing machines	The amount was kept in banks by the Trust and was not utilized for the intended purpose.
2		2.	5.00	February 2012	Gurgaon Gaon Resident Welfare Association, Gurgaon for purchase of sports goods and sewing machines	The amount was kept in banks by the Trust and was not utilized for the intended purpose.
3	DC Rohtak	3.	11.00	August 2009	Sant Kabir Education Institute, Rohtak For construction of Sant Kabir Bhawan, Sanjay Nagar, Rohtak	Amount remained unutilised due to dispute among members/management body and non clearance of title to land
4		4.	21.00	March 2009	Gaur Brahman Vidya Parcharni Sabha, Rohtak For construction of school building	Grant was not utilised by the institute and lying unused.
5		5.	5.00	August 2009	Geeta Bhawan Kahanaur, Rohtak for construction of first floor of Geeta Bhawan	Physical verification revealed that cost of the works executed with the assistance of grants was not in commensurate with the expenditure incurred out of the grants
6	DC Faridabad	6.	11.00	March 2010	Dr. Bhim Rao Ambedkar Mahasangh, Social Site, Ballabgarh, Faridabad For construction of building	Title of land and management body's genuineness was disputed as such only ` 5 lakh was spent and balance amount was lying unused.
7	DC Panchkula	7.	21.00	August 2008	Ambedkar Bhawan, Sector-12, Panchkula for construction of Ambedkar Bhawan	The detail of amount incurred, if any, was not available as the office bearers of the then management were absconding without handing over the accounts of the grant and the construction work was abandoned

Sr. No.	Grant released by	No of Grants	Amount (in lakh)	Month/year of release	Name of beneficiary and purpose of the grant	Remarks
8	DC Sirsa	8.	2.00	September 2010	Khaja Khera Sewa Samiti Trust, Khaja Khera Sirsa for construction of rooms	Physical verification revealed that cost of the works executed with the assistance of grants was not in commensurate with the expenditure incurred out of the grants
		9.	5.00	May 2011		
9	DC, Yamuna Nagar	10.	6.00	September 2011	Gram Panchayat Chiken, Block – Chhachhrauli for construction of BC Chaupal	Title of the land was not transferred in the name of BC Chaupal and the Chaupal had not been constructed
10		11.	11.00	June 2008	Bar Association Jagadhari (Yamuna Nagar) for purchase of books and furniture	Four grants of ` 30.00 lakh were released for purchase of library books and furniture but only ` 5.28 lakh had been spent for the purpose up to December 2012 and the balance amount of ` 24.72 lakh was kept in fixed deposit in Bank
		12.	10.00	August 2009		
		13.	5.00	June 2010		
14.	4.00	June 2010				
11	Outside Haryana State Under Secretary (General) to Government Haryana	15.	11.00	August 2010	All India Kshetriya Federation Hyderabad for creating the infrastructure, such as library and hostel for needy students	The amount was lying with the beneficiaries
12		16.	21.00	June 2009	Indian Ex-services League New Delhi for construction of Hall for ex-servicemen at Chanakyapuri	
Total			160.00			

(Source: Compiled from the data received from the department.)

Appendix 3.8
(Reference Paragraph 3.1.5.2(c); Page 122)
Details of cases where Bank Accounts were not closed

District	Sr. No.	No. and Name of Executive Agency	Name of Bank	Account No. and Type	Amount (in `)	Amount of interest earned (in lakh)	Loss of interest on CA (in `)
Rohtak	1	Sub Divisional Officer (Civil), Rohtak,	State Bank of India, Rohtak	11075309420 Current Account	1,35,79,964		645607
	2	Sub Divisional Officer (Civil), Meham	State Bank of Patiala, Meham	55067304811 Saving Account	19,52,749	0.25	
	3	Block Development and Panchayat Officer, Kalanaur	Haryana Gramin Bank, Kalanaur	8390100042988 Current Account	36,34,974		614938
	4	Block Development and Panchayat Officer, Rohtak	State Bank of Patiala, Rohtak	65039821601 Saving Account	9,76,268	1.34	
	5	Block Development and Panchayat Officer, Meham	State Bank of Patiala, Meham	55067304980 Saving Account	3,26,639	1.49	
				Total	2,04,70,594		
Kurukshetra	6	District Development and Panchyat Officer, Kurukshetra	State Bank of India, Kurukshetra	10135785231 Current Account	8,33,451		77697
	7	Sub Divisional Officer (Civil), Pehowa	State Bank of Patiala, Pehowa	55105280912 Saving Account	3,44,548	2.16	
	8	Sub Divisional Officer (Civil), Thanesar	State Bank of India, Kurukshetra	10135786449 Saving Account	12,95,544	1.75	
	9	Block Development and Panchayat Officer, Pehowa	HDFC Bank Limited,, Pehowa	7971450002978 Saving account opened on 15 September 2011	13,67,676		
			The Kurukshetra Co-op Bank Limited,, Pehowa	202 Current Account	9,093		357225
			Punjab National Bank, Pehowa	817000143201500 Current account opened in November 2011	35,62,124		
	10	Block Development and Panchayat Officer, Shahabad	The Kurukshetra Co-op Bank Limited, Shahbad	200 Current Account	1,93,432		80788
11	Block Development and Panchayat Officer, Thanesar	Punjab National Bank, Thanesar	873000110043320 Saving Account	20,42,506	1.10		
				Total	96,48,374		

District	Sr. No.	No. and Name of Executive Agency	Name of Bank	Account No. and Type	Amount (in `)	Amount of interest earned (in lakh)	Loss of interest on CA (in `)
Yamunanagar	12	Sub Divisional Officer (Civil), Jagadhari	State Bank of India, Jagadhari	10556922155 Current Account	6,24,621		102739
	13	Sub Divisional Officer (Civil), Bilaspur	Punjab National Bank, Bilaspur	548000402425994 Current Account	56,768		
	14	Block Development and Panchayat Officer, Radour	Oriental Bank of Commerce, Radour	51872011000362 Saving Account	2,03,967	0.04	
	15	Block Development and Panchayat Officer, Mustafabad,	Punjab National Bank, Mustafabad,	6396000100015849 Saving Account	3,04,310	0.04	
	16	Block Development and Panchayat Officer, Sadhoura	State Bank of India, Sadhoura	31695637141 Saving Account	1,92,284	0.06	
	17	Block Development and Panchayat Officer, Bilaspur	Oriental Bank of Commerce, Bilaspur	14122011000107 Current Account	1,67,209	0.18	
	18	Block Development and Panchayat Officer, Chhachrauli	The Yamuna Nagar Central Co-Operative Bank Limited, Chhachrauli	2589 Saving Account	99,243	0.32	
			State Bank of Patiala, Chhachrauli	65130365867 Current Account	36,00,000		
			Haryana Gramin Bank, Chhachrauli	80880100063127 Saving Account	3,80,623	0.27	
	19	Block Development and Panchayat Officer, Jagadhari	Syndicate Bank, Jagadhari	82862010001105 Saving Account	91,408	0.16	
				Total	57,20,433		
Faridabad	20	Sub Divisional Officer (Civil), Faridabad	The Faridabad Central Co-operative Bank Limited, Faridabad	138 Saving Account	40,81,878	5.05	
Gurgaon	21	Sub Divisional Officer (Civil), Gurgaon	The Gurgaon Central Co-operative Bank Limited, Gurgaon	366 Current Account	56,92,769		421543
Jind	22	Sub Divisional Officer (Civil), Jind	State Bank of Patiala, Jind	55083151320 Saving Account	30,95,543	3.62	
	23	Sub Divisional Officer (Civil), Narwana	State Bank of Patiala, Narwana	55088451828 Saving Account	10,46,174	2.95	
	24	Block Development and Panchayat Officer, Uchana	Punjab National Bank, Uchana	3360000100092064 Saving Account	5,86,697	1.26	

District	Sr. No.	No. and Name of Executive Agency	Name of Bank	Account No. and Type	Amount (in `)	Amount of interest earned (in lakh)	Loss of interest on CA (in `)
Jind	25	Block Development and Panchayat Officer, Narwana	Haryana Gramin Bank, Narwana	81880100000352 Saving Account	2,99,261	1.37	
				Total	50,27,675		
Sirsa	26	Sub Divisional Officer (Civil), Sirsa	State Bank of India, Sirsa	10553446224 Saving Account	26,66,461	3.02	
				2217272726 Saving Account	48,305	0.25	
	27	Block Development and Panchayat Officer, Ellenabad	Central Bank of India, Ellenabad	81620100044239 Saving Account	16,062	0.07	
				01-82581 Saving Account	92,154	0.12	
				6502 Saving Account	2,08,429	0.20	
29	Block Development and Panchayat Officer, Nathu Sarai Chopta	Haryana Gramin Bank, Nathusari Chopta	4727 Saving Account	16,26,772	0.90		
Total	46,58,183						
Panchkula	30	Sub Divisional Officer (Civil), Panchkula	The Haryana State Co-Operative Apex Bank Limited, Sector-4 Panchkula	178 Saving Account	51,96,479	9.87	
30 Agencies			Total	6,04,96,385	37.84	23,00,537	

(Source: Compiled from the data received from the department.)

