

**Report of the  
Comptroller and Auditor General of India  
on  
Social, General, Economic (Non-PSUs) sectors  
for the year ended 31 March 2018**



**Government of Jammu and Kashmir  
Report No. 2 of the year 2019**



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## **PREFACE**

This Report of the Comptroller and Auditor General of India for the year ended March 2018 has been prepared under Article 151 of the Constitution of India. The Report is being sent to the Lieutenant Governors of the successor Union Territory of Jammu and Kashmir and Union Territory of Ladakh under Section 82(1) of the Jammu & Kashmir Reorganisation Act, 2019.

The Report contains significant results of the performance audit and compliance audit of the departments/ autonomous bodies of the Government of Jammu and Kashmir under the Social, General and Economic (Non-Public Sector Undertakings) Sectors, conducted as per provisions of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2017-18 as well as those which had come to the notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2017-18 have also been included, wherever necessary.

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



# Overview



## OVERVIEW

This Report contains two Performance audits i.e. National Rural Drinking Water Programme and Pradhan Mantri Gram Sadak Yojana, 24 paragraphs involving ₹394.13 crore relating to avoidable, extra, unfruitful and unproductive expenditure, blocking and diversion of funds, undue favour to contractor, short collection of sale proceeds, non-recovery of supervision charges and overpayment of pay and allowances etc. Some of the major findings are mentioned below:

The total expenditure<sup>1</sup> of the State increased from ₹31,686 crore to ₹51,294 crore during 2013-18, while the revenue expenditure increased by 51 per cent from ₹27,058 crore in 2013-14 to ₹40,916 crore in 2017-18. Non-Plan/ Normal revenue expenditure increased by 52 per cent from ₹25,219 crore to ₹38,416 crore and capital expenditure increased by 130 per cent from ₹4,507 crore to ₹10,353 crore during the period 2013-18.

## PERFORMANCE AUDIT

**National Rural Drinking Water Programme (NRDWP)** was launched as a flagship programme for providing safe drinking water to the rural population on a sustainable basis. A performance audit on implementation of NRDWP for the period 2013-14 to 2017-18 brought out certain deficiencies. Some of the highlights of the performance audit are as under:

- There was a delay ranging between 7 and 67 days in release of funds amounting to ₹871.87 crore received during 2014-17 by the State Finance Department (FD) to the State Water Sanitation Mission (SWSM)/ Administrative Department.

*(Paragraph: 2.1.7.2)*

- Cumulative expenditure in 28 water supply schemes executed in 10 PHE divisions (including three sampled divisions) was understated by reflecting the wrong expenditure in the subsequent years, which led to excess release of ₹1.10 crore against the estimated cost of these schemes.

*(Paragraph: 2.1.7.5)*

- Scrutiny of the records of Administrative Department and six out of 14 sampled Divisions revealed that the interest of ₹1.74 crore earned during 2013-14 to 2017-18 on programme and support funds were not accounted for in the books/ accounts for working out the total availability of the funds.

*(Paragraph: 2.1.7.7)*

- Against the target for completion of 1,067 Water Supply Schemes (WSSs), during 2013-18, only 679 schemes (64 per cent) have been completed. Non-completion of 388 (36 per cent) schemes impacted the process of providing potable drinking water to 5.67 lakh souls.

*(Paragraph: 2.1.8.2)*

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<sup>1</sup> Total expenditure includes revenue expenditure, capital outlay and disbursement of loans and advances

- Year-wise shortfall in achievement of targets for providing water supply in Government schools during 2013-14 to 2016-17 ranged between 10 to 29 *per cent*. Just nine Anganwadi centers had been provided with the facility of drinking water during the period 2013-15 and Department had not fixed any targets in this regard from 2014-15 onwards.

*(Paragraph: 2.1.8.3)*

- Despite the fact that all the schools were to be covered by 2012-13, Department had not prioritised the same and 17 *per cent* schools and 36 *per cent* anganwadi centres in seven test-checked districts remained uncovered.

*(Paragraph: 2.1.8.3)*

- In 14 sampled divisions, an expenditure of ₹31.24 crore was incurred by diverting NRDWP funds for payment of wages, petrol-oil-lubricant (POL), hiring of vehicles, purchase of hard coke, and salary to DEOs etc.

*(Paragraph: 2.1.8.6)*

- In 14 sampled Divisions, 657 schemes estimated to cost ₹1,415.37 crore were taken up for execution without the accord of Administrative Approval (AA) and Technical Sanction (TS) and an expenditure of ₹830.11 crore was incurred on these schemes.

*(Paragraph: 2.1.8.7)*

- An amount of ₹43.45 crore incurred by 13 sampled divisions in respect of 28 schemes, for laying of distribution system and other works without executing the main works like source development, acquisition of land, insufficient funds and non-clearance from Forest department rendering the expenditure unproductive.

*(Paragraph: 2.1.8.10)*

- Water samples in respect of 30 to 48 *per cent* sources were only tested during 2013-14 to 2017-18. Further, against the required 7,66,326 water samples to be tested during 2013-18, only 5,60,331 (73 *per cent*) samples were tested, and the break-up of bacteriological examination and chemical contamination was not available separately.