Interest calculated at the rate of 3.5 per cent per annum.

Appendix 3.9
(Reference Paragraph 3.1.6 (a); Page 123)
Detail of cases where utilisation certificates were not received

Name of Drawing and Disbursing Officers	No. of Grants Disbursed	Amount (In Crore)	No. of grants for which the UC were not produced	Amount of grants for which UC were not produced (In Crore)	Percentage of grants for which Utilisation Certificates were not produced	Performance Ratio (Percentage)
Under Secretary (General)	82	3.93	68	3.19	82.93	17.07
Deputy Commissioner, Panckula	266	8.49	263	8.41	98.87	1.13
Deputy Commissioner, Gurgaon	216	4.93	203	4.36	93.98	6.02
Deputy Commissioner, Faridabad	456	11.23	444	10.91	97.37	2.63
Deputy Commissioner, Yamuna Nagar	251	5.63	243	5.51	96.81	3.19
Deputy Commissioner, Rohtak	354	12.02	338	11.42	95.48	4.52
Deputy Commissioner, Jind	479	9.62	479	9.62	100.00	0.00
Deputy Commissioner, Sirsa	666	9.31	629	8.88	94.44	5.56
Deputy Commissioner, Kurukshetra	914	12.05	628	8.32	68.71	31.29
Total	3,684	77.21	3,295	70.62	89.44	10.56

(Source: Compiled from the data received from the department)

Annexure 3.10

(Reference Paragraph 3.3.5.1; Page 132)

Statement showing the details of ineligible beneficiaries below the age of 60 years and non-residents of the State

Sr. No.	Name of the district	Number of persons below 60 years of age	Amount paid (₹ in lakh)	Period
1	Ambala	160	25.87	July 2003-November 2011
2	Bhiwani	571	93.04	July 1994-November 2011
3	Faridabad	70	9.75	April 2009-March 2012
4	Fatehabad	1,154	189.13	July 2006-November 2011
5	Gurgaon	116	15.47	July 1999-November 2011
6	Hisar	284	40.35	April 2006-November 2011
7	Jhajjar	330	41.73	July 2008-November 2011
8	Jind	1,113	140.76	November 2004-January 2012
9	Kaithal	1,479	190.99	February 1999-January 2012
10	Karnal	421	51.95	February 1999-November 2011
11	Kurukshetra	169	24.67	April 2008-December 2011
12	Mewat	2,212	243.85	July 2006-November 2011
13	Narnaul	Nil	Nil	Nil
14	Palwal	72	9.83	July 2008-November 2011
15	Panchkula	122	17.06	NA
16	Panipat	302	49.18	April 2008-December 2011
17	Rewari	111	10.45	November 2004-November 2011
18	Rohtak	138	22.83	April 2008-November 2011
19	Sirsa	396	89.56	December 1999-April 2012
20	Sonipat	1,405	193.44	March 2000-November 2011
21	Yamunanagar	1,551	111.79	April 2009-August 2011
Total		12,176	1,571.70	

(Source: Compiled from the data received from the department)

Appendix 3.11

(Reference Paragraph 3.4.4.1; Page 135)

Statement showing number of convicts released/reported back/not reported back (March 2012)

Name of the Jail	Number of convicts released on parole / furlough						Number of convicts reported back on due date						Number of convicts did not report back on due date					
	2007	2008	2009	2010	2011	Total	2007	2008	2009	2010	2011	Total	2007	2008	2009	2010	2011	Total
Ambala	317	297	249	210	276	1,349	315	295	245	209	272	1,336	02	02	04	01	04	13
Bhiwani	377	406	416	394	-	1,593	374	404	413	390	-	1,581	03	02	03	04	-	12
Faridabad	-	-	-	178	267	445	-	-	-	175	262	437	-	-	-	03	05	08
Gurgaon	506	561	669	464	485	2,685	499	557	658	455	481	2,650	07	04	11	09	04	35
Hisar	440	551	583	741	773	3,088	430	547	577	732	755	3,041	10	04	06	09	18	47
Jind	276	90	101	198	257	922	276	89	100	193	252	910	Nil	01	01	05	05	12
Kaithal	25	27	18	28	91	189	25	27	17	28	90	187	-	-	01	-	01	2
Karnal	371	742	764	920	889	3,686	360	732	725	882	855	3,554	11	10	39	38	34	132
Kuruskhetra	141	111	144	151	168	715	140	110	141	151	166	708	01	01	03	-	02	7
Narnaul	169	127	176	199	230	901	169	127	176	196	228	896	-	-	-	03	02	5
Rewari	32	21	11	13	27	104	32	21	11	13	26	103	-	-	-	-	01	01
Rohtak	307	105	77	79	89	657	301	102	75	75	86	639	06	03	02	04	03	18
Sirsa	245	177	254	273	320	1,269	238	172	246	254	308	1,218	07	05	08	19	12	51
Sonipat	191	162	92	117	132	694	188	160	91	117	129	685	03	02	01	-	03	9
Yamunanagar	-	-	34	78	87	199	-	-	33	78	86	197	-	-	01	-	01	2
Total	3,397	3,377	3,588	4,043	4,091	18,496	3,347	3,343	3,508	3,948	3,996	18,142	50	34	80	95	95	354

Appendix 4.1

(Reference Paragraph 4.1.1 (b); Page 142)

Detail of delays in deposit of collected amount

Amount collected	Month of collection	Month of deposit	Delay in months
23,260	December 2010	June 2011	6
41,244	February 2011	May 2011	3
1,80,512	April 2011	December 2011	8
2880	March 2011	July 2011	4
48,017	August 2011	October 2011	2
45,441	September 2011	December 2011	3
55,667	January 2011	May 2011	4
10,000	October 2010 to March 2011	September 2011	6 to 11
23,687	June 2011 to January 2012	January 2012	1 to 6

Appendix-4.2

(Reference Paragraph 4.1.3; Page 144)

Statement showing the detail of funds transferred to six societies and lying unutilised in FDRs/Saving Bank account outside the Government account.

(` in crore)

Name of society	Year	Amount received	Amount invested in FDRs/Saving bank
Use of Technology for Knowledge Advancement and Reorientation of Studies in Haryana(UTKARSH)	2005-06 to 2010-11	18.63	8.35
State Employee State Insurance (ESI) health care	2008-09 to 2010-11	19.29	3.10
Haryana State Horticulture Development Agency (HSHDA)	2007-08 to 2010-11	36.22	19.28
Haryana Renewable Energy Development Agency (HAREDA)	2005-06 to 2010-11	109.03*	32.16
Institute of Driving & Traffic Research (IDTR)	2008-09 to 2010-11	35.21	11.03
Society for Ashok Leyland Driver Training Institute (SALDTI)	2008-09 to 2010-11	10.00	1.44
Total		228.38	75.36

* Total funds from State and others were ` 109.03 crore however from treasury ` 39.49 crore were drawn.

Appendix 4.3

(Reference Paragraph 4.1.3; Page 145)

Statement showing the amount refunded by the suppliers/drawn from treasury and deposited with UTKARSH society in separate bank account

Funds were initially transferred by	Amount refunded (` in crore)	Remarks
Commissioner-cum-Director General, School Education Haryana	19.62	Refunded by Hartron under Free Computer Education Training vide Cheque No 333197, 979218 and 233178 dated 26.11.2008(` 4.45 crore, ` 13.62 crore and ` 1.55 crore) and transferred to society vide letter No 3/13-2002/NPE (1) dated 17.12.2008.
	1.59	Refunded by Hartron under Soft Skill Schemes (Plan) 2007-08 vide cheque No 290501 dated 02.03.2010 and transferred to society vide letter No 10/9-2005 CEC (1) dated 16.03.2010.
	20.00	DD No 728467 dated 12.04.2010 transferred vide letter No 3/18-2010 CEC (1) dated 15.04.2010 under ICT Scheme.
	3.41	Amount refunded by Antrix vide DD No 393261 & 393262 dated 24.02.2011 and deposited in society account vide letter No Antrix/Fin/10-11/HAR-139 Feb 11 dated 24.02.2011.
Total	44.62	

Appendix 4.4

(Reference Paragraph 4.2.1 (a); Page 146)

Statement showing the details of cases where TA claim was made during the period of journey performed under Free Travel Facility (FTF)

Sr. No.	Name of the member S/Shri/Ms	Period of FTF Claims	Amount claimed (In `)	Period for which TA claims were preferred		
1.	Anand Kaushik	10 April 2011 to 25 April 2011	2,00,000	12 April 2011 to 14 April 2011	19 April 2011 to 21 April 2011	
2.	Anil Vij	02 June 2011 to 06 June 2011	85,000	03 June 2011 to 05 June 2011		
		09 June 2011 to 11 June 2011		10 June 2011 to 12 June 2011		
3.	Anita Yadav	20 June 2008 to 12 July 2008	1,20,000	21 June 2008	23 June 2008 to 25 June 2008	27 June 2008 to 29 June 2008
		10 February 2010 to 24 February 2010	80,000	10 February 2010 to 14 February 2010		
4.	Bachan Singh Arya	18 May 2009 to 30 May 2009	1,15,000	20 May 2009 to 22 May 2009	25 May 2009 to 27 May 2009	28 May 2009 to 30 May 2009
5.	Chhattar Pal Singh	28 June 2006 to 15 July 2006	80,000	29 June 2006 to 01 July 2006	04 July 2006 to 06 July 2006	10 July 2006 to 12 July 2006
				14 July 2006 to 16 July 2006		
		20 April 2006 to 08 May 2006	1,20,000	18 April 2006 to 22 April 2006	25 April 2006 to 29 April 2006	
6.	Geeta Bhukkal	20 December 2007 to 06 January 2008	1,10,000	17 December 2007 to 20 December 2007	31 December 2007 to 03 January 2008	
7.	Phool Singh	05 April 2011 to 28 April 2011	2,00,000	04 April 2011 to 06 April 2011	12 April 2011 to 14 April 2011	19 April 2011 to 21 April 2011
8.	Rajbir Singh Barara	04 April 2011 to 21 April 2011	2,00,000	04 April 2011 to 06 April 2011	12 April 2011 to 14 April 2011	19 April 2011 to 21 April 2011
9.	Ms. Sharda Rathore	16 June 2011 to 30 June 2011	70,000	15 June 2011 to 19 June 2011	21 June 2011 to 23 June 2011	
		15 October 2010 to 27 October 2010	60,000	15 October 2010 to 19 October 2010		
10.	Ishwar Singh Palaka	11 January 2008 to 21 January 2008	80,000	11 January 2008	13 January 2008 to 20 January 2008	
		11 April 2009 to 30 April 2009	1,50,000	14 April 2009 to 16 April 2009	21 April 2009 to 23 April 2009	
11.	Dura Ram	01 June 2006 to 10 June 2006	80,000	05 June 2006 to 07 June 2006		

Sr. No.	Name of the member S/Shri/Ms	Period of FTF Claims	Amount claimed (In `)	Period for which TA claims were preferred		
12.	Dharambir Singh Gauba	02 April 2006 to 10 April 2006	80,000	02 April 2006 to 11 April 2006		
		09 August 2006 to 13 August 2006	70,000	05 August 2006 to 11 August 2006		
		05 December 2006 to 15 December 2006	50,000	05 December 2006 to 14 December 2006		
13.	K.L. Sharma	11 July 2006 to 25 July 2006	80,000	10 July 2006 to 12 July 2006	17 July 2006 to 22 July 2006	24 July 2006 to 26 July 2006
14.	D.K. Bansal	17 April 2009 to 30 April 2009	1,20,000	14 April 2009 to 22 April 2009		
		09 June 2009 to 21 June 2009	80,000	18 June 2009 to 23 June 2009		
15.	Dharampal Singh Malik	05 December 2006 to 15 December 2006	90,000	05 December 2006 to 07 December 2006	11 December 2006 to 13 December 2006	
Total			23,20,000			

Source: Consolidated from the record of T.A. Claims maintained in the office of Secretary, Haryana Vidhan Sabha, Chandigarh.

Appendix 4.5

(Reference Paragraph 4.2.1 (b); Page 147)

Statement showing the details of excess payment made on account of Free Travel Facility

Sr. No.	Name of the Member S/Shri	11 th Vidhan Sabha (1 March 2005 to 31 August 2009)		12 th Vidhan Sabha		Excess claim
		Period of FTF	Amount Claimed (In `)	Period of FTF	Amount Claimed	
1.	Anand Singh Dangi	6 April 2009 to 27 April 2009	1,50,000	15 November 2009 to 2 December 2009	1,10,000	2,00,000
		15 May 2009 to 28 May 2009	50,000	2 January 2010 to 20 January 2010	90,000	
2.	Anita Yadav	12 April 2009 to 25 April 2009	1,15,000	15 January 2010 to 28 January 2010	1,20,000	2,00,000
		27 July 2009 to 5 August 2009	85,000	10 February 2010 to 24 February 2010	80,000	
3.	Capt. Ajay Singh Yadav	2009	50,000	11 November 2009 to 27 November 2009	75,000	2,00,000
		10 May 2009 to 25 May 2009	80,000	12 February 2010 to 14 February 2010	50,000	
		19 July 2009 to 29 July 2009	70,000	25 February 2010 to 27 February 2010	75,000	
4.	Balbir Pal Shah	20 May 2009 to 31 May 2009	80,000	3 November 2009 to 26 November 2009	2,00,000	2,00,000
		7 June 2009 to 22 June 2009	1,20,000			
5.	Devender Kumar Bansal	17 April 2009 to 30 April 2009	1,20,000	7 November 2009 to 30 November 2009	2,00,000	2,00,000
		9 June 2009 to 21 June 2009	80,000			
6.	Dharmbir Singh	15 June 2009 to 28 June 2009	2,00,000	3 November 2009 to 27 November 2009	2,00,000	2,00,000
7.	Rao Dan Singh	20 May 2009 to 30 May 2009	2,00,000	9 December 2009 to 27 December 2009	1,30,000	2,00,000
				2 February 2010 to 18 February 2010	70,000	
8.	Geeta Bhukal	6 June 2009 to 27 June 2009	2,00,000	20 December 2009 to 31 December 2009	2,00,000	2,00,000
9.	Harmohinder Singh Chattha	20 May 2009 to 5 June 2009	1,20,000	5 November 2009 to 17 November 2009	1,20,000	2,00,000
		15 June 2009 to 25 June 2009	80,000	2 February 2010 to 14 February 2010	80,000	
10.	Jagbir Singh Malik	2009-10	1,27,000	9 November 2009 to 26 November 2009	2,00,000	2,00,000
		2009-10	73,000			

Sr. No.	Name of the Member S/Shri	11 th Vidhan Sabha (1 March 2005 to 31 August 2009)		12 th Vidhan Sabha		Excess claim
		Period of FTF	Amount Claimed (In `)	Period of FTF	Amount Claimed	
11.	Kiran Choudhary	21 June 2009 to 26 June 2009	80,900	19 December 2009 to 22 December 2009 15 January 2010 to 16 January 2010 23 January 2010 to 24 January 2010	1,10,240	80,900
				4 February 2010 to 16.3.2010	89,760	
12.	Mahender Partap Singh	2009-10	1,25,000	2 November 2009 to 28 November 2009	2,00,000	2,00,000
		2009-10	75,000			
13.	Naresh Kumar Badli	2009-10	1,32,000	12 December 2009 to 29 December 2009	2,00,000	2,00,000
		2009-10	68,000			
14.	Om Parkash Chauthala	2009-10	63,600	1 November 2009 to 15 November 2009	63,640	1,92,292
		2009-10	44,712	20 November 2009 to 30 November 2009	53,440	
		2009-10	70,260	10 January 2010 to 26 January 2010	80,020	
		2009-10	16,620	2009-10		
15.	Paramvir Singh	2009-10	2,00,000	4 December 2009 to 23 December 2009	1,00,000	2,00,000
				2009-10	1,00,000	
16.	Raghubir Singh Kadian	2009-10	1,10,000	9 December 2009 to 22 December 2009	1,28,000	2,00,000
		2009-10	90,000	8 February 2010 to 20 February 2010	72,000	
17.	Randeep Singh Surjewala	2009-10	2,00,000	25 December 2009 to 11 January 2010	1,50,000	2,00,000
				15 February 2010 to 16 February 2010 2 February 2010 to 3 February 2010	50,000	
18.	Rajinder Singh Joon	2009-10	2,00,000	2009-10	2,00,000	2,00,000
19.	Ram Kishan Fouji	2009-10	2,00,000	9 December 2009 to 31 December 2009	2,00,000	2,00,000
20.	Ram Kishan Gujjar	2009-10	1,20,000	2009-10	1,20,000	2,00,000
		2009-10	80,000	2009-10	80,000	