*(Paragraph: 2.1.10.4)*

The Government of India (GoI) launched **Pradhan Mantri Gram Sadak Yojana (PMGSY)** in December 2000 to provide connectivity by way of an ‘all weather road’ to eligible unconnected habitations in the rural areas. PMGSY was a 100 *per cent* centrally sponsored scheme up to March 2015 and thereafter the funding pattern was shared between the Centre and the State in the ratio of 90:10. All staff costs is to be borne by the State Government whereas the administrative and travel expenses are to be borne by the GoI up to certain extent<sup>2</sup>, with the State Government bearing any additional cost. Maintenance of completed road projects is to be budgeted by the State Government and no funds are provided by the GoI for land acquisition.

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<sup>2</sup> Administrative expenses for PIUs: 1 *per cent*; Travel expenses of PIUs: 0.50 *per cent*; Administrative and travel expenses (JKSRRDA): 0.25 *per cent* (₹75 lakh maximum) and Independent quality monitoring: 0.50 *per cent*.



A performance audit of implementation of PMGSY in the State of Jammu and Kashmir was conducted between December 2017 to June 2018, covering the period from 2013-14 to 2017-18. The important audit findings are highlighted below.

- Out of sanctioned 1,769 road projects involving road length of 9,383.07 Kms under construction during 2013-18, only 810 road projects (46 *per cent*) having a road length of 4,172.50 Kms were completed as of March 2018. The year-wise completion rate of road projects during 2013-18 ranged between 8 to 19 *per cent*. Due to problems in land acquisition, forest clearance, etc. 467 road projects (road length: 2,577.88 km) sanctioned prior to April 2013 for connecting 175 habitations were still incomplete as of March 2018.

**(Paragraph: 2.2.4)**

- Planning for implementation of PMGSY in the State was deficient as District Rural Road Plan was neither prepared in most of the sampled Programme Implementation Units (PIUs) nor approved from the intermediate panchayat/ District panchayat/ District Rural Development Department and State Level Standing Committee. Core Network did not cover all the eligible habitations, inadmissible road projects were included in the Core Network and road projects which were not in Core Network were taken up for execution.

**(Paragraph: 2.2.5)**

- Out of total sanction of programme fund of ₹8,892.69 crore during 2000-01 to 2017-18 (January 2018) under Phases I to XI, GoI released ₹5,092.14 crore against which ₹4,312.41 crore was spent, as of March 2018. The closing balance at the end of each of the financial year during 2015-18 ranged between ₹128 crore to ₹1,046 crore.

**(Paragraph: 2.2.6.1)**

- Due to poor progress in completion of road projects, balance fund of ₹1,494.60 crore under Phases-VI, VII and IX were not released by GoI. Against due State share of ₹252 crore, the State Government released ₹155 crore during 2015-18, leaving a balance of ₹97 crore.

**(Paragraph: 2.2.6.1)**

- Against the demand of ₹36.22 crore placed by Jammu and Kashmir State Rural Roads Development Agency (JKSRDA), the State Government released only ₹8.12 crore (22 *per cent*). The percentage of utilisation of funds was very poor and ranged between 6 to 30 *per cent*, during 2013-18.

**(Paragraph: 2.2.6.2)**

- Out of 2,738 unconnected habitations as of April 2000, a total of 1,694 (62 *per cent*) habitations were connected during 2000-2018 and 1,044 (38 *per cent*) habitations remained to be connected at the end of March 2018. As against target for coverage of 572 sanctioned habitations with population of 1,000 and above by the year 2003, 506 habitations were provided connectivity as of March 2018. While habitations with population between 500 to 999 were to be

covered by 2007, JKSRDA could cover 758 habitations out of 870 sanctioned by the GoI, with a shortfall of 112 eligible habitations as of March 2018.

*(Paragraph: 2.2.7.2)*

- Execution of 46 road projects, sanctioned at a cost ₹169.68 crore under Phase-VI to X on which expenditure of ₹39.93 crore was incurred as of January 2018, were not completed due to land dispute, non-clearance of forest land, etc.

*(Paragraph: 2.2.8.1)*

- Out of ₹370.70 crore released by 13 PIUs of nine districts for acquisition of land, an amount of ₹302.54 crore continued to lie with Revenue department, ₹17.85 crore with Forest department and ₹5.80 crore with PHE/ PDD/ Irrigation department.

*(Paragraph: 2.2.8.4)*

- In nine sampled Districts, 254 road projects, sanctioned at a cost of ₹1,031.35 crore on which expenditure of ₹514.62 crore was incurred were allotted at a cost of ₹935.96 crore without accord of Administrative Approval/ Technical Sanction (AA/TS) from the competent authority. Mobilisation/ machinery advance of ₹46.52 lakh in respect of eight completed/ fore closed road projects was not recovered from contractors. Liquidated damages amounting to ₹17.64 crore were not imposed on the contractors.

*(Paragraph: 2.2.8.5)*

- No Action Taken Reports (ATRs) were submitted by any of the PIUs in respect of 492 inspections conducted by the State Quality Monitors (SQMs) during 2013-14 to 2017-18, wherein 159 inspections were graded as 'Un-satisfactory' and the remaining 333 'Required improvement'. In eight sampled districts, ATRs in respect of 221 inspections conducted was awaited from PIUs. Against 180 meetings required to be conducted by District Vigilance and Monitoring Committee/ District Development Coordination and Monitoring Committee (DVMC/ DISHA) in nine sampled districts for monitoring the PMGSY works, only six meeting were conducted in two districts, during 2013-18.