Sr. No.	Name of the Member S/Shri	11 th Vidhan Sabha (1 March 2005 to 31 August 2009)		12 th Vidhan Sabha		Excess claim
		Period of FTF	Amount Claimed (In `)	Period of FTF	Amount Claimed	
21.	Subhash Chand	2009-10	1,30,000	2009-10	1,30,000	2,00,000
		2009-10	70,000	2009-10	70,000	
22.	Savitri Jindal	2009-10	2,00,000	14 November 2009 to 1 December 2009	2,00,000	2,00,000
23.	Sumita Singh	2009-10	2,00,000	11 January 2010 to 28 January 2010	75,000	2,00,000
				13 January 2010	1,25,000	
24.	Sharda Rathore	2009-10	1,20,000	5 January 2010 to 19 January 2010	70,000	2,00,000
		2009-10	80,000	2009-10	1,30,000	
25.	Vinod Kumar Sharma	2009-10	2,00,000	November 2009 to March 2010	2,00,000	2,00,000
26.	Yadvendera Singh	2009-10	1,28,000	2 February 2010 to 24 February 2010	2,00,000	2,00,000
		2009-10	72,000			
Total						50,73,192

(Source: Consolidated from the record of T.A. Claims maintained in the office of Secretary, Haryana Vidhan Sabha, Chandigarh)

Appendix 4.6

(Reference Paragraph 4.2.1 (c); Page 147)

Statement showing the details of subsequent journeys performed by the same family member(s) during the year

Sr. No.	Name of the member S/Shri/Smt.	Period of 1 st journey	Amount claimed (In `)	Family member(s) by whom the facility was availed	Period of subsequent journey	Amount claimed (In `)	Family member(s) by whom the subsequent journey repeated
1	Anand Singh Dangi	6 April 2009 to 27 April 2009	1,50,000	Spouse	15 May 2009 to 28 May 2009	50,000	Spouse
2	Anita Yadav	25 April 2006 to 6 May 2006	84,000	Children	20 May 2006 to 7 June 2006	1,16,000	Children
3	A.C.Chaudhary	28 June 2006 to 4 July 2006	1,75,000	All	17 August 2006 to 17 October 2006	25,000	Spouse
4	Amir Chand Makkar	14 May 2006 to 28 May 2006	1,20,000	Spouse	21 July 2006 to 30 July 2006	80,000	Spouse
		1 April 2009 to 6 April 2009	1,18,000	Self	26 April 2009 to 3 May 2009	82,000	Self
5	Azad Mohammed	1 June 2006 to 28 June 2006	1,20,000	Self, Spouse, Children and Parents	22 September 2006 to 25 September 2006	80,000	Spouse
		5 May 2007 to 25 May 2007	80,000	Spouse	1 June 2007 to 6 June 2007 and 12 June 2007 to 25 June 2007	1,20,000	Spouse
		18 June 2008 to 30 June 2008	1,23,000	Spouse and Children	2 August 2008 to 14 August 2008	77,000	Spouse and Children
		22 May 2009 to 7 June 2009	1,28,000	Spouse and Children	22 June 2009 to 30 June 2009	72,000	Spouse and Children
6	Anil Thakkar	2 May 2006 to 20 May 2006	1,20,000	Spouse	9 September 2006 to 22 September 2006	80,000	Spouse
		11 April 2007 to 27 April 2007	1,20,000	Spouse and Children	1 June 2007 to 15 June 2007	80,000	Spouse and Children
		11 April 2008 to 24 April 2008	1,20,000	Spouse and Children	2 June 2008 to 12 June 2008	80,000	Spouse and Children
7	Bharat Singh	6 June 2007 to 20 June 2007	1,15,000	Spouse and Children	5 December 2007 to 13 December 2007	85,000	Spouse

Sr. No.	Name of the member S/Shri/Smt.	Period of 1 st journey	Amount claimed (In `)	Family member(s) by whom the facility was availed	Period of subsequent journey	Amount claimed (In `)	Family member(s) by whom the subsequent journey repeated
8	Balbir Pal Shah	8 April 2006 to 22 April 2006	50,000	Self	18 May 2006 to 31 May 2006	60,000	Self
					17 July 2006 to 28 July 2006	60,000	Self
					22 August 2006 to 31 August 2006	30,000	Self
		9 May 2007 to 24 May 2007	70,000	All	2 August 2007 to 14 August 2007	70,000	Self
		8 April 2008 to 20 April 2008	80,000	Self	25 May 2008 to 9 June 2008	70,000	Self
					9 July 2008 to 19 July 2008	50,000	Self
		20 May 2009 to 31 May 2009	80,000	Self	7 June 2009 to 22 June 2009	1,20,000	Self
9	Balwant Singh	2 April 2007 to 9 April 2007	1,20,000	Self	June 2007	80,000	Self
		15 May 2008 to 24 May 2008	1,20,000	Self	18 September 2008 to 24 September 2008	80,000	Self
		1 April 2009 to 7 April 2009	1,00,000	Self	30 April 2009 to 3 May 2009 and 11 June 2009 to 14 June 2009	1,00,000	Self
10	Bhupender Singh	18 May 2007 to 24 May 2007	1,00,000	Self, Spouse and Children	22 December 2007 to 30 December 2007	1,00,000	Self, Spouse and Children
11	Birender Singh	10 April 2006 to 22 April 2006	1,20,000	Spouse	6 January 2007 to 20 January 2007	80,000	Spouse
		15 May 2007 to 30 May 2007	1,20,000	Spouse	4 June 2007 to 21 June 2007	80,000	Spouse
12	Chhatar Pal Singh	7 May 2007 to 29 May 2007	1,20,000	Parents	5 July 2007 to 21 July 2007	80,000	Parents
		2 May 2008 to 20 May 2008	1,20,000	Parents	5 July 2008 to 21 July 2008	80,000	Father
		5 April 2009 to 27 April 2009	1,10,000	Parents	17 July 2009 to 26 July 2009	90,000	Parents

Sr. No.	Name of the member S/Shri/Smt.	Period of 1 st journey	Amount claimed (In `)	Family member(s) by whom the facility was availed	Period of subsequent journey	Amount claimed (In `)	Family member(s) by whom the subsequent journey repeated
13	Devender Kumar Bansal	April 2009	1,20,000	Self and Spouse	June 2009	80,000	Self and Spouse
		5 April 2006 to 28 April 2006	1,15,000	Spouse and Children	5 June 2006 to 15 June 2006	85,000	Spouse and Children
		4 April 2008 to 20 April 2008	1,30,000	Spouse and Children	20 July 2008 to 30 July 2008	70,000	Spouse
14	Dharam Pal Singh Malik	15 September 2007 to 29 September 2007	1,20,000	Children	8 October 2007 to 22 October 2007	80,000	Children
15	Dharambir Singh	7 June 2006 to 18 June 2006	80,000	Spouse	18 July 2006 to 30 July 2006	1,20,000	Spouse
		12 June 2007 to 23 June 2007	1,20,000	Spouse and Children	3 August 2007 to 14 August 2007	80,000	Spouse
		12 July 2008 to 23 July 2008	1,20,000	Spouse and Children	3 September 2008 to 14 September 2008	80,000	Spouse
16	Dharambir Gauba	2 April 2006 to 10 April 2006	80,000	Self	9 August 2006 to 13 August 2006	70,000	Self
					December 2006	50,000	Self
		14 May 2007 to 20 May 2007	1,00,000	Self	2 October 2007 to 21 October 2007	1,00,000	Self
		9 April 2008 to 22 April 2008	1,20,000	Self	September 2008	80,000	Self
		10 June 2009 to 15 June 2009	1,15,000	Self	28 June 2009 to 1 July 2009	85,000	Self
17	Dilu Ram	10 April 2006 to 28 April 2006	1,20,000	Spouse	5 June 2006 to 17 June 2006	80,000	Spouse
		3 April 2007 to 22 April 2007	1,00,000	Spouse	15 May 2007 to 25 May 2007	1,00,000	Spouse
18	Dinesh Kaushik	21 May 2008 to 5 June 2008	1,40,000	Self, Spouse and Children	19 September 2008 to 24 September 2008	60,000	Self

Sr. No.	Name of the member S/Shri/Smt.	Period of 1 st journey	Amount claimed (In `)	Family member(s) by whom the facility was availed	Period of subsequent journey	Amount claimed (In `)	Family member(s) by whom the subsequent journey repeated
19	H.S. Chhatha	2 May 2006 to 18 May 2006	1,20,000	Spouse	1 August 2006 to 10 August 2006	80,000	Spouse
		24 April 2007 to 25 May 2007	1,10,000	Spouse	9 July 2007 to 22 July 2007	90,000	Spouse
		April 2008	1,20,000	Spouse	3 June 2008 to 18 June 2008	80,000	Spouse
		May 2009	1,20,000	Spouse	June 2009	80,000	Spouse
20	Habib-Ur-Rahman	12 April 2006 to 27 April 2006	90,000	Spouse	8 May 2006 to 22 May 2006	1,10,000	Spouse
		7 May 2007 to 22 May 2007	1,20,000	Self and Spouse	12 June 2007 to 23 June 2007	80,000	Self and Spouse
		11 April 2008 to 26 April 2008	1,10,000	Spouse	5 May 2008 to 19 May 2008	90,000	Spouse
21	Hari Ram	2 May 2006 to 18 May 2006	1,10,000	Spouse	11 July 2006 to 22 July 2006	90,000	Spouse
		18 April 2007 to 30 April 2007	1,10,000	Spouse	18 June 2007 to 28 June 2007	90,000	Spouse
		3 May 2008 to 20 May 2008	1,15,000	Spouse	8 June 2008 to 22 June 2008	85,000	Spouse
		4 April 2009 to 18 April 2009	1,26,000	Spouse	17 May 2009 to 29 May 2009	74,000	Spouse
22	Ishwar Singh Palaka	11 April 2009 to 30 April 2009	1,50,000	Spouse and Children	15 June 2009 to 27 June 2009	50,000	Spouse and Children
23	K.L. Sharma	9 April 2007 to 24 April 2007	90,000	Spouse	17 June 2007 to 27 June 2007	40,000	Spouse
		20 April 2008 to 3 May 2008	1,20,000	Spouse	9 May 2008 to 20 May 2008	80,000	Spouse
24	Kulvir Singh Beniwal	3 June 2006 to 18 June 2006	1,20,000	Spouse and Children	11 September 2006 to 26 September 2006	80,000	Spouse and Children
		15 May 2007 to 20 June 2007	1,15,000	Spouse and Children	20 October 2007 to 11 October 2007	85,000	Spouse and Children
Total						47,61,000	

Source: Consolidated from the record of T.A. Claims maintained in the office of Secretary, Haryana Vidhan Sabha, Chandigarh.

Appendix 4.7
(Reference Paragraph 4.2.1 (c); Page 147)
Statement showing the average distance covered in a single day

Sr. No.	Name of MLA	Period	Distance Traveled	No of Days	Average Distance per day	Payment Made
1.	Amir Chand Makkar	14 May 2006 to 28 May 2006	3105	15	207.00	120000
		21 July 2006 to 30 July 2006	2840	10	284.00	80000
		01 April 2009 to 06 April 2009	6969	6	1161.50	119000
		26 April 2009 to 03 May 2009	6870	8	858.75	95000
2.	Anand Singh Dangi	15 May 2009 to 28 May 2009	1691	14	120.79	50000
		15 November 2009 to 02 December 2009	1323	18	73.50	110000
		06 April 2009 to 27 April 2009	12814	22	582.45	150000
		02 January 2010 to 20 January 2010	1620	19	85.26	90000
3.	Anil Thakkar	02 May 2006 to 20 May 2006	5678	19	298.84	120000
		09 September 2006 to 22 September 2006	4071	14	290.79	80000
		11 April 2007 to 27 April 2007	5798	17	341.06	120000
		01 June 2007 to 15 June 2007	5916	15	394.40	80000
		11 April 2008 to 24 April 2008	5917	14	422.64	120000
		02 June 2008 to 12 June 2008	4465	11	405.91	80000
4.	Anita Yadav	25 April 2006 to 06 May 2006	1968	12	164.00	84000
		20 May 2006 to 07 June 2006	3912	19	205.89	116000
		12 April 2009 to 25 April 2009	4155	14	296.79	115000
		27 July 2009 to 05 August 2009	3574	10	357.40	92500
		15 January 2010 to 28 January 2010	2840	14	202.86	120000
		20 June 2008 to 12 July 2008	2409	23	104.74	120000
		10 February 2010 to 24 February 2010	2019	15	134.60	83500
5.	Azad Mohammad	1 June 2007 to 6 June 2007	5932	20	296.60	125000
		12 June 2007 to 25 June 2007				
		18 June 2008 to 30 June 2008	4350	13	334.62	123000
		02 August 2008 to 14 August 2008	4189	13	322.23	82000
		22 May 2009 to 07 June 2009	5716	16	357.25	128000
		02 September 2006 to 25 September 2006	7269	24	302.88	80000
		05 May 2007 to 25 May 2007	7269	21	346.14	80000
		22 June 2009 to 30 June 2009	7381	9	820.11	80000
6.	Balbir Pal Shah	01 June 2006 to 28 June 2006	7721	28	275.75	120000
		08 April 2006 to 22 April 2006	2706	15	180.40	50000
		18 May 2006 to 31 May 2006	4086	14	291.86	60000
		17 July 2006 to 28 July 2006	2186	12	182.17	60000
		09 May 2007 to 24 May 2007	2576	16	161.00	70000
		02 August 2007 to 14 August 2007	5171	13	397.77	70000
		08 April 2008 to 20 April 2008	4253	13	327.15	80000
		25 May 2008 to 07 June 2008	2292	13	176.31	70000
		09 July 2008 to 19 July 2008	2715	11	246.82	50000
		07 June 2009 to 22 June 2009	5429	16	339.31	120000
		03 November 2009 to 26 November 2009	14019	24	584.13	200000
		22 August 2006 to 31 August 2006	3249	10	324.90	30000
		20 May 2009 to 31 May 2009	7523	12	626.92	80000
07 June 2009 to 22 June 2009	5366	16	335.38	120000		