*(Paragraphs: 2.2.9.5 and 2.2.9.9)*

- Database of Online Management Monitoring and Accounting System (OMMAS) was incomplete and unreliable. Against 2,738 habitations reported as unconnected by JKSRDA as of April 2000, 2,493 habitations were shown as unconnected on OMMAS.

*(Paragraph: 2.2.10)*

## COMPLIANCE AUDIT

### Research and Development activities in Sher-i-Kashmir University of Agricultural Sciences and Technology (SKUAST), Jammu

The University did not develop any hybrid seed (except one single cross hybrid variety of Maize) despite incurring an expenditure of ₹16.08 crore on 'All India Coordinated Research Projects (AICRPs)' for five food crops. SKUAST, Jammu did not maintain effective seed production chain for making quality seed available to farmers as against the demand of 2,62,207 quintals of breeder/ foundation seeds by

the State Agriculture Department during 2014-18, University could produce only 5,126.69 quintals. Rakh Dhiansar Centre established to carry out research on dryland agriculture did not transfer any technology for increasing the production and productivity of dryland areas despite an expenditure of ₹6.99 crore under the project during 2008-09 to 2017-18. Monitoring by the Project Monitoring and Evaluation (PME) wing was almost non-existent as the University had not maintained database of number of projects submitted to the funding authorities, number of projects approved/rejected and the research papers published out of the concluded projects and their impact till audit intervention. Against eight mandatory meetings of the Research Council to be held during 2014-18, only three were held.

*(Paragraph: 3.1)*

#### **Avoidable expenditure on procurement of excess food grains**

Procurement of food grains in Food, Civil Supplies and Consumer Affairs Department, for distribution among non-ration card holding families affected by the floods of September 2014, in excess of the requirement led to avoidable excess expenditure of ₹6.54 crore. Test-check revealed that un-distributed stock of 11,117.90 quintals was lying in departmental stores or held by private flour mills for around three years and the department suffered a loss of ₹18.63 lakh by selling food grains at rates lesser than their procurement cost.

*(Paragraph: 3.2)*

#### **Extra avoidable expenditure and undue favour to the bidder**

Failure of Food, Civil Supplies and Consumer Affairs Department to include prescribed clause in the Notice Inviting Tender for enforcement of contract and recovery of loss in the form of liquidated damages from the successful bidder who failed to execute the agreement, resulted in extra avoidable expenditure of ₹12.74 crore and undue favour to the bidder.

*(Paragraph: 3.3)*

#### **Short collection of sale proceeds of food grains**

Failure of the Food, Civil Supplies and Consumer Affairs Department to apply prescribed rates on the sale of food grains issued to consumers of Non-Priority Household (NPHH) category and Mufti Mohammad Sayeed Food Entitlement Scheme (MMSFES) resulted in short collection of sale proceeds and consequential financial loss of ₹6.85 crore to the state exchequer.

*(Paragraph: 3.4)*

#### **Blocking of funds and non-establishment of Spinal Injury Centre**

Failure of Health and Medical Education Department, to take timely action for utilisation of amounts received from the Government of India (GoI) for setting up of the Spinal Injury Centres not only resulted in blocking of ₹3.04 crore, but also deprived the poor patients of the benefits of the scheme. There is also a risk that due to non-utilisation of the funds, the amount received by the State Government may have to be surrendered to the GoI.

*(Paragraph: 3.5)*

### **Non-establishment of Swine flu testing laboratory**

Injudicious action of Principal Government Medical College, Jammu to withdraw funds from treasury just to avoid their lapsing at the close of financial year 2014-15 and failure to utilise these funds during last 3½ years resulted in parking of ₹3.45 crore in the deposit head, cost escalation and the intended objective of setting up of Swine flu testing laboratory could also not be achieved.

*(Paragraph: 3.6)*

### **Unfruitful expenditure due to non-establishment of Trauma Hospital Khellani**

Failure of Health and Medical Education Department to make the Trauma Hospital Khellani functional through posting of necessary staff and provision of laboratory/diagnostic facilities, operation theatre, blood bank and ambulance, etc. has rendered the investment of ₹394.59 lakh unfruitful.

*(Paragraph: 3.7)*

### **Unfruitful expenditure/ blocking of funds on non-functional SNCUs/ SPVs**

Failure of Health and Medical Education Department to procure the medical equipment for Special Newborn Care Unit (SNCU) Sarwal over a period of more than two years, post staff for SNCUs Bhandarwah and Gandoh and make two solar power generators functional, resulted in unfruitful expenditure of ₹122.18 lakh and blocking of ₹44.82 lakh. The envisaged services for care of newborns could not be ensured despite availability of funds and engagement of additional staff.

*(Paragraph: 3.8)*

### **Unfruitful expenditure and interest liability**

Failure of Health and Medical Education Department to ensure the availability of land before taking up the construction of hospital buildings and execute works as per cost estimates and ensure their completion over a period of eight years, resulted in unfruitful expenditure of ₹1.16 crore and interest liability of ₹44.21 lakh on the borrowed funds.