Sr. No.	Name of MLA	Period	Distance Traveled	No of Days	Average Distance per day	Payment Made
7.	Balwant Singh	15 May 2008 to 24 May 2008	7786	10	778.60	120000
		18 September 2008 to 24 September 2008	6641	7	948.71	80000
		01 April 2009 to 07 April 2009	6563	7	937.57	100000
		02 April 2007 to 09 April 2007	10264	8	1283.00	120000
		30 April 2009 to 03 May 2009 11 June 2009 to 14 June 2009	13521	8	1690.13	100000
8.	Bharat Singh	06 June 2007 to 20 June 2007	2670	14	190.71	115000
		05 December 2007 to 13 December 2007	2201	9	244.56	85000
9.	Bhupinder Singh	22 December 2007 to 30 December 2007	3952	9	439.11	100000
		18 May 2007 to 24 May 2007	1871	7	267.29	100000
10.	Birender Singh	10 April 2006 to 22 April 2006	5290	13	406.92	120000
		06 January 2007 to 20 January 2007	4424	15	294.93	80000
		15 May 2007 to 30 May 2007	3143	16	196.44	120000
		04 June 2007 to 21 June 2007	4447	18	247.06	80000
11.	D. K. Bansal	07 November 2009 to 30 November 2009	8945	24	372.71	200000
		05 April 2006 to 28 April 2006	6325	24	263.54	115000
		05 June 2006 to 15 June 2006	6537	11	594.27	90000
		04 April 2008 to 20 April 2008	9144	17	537.88	130000
		20 July 2008 to 30 July 2008	6050	11	550.00	100000
		17 April 2009 to 30 April 2009	3284	14	234.57	120000
		09 June 2009 to 21 June 2009	6743	13	518.69	120000
12.	Dharambir Gauba	02 April 2006 to 10 April 2006	3575	9	397.22	80000
		09 August 2006 to 13 August 2006	2561	5	512.20	70000
		09 April 2008 to 22 April 2008	3712	14	265.14	120000
		10 June 2009 to 15 June 2009	5095	6	849.17	115000
		09 August 2006 to 13 August 2006	2643	5	528.60	70000
		02 October 07 to 21 October 2007	4270	19	224.74	100000
		28 June 2009 to 01 July 2009	3146	5	629.20	85000
13.	Dharambir Singh	07 June 2006 to 18 June 2006	3963	12	330.25	80000
		18 July 2006 to 30 July 2006	5034	13	387.23	120000
		12 June 2007 to 23 June 2007	4941	12	411.75	120000
		03 August 2007 to 14 August 2007	3756	12	313.00	80000
		12 July 2008 to 23 July 2008	3530	12	294.17	120000
		03 September 2008 to 14 September 2008	3750	12	312.50	80000
		14 May 2007 to 20 May 2007	3796	7	542.29	100000
		02 April 2006 to 10 April 2006	2502	9	278.00	80000
		15 June 2009 to 28 June 2009	5790	14	413.57	200000
		03 November 2009 to 27 November 2009 05 December 2006 to 15 December 2006	8274 3793	25 11	330.96 344.82	200000 70000
14.	Dharampal Singh Malik	15 September 2007 to 29 September 2007	3266	15	217.73	120000
		08 October 2007 to 22 October 2007	4956	15	330.40	80000
15.	Dilu Ram	10 April 2006 to 28 April 2006	7878	19	414.63	120000
		05 June 2006 to 17 June 2006	3173	13	244.08	80000
		03 April 2007 to 22 April 2007	5389	20	269.45	100000
		15 May 2007 to 25 May 2007	2849	11	259.00	100000
16.	Habib-ur-Rehman	08 May 2006 to 22 May 2006	4294	15	286.27	110000
		07 May 2007 to 22 May 2007	4026	16	251.63	120000
		12 June 2007 to 23 June 2007	8480	12	706.67	80000
		11 April 2008 to 26 April 2008	7376	16	461.00	110000
		05 May 2008 to 19 May 2008	7587	15	505.80	90000
		12 April 2006 to 27 April 2006	4288	16	267.50	90000

Sr. No.	Name of MLA	Period	Distance Traveled	No of Days	Average Distance per day	Payment Made
17.	Hari Ram	02 May 2006 to 18 May 2006	6833	17	401.94	110000
		11 July 2006 to 22 July 2006	3979	12	331.58	90000
		18 April 2007 to 30 April 2007	4097	13	315.15	110000
		18 June 2007 to 28 June 2007	4607	11	418.82	90000
		03 May 2008 to 20 May 2008	5700	18	316.67	115000
		08 June 2008 to 22 June 2008	4760	15	317.33	85000
		04 April 2009 to 18 April 2009	9059	15	603.93	126000
		17 May 2009 to 29 May 2009	3980	13	306.15	74000
18.	Harmohinder Singh	20 May 2009 to 05 June 2009	4760	17	280.00	120000
		15 June 2009 to 25 June 2009	2985	11	271.36	80000
		02 May 2006 to 18 May 2006	5284	17	310.82	120000
		01 August 2006 to 10 August 2006	2918	10	291.80	80000
		24 April 2007 to 25 May 2007	2614	32	81.69	110000
		09 July 2007 to 22 July 2007	6144	14	438.86	90000
		03 June 2008 to 18 June 2008	7258	16	453.63	80000
		05 November 2009 to 17 November 2009	8433	13	648.69	120000
02 February 2010 to 14 February 2010	6789	13	522.23	80000		
19.	Ishwar Singh Palaka	11 January 2008 to 21 January 2008	2522	12	210.17	80000
		11 April 2009 to 30 April 2009	3268	20	163.40	150000
		15 June 2009 to 27 June 2009	3785	13	291.15	50000
20.	K. L. Sharma	09 April 2007 to 24 April 2007	3930	16	245.63	90000
		17 June 2007 to 27 June 2007	1672	11	152.00	40000
		20 April 2008 to 03 May 2008	6483	14	463.07	120000
		09 May 2008 to 20 May 2008	6633	12	552.75	80000
		11 July 2006 to 25 July 2006	2101	15	140.07	80000
21.	Prof Chhattar Pal Singh	20 April 2006 to 08 May 2006	3876	19	204.00	120000
		05 July 2007 to 21 July 2007	6107	17	359.24	80000
		07 May 2007 to 29 May 2007	4288	23	186.43	120000
		02 May 2008 to 20 May 2008	5113	19	269.11	120000
		05 July 2008 to 21 July 2008	4108	17	241.65	90000
		05 April 2009 to 27 April 2009	4490	23	195.22	110000
		17 July 2009 to 26 July 2009	7295	10	729.50	90000
		28 June 2006 to 15 July 2006	1795	18	99.72	80000

Annexure 4.8

(Reference: Paragraph 4.2.7; Page 157)

Details showing amount recoverable from various Petrol Companies on account of lease rent

Sr. No.	Name of dealer	Date from which leased out	Monthly rent (in `)	Number of additional points	Amount recoverable upto March 2012 (in `)
1	Bharat Petroleum, Sector-14, Sonapat	26 August 1997	10,000	14	9,57,456
2	IOC, -Sector- 2 Rohtak	6 May 2003	15,123	3	3,59,126
3	Bharat Petroleum, Sector-25, Panipat	6 May 2003			10,81,519
4	IOC, Sector- 9-A , Gurgaon	12 August 2002	30,052	11	63,26,111
5	Hindustan Petroleum, Sector- 12 A, Gurgaon	6 April 2004	30,075	9	55,68,871
6	Suraj Auto Sector- 15, Gurgaon	12 February 1994	5,000	28	1,07,90,298
7	Hindustan Petroleum, Sector- 17, Gurgaon	15 March 1995	6,250	16	31,42,505
8	Santosh Service Sector- 18, Gurgaon	6 May 1994	5,313	12	52,86,223
9	Bharat Petroleum Sector- 22, Gurgaon	7 December 2004	47,802	14	82,84,497
10	Hindustan Petroleum Sector- 23-23A, Gurgaon	12 August 2002	27,048	13	94,86,049
11	Indian Oil Corporation, Sector- 37, Gurgaon	29 May 1995	11,928	10	12,27,331
Total					5,25,09,986 Say ` 5.25 crore

Annexure 4.9

(Reference: Paragraph 4.3.2; Page 162)

Calculation of interest due to less funds deposited in State receipt head under YAP-II

Year	Funds less deposited to State receipt head (In `)	Cumulative Amount	Loss of interest @ 7% per annum (minimum treasury bill rate) (In `)	Amount (In `)
2005-06	38,23,500	38,23,500	38,23,500x7/100	2,67,645
2006-07	99,71,250	1,37,94,750	1,37,94,750x7/100	9,65,633
2007-08	3,18,97,150	4,56,91,900	4,56,91,900x7/100	31,98,433
2008-09	1,49,27,900	6,06,19,800	6,06,19,800x7/100	42,43,386
2009-10	10,21,550	3,70,32,250 [6,06,19,800+10,21,550- 2,46,09,100 (amount deposited in April 2010)]	3,70,32,250x7/100	25,92,258
2010-11	(-)2,46,09,100	3,70,32,250	3,70,32,250x8x7/12x100 (interest upto November 2011)	17,28,172
Total				1,29,95,527

Appendix 4.10

(Reference: Paragraph 4.3.8; Page 174)

Details showing Cess deducted and refunded to contractors

Sr. No.	Name of the division	Name of the contractor	Number of works	Date of deduction of cess from contractor's	Date of deposit of cess with the Board	Date of refund of cess with the Contractor	Amount collected and refunded
1.	HUDA Electrical Division, Gurgaon	1. M/s. Aercomfort Pvt. Ltd., New Delhi	1	Between June 2007 to April 2008	July 2007 to May 2008	4 July 2008	1,86,395
2	HUDA Division No. 1, Gurgaon	1. Sh. S.K. Mittal 2. Sh. Dilawar Singh 3. Sh. Rajbir Singh 4. Sh. Sohan Lal Agarwal 5. Sh. Pawan Kr. Gupta 6. Sh. Naseeb Singh	2 4 1 1 1 2	July 2007 to October 2008	September 2007 to November 2008	January 2009 to February 2009	9,09,898
3	HUDA Division No. 6 Gurgaon	1. M/s. YFC Projects (P) Ltd.	1	July 2007 to February 2009	October 2007 to March 2009	March 2009	9,58,484
4	HUDA Division, Panipat	1. M/s. S.N. Nandi & Compary, New Delhi	1	May 2007 to May 2008	November 2007 to May 2008	June 2010	12,24,271
5	HUDA Division, Rohtak	1. Sh. Mohan Lal Mittal 2. Sh. Om Prakash Jain 3. Sh. Ram Kumar Ahlawat 4. The New Pankaj Cooperative Society 5. M/s. Gawar Constructions 6. M/s. Kundu Construction Co. 7. M/s. Dhingra Constructions	1 1 4 1 1 3 2	June 2007 to July 2008	July 2007 to August 2008	July 2008 to October 2008	30,82,663
Total		16	27	May 2007 to February 2009	July 2007 to March 2009	July 2008 to June 2010	63,61,711

Appendix 5.1

(Reference: Paragraph 5.1.2; Page 180)

Statement showing list of schemes implemented by the Technical Education Department

Sr. No	Name of Schemes
Plan	
1	Strengthening of Directorate of Technical Education
2	EDUSAT and E-Teaching/Learning
3	Assistance to Universities for Technical Education
(a)	Guru Jambheshwar University of Science and Technology, Hisar
(b)	Deenbandhu Chhotu Ram University of Science and Technology, Murthal (Sonapat)
4	Assistance to Non-Government Technical Colleges and Institutes, Modrnisation of YMCA, Faridabad
5	Development of Aided Polytechnics
6	Establishment of Chaudhary Devi Lal Memorial Engineering College, Panniwala Mota (Sirsa)
7	Setting up of new Government Polytechnics in the State
8	Faculty Development in all Polytechnics in the State Programme
9	Internal Revenue Generation Scheme
10	Development of Government Polytechnics
11	Establishment of Community College and National Institute for Competency Advancement of Teachers
12	Scholarship Normal Plan
13	Special Component Plan for Scheduled Castes
Non-Plan	
1	Strengthening of Directorate of Technical Education
2	Directorate of Technical Education (Headquarter Staff)
3	Assistance to Non-Government Technical Colleges and Institutes
4	Continuation of Government Polytechnic
5	Development of Government Polytechnics
6	Merit-cum-means Scholarships (Scholarship and Stipends)
7	Improvement and Development of CR State College of Engineering, Murthal
8	Addition and alteration in Government Polytechnic Buildings

Source: Data received from the Department.

Appendix 5.2

(Reference: Paragraph 5.1.5; Page 181)

List of Selected Units for audit

Sr. No	Name of Unit
1	Directorate of Technical Education, Panchkula
Group-A: Government Polytechnic	
2	Government Polytechnic, Jhajjar
3	Government Polytechnic, Adampur (Hisar)
4	Government Polytechnic for Women, Faridabad
5	Government Polytechnic, Nelokheri (Karnal)
Group-B: Government Polytechnic Society	
6	Chaudhary Devi Lal Government Polytechnic Society, Nathu Sari Chopta (Sirsa)
7	Government Polytechnic Society, Narwana (Jind)
8	Government Polytechnic Society, Manesar (Gurgaon)
9	Government Polytechnic Society, Loharu (Bhiwani)
Group-C: Aided Institute	
10	Chhotu Ram Polytechnic, Rohtak
Group-D: Grants-in-aid	
11	Chaudhary Devi Lal Memorial Engineering College, Paniwala Mota (Sirsa)

Appendix 5.3

(Reference: Paragraph 5.1.8.2; Page 184)

Statement showing details of bank accounts and funds lying therein

Sr. No.	Name of Institution	Name of Bank	Account No.	Type of Account	Balance as on 31 March 2012 (in crore)
1.	Government Polytechnic, Adampur	State Bank of Patiala	55108423063	Current	1.74
2.	Government Polytechnic, Nilokheri	Punjab National Bank	3269000100255818	Saving	0.73
		Punjab National Bank	3269000100247077	Saving	1.35
		State Bank of India	00011108755030	Current	0.43
		State Bank of India	31307559289	Saving	0.69
		PNB, Chandigarh	0095000115316645	Saving	4.98
3.	Government Polytechnic for Women, Faridabad	Canara Bank	2748201000482	Current	0.74
		Canara Bank	2748201000481	Current	3.23
		State Bank of India	10952752793	Current	0.45
4.	Government Polytechnic, Jhajjar	State Bank of Patiala	55100893343	Current	0.19
	Total-				14.53

Source: Compiled from the records of concerned Polytechnics.

Appendix 5.4

(Reference: Paragraph 5.1.8.4; Page 186)

Statement showing details of unadjusted temporary advances

(` in lakh)

Sr. No.	Name of the institute	Amount unadjusted					
		2007-08	2008-09	2009-10	2010-11	2011-12	Total
1.	Government Polytechnic, Adampur	0.12	0.05	1.22	1.31	8.80	11.50
2.	Government Polytechnic for Women, Faridabad	0.15	0.37	3.59	0.67	12.34	17.12
3.	Government Polytechnic, Jhajjar	0.82	1.70	0.93	1.64	5.80	10.89
4.	Government Polytechnic, Nilokheri	Nil	0.14	0.17	0.44	2.18	2.93
5.	Government Polytechnic Educational Society, Loharu	0.21	0.18	Nil	0.25	3.89	4.53
6.	Government Polytechnic Educational Society, Manesar	0.21	0.52	0.68	1.21	11.25	13.87
7.	Government Polytechnic Educational Society, Nathusari Chopta	Nil	Nil	Nil	Nil	0.86	0.86
	Total	1.51	2.96	6.59	5.52	45.12	61.70

Source: Compiled data received from the concerned Polytechnics.

Appendix 5.5

(Reference: Paragraph 5.1.8.5; Page 186)

Details of rush of expenditure during the month of March

Sr. No.	Name of the institute	Percentage to total expenditure during March					Overall
		2007-08	2008-09	2009-10	2010-11	2011-12	
1.	Government Polytechnic, Adampur	10	45	29	14	awaited	25
2.	Government Polytechnic for Women, Faridabad	15	25	23	18	17	20
3.	Government Polytechnic, Jhajjar	28	36	16	17	9	21
4.	Government Polytechnic, Nilokheri	54	36	29	39	17	35
5.	Government Polytechnic Educational Society, Loharu	37	24	18	7	8	19
6.	Government Polytechnic Educational Society, Manesar	00	26	52	11	8	24
7.	Government Polytechnic Educational Society, Narwana	00	00	4	11	11	9
8.	Government Polytechnic Educational Society, Nathusari Chopta	17	20	15	17	11	16
9.	Chotu Ram Polytechnic, Rohtak	6	37	19	18	11	18
Overall percentage							21

Source: Compiled from the records of concerned Polytechnics.

Appendix 5.6

(Reference: Paragraph 5.1.9.1; Page 187)

Details showing construction of New Polytechnics in the State

Sr. No	Name of Polytechnic	Year of Sanction	Target date of completion	Amount of Administrative approval	Agency	Funds released	Expenditure	Status of work	Delay in months as on March 2012
				(` in crore)		(` in crore)			
1.	Government Polytechnic, Sangi (Rohtak)	2008	31 July 2010	25.16	PWD (B&R)	15.10	15.10	Incomplete	20
2.	Government Polytechnic, Lisana (Rewari)	2008	31 July 2010	25.16	PWD (B&R)	20.38	15.10	Incomplete	20
3.	Government Polytechnic, Cheeka (Kaithal)	2008	30 June 2010	25.72	RITES Ltd.	22.82	21.95	Work Completed	-
4.	Government Polytechnic, Sampla (Rohtak)	2008	30 June 2010	25.72	RITES Ltd.	22.67	22.67	Work Completed	-
5.	Government Polytechnic, Narwana (Jind)	2008	30 June 2010	25.72	RITES Ltd.	24.28	24.09	Work Completed	-
6.	Government Polytechnic, Bhiwani	2008	30 May 2011	15.25	PWD (B&R)	5.00	5.00	Incomplete	10
7.	Government Polytechnic, Meham (Rohtak)	2009	30 May 2011	8.00	PWD (B&R)	4.00	4.00	Incomplete	10
8.	Government Polytechnic, Umri (Kurukshetra)	2010	30 June 2014	8.00	RITES Ltd.	2.00	0.13	Work yet to start	-
9.	Government Polytechnic, Jattal (Panipat)	2010	30 June 2014	8.00	RITES Ltd.	2.00	0.13	Work yet to start	-
10.	Government Polytechnic, Dhangar (Fatehabad)	2010	30 June 2014	8.00	RITES Ltd.	2.00	0.13	Work yet to start	-
11.	Government Polytechnic, Nanakpur (Panchkula)	2010	30 June 2014	8.00	RITES Ltd.	2.00	0.13	Work yet to start	-
12.	Government Polytechnic, Shergarh (Kaithal)	2012	30 May 2013	8.00	PWD (B&R)	0.00	0.00	Work yet to start	-
13.	Government Institute of Irrigation and Power Engineering, Hathni Kund	2010	30 June 2014	8.00	PWD (B&R)	2.00	0.00	Work yet to start	-
Total-				198.73		124.25	108.43		

Source: Compiled data from the records of the Department.