*(Paragraph: 3.9)*

### **Extra avoidable expenditure and undue favour to contractor**

Irregular action of the Police Department to recommend the use of imported material at the time of financial evaluation of bids, without listing the required specifications and rejecting the lowest bidder who was duly qualified in Technical evaluation, resulted in extra avoidable expenditure of ₹2.24 crore and undue favour to a contractor.

*(Paragraph: 3.10)*

### **Overpayment of pay arrears and inadmissible allowances**

Failure of Home department to observe the prescribed rules and standing instructions resulted in overpayment of pay arrears of ₹33.10 lakh and inadmissible allowances of ₹12.88 lakh.

*(Paragraph: 3.11)*

### **Incomplete Projects in Irrigation and Flood Control Department**

Out of 274 ongoing schemes of Irrigation and Flood Control Department test-checked in audit, only 23 schemes have been completed during 2015-18 and the 251 incomplete schemes included 209 schemes which were targeted to be completed by March 2018. The remaining 42 schemes were due for completion after March 2018. There was delay of more than five years in completion of 30 schemes, in 137 schemes the delay in completion ranged between 2 to 5 years and in 39 schemes delay was upto two years. Audit came across instances of diversion/ blocking of funds, idle and unfruitful/ unproductive expenditure of ₹39.92 crore.

*(Paragraph: 3.12)*

### **Blocking of funds due to non-construction of barrage at Jhajjar Kotli**

Improper planning of Irrigation and flood control Department to advance funds to Jammu and Kashmir Projects Construction Corporation before seeking objections/ clarifications and publishing the scheme for construction of barrage over Jhajjar Nallah at Jhajjar Kotli on the proposed site coming in the alignment of Jammu-Srinagar National Highway resulted in blocking of ₹1.80 crore for over six to seven years.

*(Paragraph: 3.13)*

### **Diversion and blocking of funds meant for ADR Centre Udhampur**

Injudicious action of Law, Justice and Parliamentary Affairs Department to advance the funds to the executing division without ensuring the availability of land required for construction of Alternate Dispute Resolution (ADR) centre building, resulted in diversion of material of ₹0.44 crore and blocking of ₹0.89 crore in deposit heads.

*(Paragraph: 3.14)*

### **Non-recovery of supervision charges**

Failure of the Executive Engineer, Sub-Transmission Division, Doda to project the amount of supervision charges in the Detailed Project Reports (DPRs) correctly and make recovery in accordance with the extant rules resulted in non-recovery of supervision charges of ₹49.51 lakh. On being pointed out by audit, ₹17.47 lakh were recovered and the balance ₹32.04 lakh are still recoverable.

*(Paragraph: 3.15)*

### **Ground Water Regulation and Management**

Ground Water Management in the State was limited to issuance of Registration Certificate (RC) to industrial/ infrastructure projects involved in extraction and exploitation of ground water. State was yet (March 2018) to formulate action plan for implementation of the measures to achieve the objectives of ground water recharging by maximizing retention and minimizing loss, as envisaged in the "State Water Policy". Irregular grant of 46 RCs to industrial/ infrastructure projects and unauthorised extraction of ground water by 78 users without any RC of the Competent authority in respect of 92 bore/ tube wells led to non-recovery of fee of ₹128.80 lakh. Non-assessment of water usage charges of 32 users resulted in non-

raising of minimum demand of ₹12.92 crore. Water usage charges of ₹47.08 lakh though assessed in respect of 11 users, had not been realised (March 2018).

*(Paragraph: 3.16)*

#### **Unproductive expenditure due to attachment of staff**

Attachment of staff in Public Health Engineering (PHE) Division-I, Jammu without any assignment, resulted in unproductive expenditure of ₹3.68 crore on payment of their salaries.

*(Paragraph: 3.17)*

#### **Blocking and diversion of funds**

Failure of the Executive Engineer, Public Works (Roads and Buildings) Division Kishtwar, to select proper site for construction of the foot suspension bridge over a period of seven years resulted in blocking of ₹1.57 crore and diversion of ₹0.04 crore.

*(Paragraph: 3.18)*

#### **Diversion of funds and irregular expenditure**

Failure of the Executive Engineer, Public Works (Roads and Buildings) Division, Udhampur to obtain prior clearance for use of forest land in a road project and incurring the expenditure on procurement of material without any immediate use, just to avoid lapsing of funds resulted in diversion of ₹299.89 lakh. Project works proposed to be completed in three years were not started despite lapse of more than five years. An irregular expenditure of ₹5.66 lakh was also incurred on items which were not related to the project works.

*(Paragraph: 3.19)*

#### **Unfruitful expenditure, diversion and blocking of funds**

Injudicious action of Executive Engineer, Public Works (Roads and Buildings) Division Kishtwar to withdraw funds from the treasury just to avoid their lapsing at the close of financial year and failure to obtain prior clearance for use of forest land in a road project resulted in unfruitful expenditure of ₹9.43 lakh, diversion of ₹8.63 lakh and blocking of ₹161.75 lakh borrowed from NABARD.

*(Paragraph: 3.20)*

#### **Unfruitful expenditure/ blocking of funds on incomplete road to village Trashi**

Injudicious action of Executive Engineer, Public Works (Roads and Buildings) Division, Chatroo not to acquire the land before taking up the execution of road work and failure to complete the project over a period of eight years resulted in unfruitful expenditure of ₹2.77 crore and blocking of ₹0.69 crore.

*(Paragraph: 3.21)*

#### **Unfruitful expenditure on computerised weighbridges**

Failure of Public Works (Roads and Buildings) Department and Mechanical Engineering Department to commission five computerised weighbridges installed at Toll post Nagri Parole and hand them over to the Excise Department, resulted in



unfruitful expenditure of ₹1.25 crore and blocking of ₹0.03 crore over a period of more than seven years.

*(Paragraph: 3.22)*

#### **Unproductive expenditure due to attachment of staff**

Attachment of staff in the office of Chief Engineer, Public Works Department, Jammu without any assignment, resulted in unproductive expenditure of ₹14.64 crore on payment of their salaries.

*(Paragraph: 3.23)*

#### **Over payment of pay and allowances**

Departmental failure to regulate the increment of employees appointed in Revenue Department on fixed salary mode, in accordance with prescribed rules/ instructions issued by the Government resulted in over-payment of ₹64.21 lakh on account of inadmissible pay, allowance and New Pension Scheme (NPS) contribution during July 2014 to March 2018.

*(Paragraph: 3.24)*





# **Chapter-I**

## **Introduction**



## CHAPTER-I

### INTRODUCTION

#### 1.1 Budget profile

There are 29 departments and 42 autonomous bodies in the State. During 2017-18, against overall budget estimates of ₹89,939 crore, there was expenditure of ₹89,624 crore. The position of budget estimates and actuals there against of the State Government during 2013-18 is given below:

**Table-1.1: Budget and expenditure of the State Government during 2013-18**

(₹ in crore)

Particulars	2013-14		2014-15		2015-16		2016-17		2017-18	
	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals
<b>Revenue expenditure</b>										
General services	12,228	11,403	12,923	12,039	14,895	13,675	16,445	15,110	17,314	16,888
Social services	7,096	7,896	9,114	8,501	11,416	11,331	13,028	11,564	13,909	13,117
Economic services	8,293	7,759	9,466	8,789	10,886	11,414	13,095	13,138	12,659	10,911
Grants-in-aid <sup>1</sup> and contributions	-	-	-	-	-	-	-	-	-	-
<b>Total (1)</b>	<b>27,617</b>	<b>27,058</b>	<b>31,503</b>	<b>29,329</b>	<b>37,197</b>	<b>36,420</b>	<b>42,568</b>	<b>39,812</b>	<b>43,882</b>	<b>40,916</b>
<b>Capital expenditure</b>										
Capital Outlay	7,308	4,507	10,221	5,134	12,685	7,331	16,904	8,286	22,126	10,353
Loans and advances disbursed	133	121	71	87	93	94	91	76	569	25
Repayment of Public Debt <sup>2</sup>	1,231	4,147	8,412	8,549	8,812	10,815	15,367	17,023	18,401	22,490
Contingency Fund	-	-	-	-	-	-	-	-	-	-
Public Accounts disbursements <sup>3</sup>	3,964	14,169	3,690	17,796	3,939	24,094	5,535	19,458	4,961	15,286
Closing Cash balance	01	1,063	-	1,401	-	527	-	429	-	554
<b>Total (2)</b>	<b>12,637</b>	<b>24,007</b>	<b>22,394</b>	<b>32,967</b>	<b>25,529</b>	<b>42,861</b>	<b>37,897</b>	<b>45,272</b>	<b>46,057</b>	<b>48,708</b>
<b>Grand Total (1+2)</b>	<b>40,254</b>	<b>51,065</b>	<b>53,897</b>	<b>62,296</b>	<b>62,726</b>	<b>79,281</b>	<b>80,465</b>	<b>85,084</b>	<b>89,939</b>	<b>89,624</b>

(Source: Annual Financial Statements and Finance Accounts of the State Government)

#### 1.2 Application of resources of the State Government

The total expenditure<sup>4</sup> of the State increased from ₹31,686 crore to ₹51,294 crore during 2013-18, while the revenue expenditure increased by 51 per cent from ₹27,058 crore in 2013-14 to ₹40,916 crore in 2017-18. Non-Plan/ Normal revenue expenditure increased by 52 per cent from ₹25,219 crore to ₹38,416 crore and capital expenditure increased by 130 per cent from ₹4,507 crore to ₹10,353 crore during the period 2013-18. The revenue expenditure constituted 80 to 85 per cent of the total expenditure during the years 2013-18 and capital expenditure 15 to 20 per cent.

<sup>1</sup> Grants-in-aid paid by the State Government is included in the above sectors

<sup>2</sup> Includes transactions under ways and means advances and overdraft

<sup>3</sup> Actuals exclude transactions of investment of cash balance and departmental cash balance

<sup>4</sup> Total expenditure includes revenue expenditure, capital outlay and disbursement of loans and advances

### 1.3 Persistent savings

Persistent savings of more than ₹one crore in each case and also by 10 per cent or more of the total grant were noticed in 10 cases during the last five years as shown below:

**Table-1.2: List of grants with persistent savings during 2013-18**

(₹ in crore)