Appendix 5.7

(Reference: Paragraph 5.1.9.4; Page 189)

Expenditure upon guest teachers out of funds provided for Faculty Development Programme

(` in lakh)

Sr. No.	Name of Institute	2007-08		2008-09		2009-10		2010-11		2011-12		Total	
		Budget provision	Expenditure										
1.	Government Polytechnic, Adampur	11.50	5.00	6.00	5.83	10.00	9.99	10.00	9.98	8.00	7.99	45.50	38.79
2.	Government Polytechnic for Women, Faridabad	14.50	10.50	8.00	5.96	20.00	17.16	15.00	13.72	25.00	14.87	82.50	62.21
3.	Government Polytechnic, Jhajjar	26.50	22.00	14.00	18.00	25.00	24.99	20.00	20.00	20.00	20.00	105.50	104.99
4.	Government Polytechnic, Nilokheri	28.00	24.84	33.00	35.66	10.00	10.00	20.00	20.00	15.00	12.44	106.00	102.94
	Total-	80.50	62.34	61.00	65.45	65.00	62.14	65.00	63.70	68.00	55.30	339.50	308.93

Source: Data compiled by Audit.

Appendix 5.8

(Reference: Paragraph 5.1.11.3; Page 206)

Details of teaching Staff Posted in the institutions without trade and doing clerical work

Sr. No.	Name of the Institute	Name and Designation of Employee	Date of Joining in the institute	Salary drawn (In `)	Total institute-wise (In `)
1.	Government Polytechnic for Women, Faridabad	Sh. R.S. Rawat, Vice-Principal	01 October 2011	672183	1608860
		Sh. Jyoti Prasad, Vice-Principal	08 June 2011	497158	
		Sh. Karam Singh, Instructor	15 September 2009	439519	
2.	Government Polytechnic, Jhajjar	Sh. Vijay Kumar, Vice-Principal	01 September 2009	1014263	5724963
		Sh. Shriniwas, Vice-Principal	01 September 2009	1107390	
		Sh. Satbir Singh, Vice-Principal	01 September 2009	1043931	
		Sh. Bhagwan Das, Vice-Principal	01 September 2009	1043931	
		Sh. Sumer Singh, Workshop Instructor	01 September 2009	790063	
		Sh. Sukhbir Singh, Workshop Instructor	01 September 2009	725385	
3.	Government Polytechnic Educational Society, Loharu	Sh. Inder Pal, Vice-Principal	07 August 2009	844402	2963787
		Sh. Parveen Kumar, Vice-Principal	20 August 2009	1044372	
		Sh. Mehar Chand, Vice-Principal	04 August 2009	1075013	
Total				10297610	10297610

Source: Compiled data from the records of the concerned Polytechnics.

Appendix 5.9

(Reference: Paragraph 5.1.12.2; Page 208)

Statement showing undisbursed security of students lying with the institutions

(in lakh)

Sr. No.	Name of the institute	2007-08	2008-09	2009-10	2010-11	2011-12	Total
1.	Government Polytechnic, Adampur	0.95	0.60	1.17	2.01	Nil	4.73
2.	Government Polytechnic for Women, Faridabad	0.54	0.63	0.95	1.50	4.24	7.86
3.	Government Polytechnic, Nilokheri	2.51	2.87	3.29	13.60	16.04	38.31
4.	Government Polytechnic Educational Society, Loharu	0.99	1.19	0.53	1.52	Nil	4.23
5.	Government Polytechnic Educational Society, Manesar	0.45	5.04	16.31	21.51	9.26	52.57
6.	Government Polytechnic Educational Society, Nathusari Chopta	0.41	0.29	0.50	1.21	Nil	2.41
7.	Chotu Ram Polytechnic, Rohtak	0.34	0.60	0.33	1.53	Nil	2.80
	Total	6.19	11.22	23.08	42.88	29.54	112.91

Source: Compiled data from the records of the concerned Polytechnics.

Appendix 5.10

(Reference: Paragraph 5.1.12.3; Page 208)

Details of cost of library books not returned by students

(in lakh)

Sr. No.	Name of the institute	2007-08	2008-09	2009-10	2010-11	2011-12	Total
1.	Government Polytechnic, Adampur	0.11	0.01	Nil	Nil	Nil	0.12
2.	Government Polytechnic for Women, Faridabad	0.13	Nil	Nil	Nil	Nil	0.13
3.	Government Polytechnic, Jhajjar	Nil	0.93	1.07	0.22	2.22	4.44
4.	Government Polytechnic Educational Society, Manesar	Nil	Nil	0.01	0.33	0.33	0.67
5.	Government Polytechnic Educational Society, Nathusari Chopta	Nil	Nil	0.04	0.07	Nil	0.11
	Total	0.24	0.94	1.12	0.62	2.55	5.47

Source: Compiled data from the records of the concerned Polytechnics.

Appendix 5.11

(Reference: Paragraph 5.1.13.2; Page 209)

Details of Hostel accommodation available and provided to the students

Sr. No.	Name of the institute	2007-08		2008-09		2009-10		2010-11		2011-12	
		Intake Capacity	Actual Hostlers								
1.	Government Polytechnic, Adampur	90	80	90	78	90	87	90	77	90	56
2.	Government Polytechnic for Women, Faridabad	237	367	237	435	237	253	237	258	237	186
3.	Government Polytechnic, Jhajjar	410	361	410	508	410	475	410	468	410	360
4.	Government Polytechnic, Nilokheri	572	640	572	762	572	845	572	717	572	565
5.	Government Polytechnic Educational Society, Loharu	126	127	126	101	126	116	126	126	126	73
6.	Government Polytechnic Educational Society, Manesar	138	112	138	171	270	251	270	312	270	272
7.	Government Polytechnic Educational Society, Nathusari Chopta	Nil	Nil	Nil	Nil	108	91	280	180	280	114
8.	Chotu Ram Polytechnic, Rohtak	60	50	60	49	60	59	60	51	60	53
	Total-	1633	1737	1633	2104	1873	2177	2045	2189	2045	1679

Source: Compiled data from the records of the concerned Polytechnics.

Appendix 5.12

(Reference: Paragraph 5.1.15.2; Page 213)

Details of learning material lying undistributed with the polytechnics

Sr. No.	Name of Institute	Material received	Material Distributed	Material undistributed
1	Govt. Polytechnic, Nilokheri	1000	370	630
2	Govt. Polytechnic, Loharu	200	-	200
3	Govt. Polytechnic, for Women, Faridabad	200	-	200
4	Seth Haribaksh Lohia Jai Ram Mahila Polytechnic, Lohar Majra Kurukshetra	210	150	60
5	Govt. Polytechnic, for women, Sirsa	275	88	187
6	CMRA Govt. Polytechnic Education Society, Sanghi, (Rohtak).	100	-	100
7	Govt. Polytechnic, for Women, Ambala	477	-	477
8	Swami Vivekanand Polytechnic College Sec-18, HUDA Jagadhari, Yamunanagar	610	-	610
9	Maa Sharda Instt. For Polytechnic, Sector-18, HUDA Jagadhari	60	19	41
10	Govt. Polytechnic, Ambala City	525	70	455
	Total	3657	697	2960

Source: Compiled from the records of concerned Polytechnics.