Sl. No.	Grant number and name	Amount of Savings				
		2013-14	2014-15	2015-16	2016-17	2017-18
<b>Revenue (Voted)</b>						
1.	10-Law Department	65.28 (32)	97.04 (34)	102.19 (37)	154.81 (48)	154.33 (42)
2.	11-Industries and Commerce Department	42.17 (18)	89.05 (33)	53.91 (19)	86.65 (28)	68.16 (22)
3.	21-Forest Department	58.36 (11)	133.20 (21)	95.01 (14)	127.62 (18)	116.66 (61)
<b>Revenue (Charged)</b>						
4.	10-Law Department	3.81 (14)	6.47 (22)	3.98 (13)	7.32 (21)	4.06 (11)
<b>Capital (Voted)</b>						
5.	06-Power Development Department	485.02 (56)	250.25 (64)	707.60 (70)	2,177.61 (76)	5,591.27 (89)
6.	12-Agriculture Department	159.06 (40)	222.70 (55)	179.63 (33)	634.82 (67)	333.92 (37)
7.	17-Health and Medical Education Department	32.80 (12)	235.89 (53)	496.95 (67)	168.56 (28)	282.43 (36)
8.	19-Housing and Urban Development Department	672.87 (76)	568.44 (77)	220.61 (42)	394.59 (51)	519.54 (53)
9.	25-Labour, Stationery and Printing Department	102.52 (98)	76.70 (98)	31.79 (29)	14.54 (13)	100.74 (84)
10.	28-Rural Development Department	185.13 (48)	1,104.58 (60)	496.79 (38)	798.19 (42)	541.36 (23)

(Source: Appropriation Accounts)

Note: Figures in parentheses indicate percentage of savings to total grant.

Reasons for persistent savings under these heads were not intimated (December 2018) by the State Government.

### 1.4 Funds transferred directly to the State Implementing Agencies

The Government of India directly transferred ₹1,105 crore (*Appendix-1.1.1*) to various State Implementing Agencies (Institutions, Corporations, Societies, etc.) without routing through the State Budget during the year 2017-18. Consequently, these amounts remained outside the scope of the Annual Accounts (Finance Accounts and Appropriation Accounts) of the State Government during the year.

## 1.5 Grants-in-aid from Government of India

The grants-in-aid received from Government of India (GoI) during the years 2013-14 to 2017-18 is depicted below:

**Table-1.3: Grants-in-aid from GoI**

Particulars	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18 <sup>5</sup>
Non-Plan Grants	4,009	3,343	11,135	12,776	-
Grants for Centrally Assisted State Plan Schemes/ Centrally Sponsored Schemes	9,008	12,720	4,365	7,766	9,096
Grants for Central and Centrally Sponsored Plan Schemes	826	87	1,228	56	-
Finance Commission Grants	-	-	-	-	11,849
Other Transfers/ Grants to States	-	-	-	-	620
Compensation for loss of revenue arising out of implementation of GST	-	-	-	-	1,137
<b>Total</b>	<b>13,843</b>	<b>16,150</b>	<b>16,728</b>	<b>20,598</b>	<b>22,702</b>
Percentage of increase/ decrease over the previous year	(-) 4	17	4	23	10
Revenue Receipts	27,128	28,939	35,781	41,978	48,512
Percentage of total grants to Revenue Receipts	51	56	47	49	47

(Source: Finance Accounts of respective years)

Total grants-in-aid from GoI increased from ₹13,843 crore to ₹22,702 crore during the period 2013-18.

## 1.6 Planning and conduct of audit

The audit process starts with the risk assessment of various departments, autonomous bodies, schemes/ projects which takes into account the criticality/ complexity of activities, level of delegated financial powers, internal controls and concerns of stakeholders and previous audit findings. Based on this risk assessment, the frequency and extent of audit are decided and an Annual Audit Plan is formulated.

After completion of audit, an Inspection Report containing the audit findings is issued to the head of the office with a request to furnish replies within one month. On receipt of replies, audit findings are either settled or further action for compliance is advised. Important audit observations pointed out in these Inspection Reports are processed for inclusion in the Audit Reports of the Comptroller and Auditor General of India which

<sup>5</sup> Sub-Major Heads: 'Non-Plan Grants'; 'Grants for State/ Union Territory Plan Schemes'; 'Grants for Central Plan Scheme'; 'Grants for Centrally Sponsored Plan Schemes' and Grants for Special Plan Schemes and minor heads thereunder not operational for transactions with effect from April 2017. (Reference: Ministry of Finance Department of Expenditure, Office of the Controller General of Accounts, New Delhi's Correction Slip No. 829 dated 06.01.2017)

are submitted to the Governor of Jammu and Kashmir under Article 151 of the Constitution of India. The audit findings incorporated in the Audit Report are based on test-check only of the transactions of the State Government. It is, therefore, recommended that State Government may undertake detailed checks on the issues highlighted, in other Government departments also.

During 2017-18, compliance audit of 899 Drawing and Disbursing Officers of the State and 70 units of 11 autonomous bodies was conducted by the Office of the Accountant General (Audit), Jammu and Kashmir. Besides, three performance audits<sup>6</sup> were also conducted.

### **1.7 Response of Government to Audit Report**

In the last few years, Audit has reported on several significant deficiencies in implementation of various programmes/ activities as well as on the quality of internal controls in selected departments which have negative impact on the success of programmes and functioning of the departments. The focus was on auditing specific programmes/ schemes in order to offer suitable recommendations to the Executive for taking corrective action and improving service delivery to the citizens.

The draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are forwarded by the Accountant General (Audit) to the Principal Secretaries/ Secretaries of the Department concerned drawing their attention to the audit findings and requesting them to send their response within six weeks. The fact of non-receipt of replies from the Departments/ Government is invariably indicated at the end of such paragraphs included in the Audit Report. Three Performance Audits, and 26 paragraphs proposed to be included in the Report of the Comptroller and Auditor General of India on Social, General and Economic (Non-PSUs) sectors for the year ended 31 March 2018 were sent to the Principal Secretaries/ Secretaries of the respective departments. Replies in respect of one Performance Audit and 18 paragraphs included in this report were not received (September 2019).

### **1.8 Response of Government to Audit**

The Hand Book of Instructions for speedy settlement of Audit observations/ Inspection Reports (IRs) issued by the Government (Finance Department) provides for prompt response by the Executive to IRs issued by the Accountant General (Audit) to ensure remedial/ rectification action in compliance with the prescribed rules and procedures. The Heads of offices and next higher authorities are required to comply with the observations contained in the IRs and rectify the defects and report their compliance to the Accountant General (Audit).

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<sup>6</sup> Implementation of Pradhan Mantri Gram Sadak Yojana, (2) Sarva Shiksha Abhiyan and (3) National Rural Drinking Water Programme

Based on the results of test audit, 45,170 audit observations contained in 11,016 IRs pertaining to the period 1998-2018 and outstanding as on 31 March 2018 are given below:

**Table-1.4: Details showing the Audit observations outstanding at the end of 31 March 2018**

Name of Sector	Opening Balance (01 April 2017)		Additions during the year 2017-18		Settled during the year 2017-18		Closing Balance (31 March 2018)	
	No. of Inspection Reports	No. of Paragraphs	No. of Inspection Reports	No. of Paragraphs	No. of Inspection Reports	No. of Paragraphs	No. of Inspection Reports	No. of Paragraphs
Social Sector (Non- PSUs)	5,008	22,058	529	3,886	248	1,963	5,289	23,981
General Sector (Non- PSUs)	1,544	4,739	167	1,032	77	573	1,634	5,198
Economic Sector (Non- PSUs)	4,073	16,409	525	3,196	505	3,614	4,093	15,991
<b>Total</b>	<b>10,625</b>	<b>43,206</b>	<b>1,221</b>	<b>8,114</b>	<b>830</b>	<b>6,150</b>	<b>11,016</b>	<b>45,170</b>

The pendency of large number of paragraphs indicate lack of response of the Government Departments to Audit. The Government may look into this matter and revamp the system to ensure proper response to the audit observations from the departments in a time-bound manner. Further, no Audit Committee was constituted by the State Government during the year 2017-18 for discussion of pending objections. The respective departments may constitute Audit Committees, hold its meetings and monitor the progress of settlement of paragraphs.

## **1.9 Follow-up on Audit Reports**

### **1.9.1 Non-submission of *suo-motu* Action Taken Notes**

To ensure accountability of the Executive to issues dealt within various Audit Reports, the State Government (Finance Department) issued instructions in June 1997 to the administrative departments to furnish *suo-motu* Action Taken Notes (ATNs) on all the audit paragraphs featuring in the Audit Reports to the Public Accounts Committee (PAC)/ Committee on Public Undertakings (COPU), irrespective of whether these are taken up for discussion by these Committees or not. These ATNs are to be submitted to these Committees duly vetted by the Accountant General (Audit) within a period of three months from the date of presentation of Audit Reports in the State Legislature.

It was, however, noticed that out of 495 audit paragraphs featuring in the Civil Chapters of Audit Reports from 2000-01 to 2015-16, *suo-motu* ATNs in respect of 146 audit paragraphs had not been received upto 30 September 2018.

### **1.9.2 Action taken on recommendations of the PAC**

Action Taken Notes, duly vetted by the Accountant General (Audit) on the observations/ recommendations made by the PAC/ COPU in respect of the audit paragraphs discussed by them are to be furnished to these Committees within six

months from the date of such observations/ recommendations. Out of 495 Audit paragraphs featuring in the Civil chapters of Audit Reports for the years from 2000-01 to 2015-16, only 245 audit paragraphs have been discussed by the PAC up to 30 September 2018. Recommendations in respect of 223 audit paragraphs have been made by the PAC. However, ATNs on the recommendations of the Committees are pending from the State Government in respect of 165 paragraphs.

### **1.10 Non-submission/ delay in submission of annual accounts by Autonomous Bodies**

Audit of 56 Autonomous Bodies has been entrusted to the Comptroller and Auditor General (C&AG) of India under Section 14 of the CAG's (DPC) Act 1971. A total of 801 number of annual accounts were awaited from these Autonomous Bodies as on 31 March 2018. Ten Autonomous Bodies required to be audited by the Comptroller and Auditor General (C&AG) of India under Sections 19 (3) and 20 (1) of the CAG's DPC Act, 1971, had also not furnished the annual accounts as given below:

**Table-1.5: Non-submission of accounts by Autonomous Bodies**

Sl. No.	Name of Body/ Authority	Delay in number of years	No. of accounts	Grants during 2017-18 (₹ in crore)
1.	Ladakh Autonomous Hill Development Council, Leh	23	23	278.31
2.	Ladakh Autonomous Hill Development Council, Kargil	15	15	279.58
3.	Compensatory Afforestation Management and Planning Authority	09	09	Nil
4.	Sher-i-Kashmir University of Agricultural Science and Technology, Kashmir	08	08	94.62
5.	Sher-i-Kashmir University of Agricultural Science and Technology, Jammu	02	02	146.38
6.	EPF Board, Srinagar	12	12	Nil
7.	Jammu and Kashmir State Housing Board	06	06	Nil
8.	Khadi and Village Industries Board	03	03	18.00
9.	Building and Other Construction Workers Welfare Board	05	05	NA
10.	State Legal Service Authority	03	03	6.94
	<b>Total</b>		<b>86</b>	<b>823.83</b>

The audit of Ladakh Autonomous Hill Development Council (LAHDC), Leh and LAHDC, Kargil has been entrusted to the C&AG of India. LAHDC, Leh has failed to submit accounts for audit since its inception i.e. 1995-96 although substantial sums are being released to the Council and unspent balances at the end of the year remain credited in a non-lapsable fund in the Public Account of the State. Same is the position in respect of LAHDC, Kargil which came into existence in the year 2004-05 and the accounts are in arrears since its inception.



Non-submission/ delay in submission of accounts by these bodies receiving substantial funding from the State Budget is a serious financial irregularity persisting for years. In view of this non-compliance, the audited accounts of these statutory bodies have not so far been presented to the State Legislature as required under the statutes under which these Bodies were created. This has deprived the State Legislature of the opportunity to assess their activities and financial performance.

### 1.11 Year-wise details of reviews and paragraphs appeared in Audit Report

The year-wise details of performance reviews and Audit paragraphs that appeared in the Audit Reports for the last two years alongwith their money value is given below:

**Table-1.6: Details of performance reviews and Audit paragraphs appeared in Audit Reports during 2015-17**

Year	Performance Audit		Audit Paragraphs		Replies received	
	Number	Money value (₹ in crore)	Number	Money value (₹ in crore)	Performance Audit	Draft paragraphs
2015-16	3	1,072.58	23	414.50	1	14
2016-17	4	3,646.43	27	364.88	Nil	5

The money value of the audit findings that appeared in the Audit Reports for the last two years was based on the test-check. The Government may, however, undertake detailed checks on the issues highlighted in other departments also.

Two performance audits and 24 Audit paragraphs involving money value of ₹394.13 crore<sup>7</sup> have been included in this Report. Replies, wherever received, have been incorporated at appropriate places.

<sup>7</sup> Two performance audits: ₹251.43 crore; 24 draft paragraphs: ₹142.70 crore



**Chapter-II**  
**Performance Audit**



## CHAPTER-II

### PERFORMANCE AUDIT

#### Public Health Engineering Department

#### 2.1 National Rural Drinking Water Programme

National Rural Drinking Water Programme (NRDWP) was launched as a flagship programme for providing safe drinking water to the rural population on a sustainable basis. A performance audit on implementation of NRDWP in Jammu and Kashmir by Public Health Engineering (PHE) Department for the period 2013-14 to 2017-18 brought out certain deficiencies. Some of the highlights of the performance audit are as under:

#### Highlights

- **There was a delay ranging between 7 and 67 days in release of funds amounting to ₹871.87 crore received during 2014-17 by the State Finance Department (FD) to the SWSM/ Administrative Department.**

*(Paragraph: 2.1.7.2)*

- **Cumulative expenditure in 28 water supply schemes executed in 10 PHE divisions (including three sampled divisions) was understated by reflecting the wrong expenditure in the subsequent years, which led to excess release of ₹1.10 crore against the estimated cost of these schemes.**

*(Paragraph: 2.1.7.5)*

- **Scrutiny of the records of Administrative Department and six out of 14 sampled Divisions revealed that the interest of ₹1.74 crore earned during 2013-14 to 2017-18 on programme and support funds were not accounted for in the books/ accounts for working out the total availability of the funds.**

*(Paragraph: 2.1.7.7)*

- **Against the target for completion of 1,067 WSSs, during 2013-18, only 679 schemes (64 per cent) have been completed. Non-completion of 388 (36 per cent) schemes impacted the process of providing potable drinking water to 5.67 lakh souls.**

*(Paragraph: 2.1.8.2)*

- **Year-wise shortfall in achievement of targets for providing water supply in Government schools during 2013-14 to 2016-17 ranged between 10 to 29 per cent. Just nine Anganwadi centers had been provided with the facility of drinking water during the period 2013-15 and Department had not fixed any targets in this regard from 2014-15 onwards.**

*(Paragraph: 2.1.8.3)*

- **Despite the fact that all the schools were to be covered by 2012-13, Department had not prioritised the same and 17 per cent schools and 36 per cent aganwadi centres in seven test-checked districts remained uncovered.**

*(Paragraph: 2.1.8.3)*

- In 14 sampled divisions, an expenditure of ₹31.24 crore was incurred by diverting NRDWP funds for payment of wages, petrol-oil-lubricant (POL), hiring of vehicles, purchase of hard coke, and salary to DEOs, etc.

*(Paragraph: 2.1.8.6)*

- In 14 sampled Divisions, 657 schemes estimated to cost ₹1,415.37 crore were taken up for execution without the accord of AA and TS and an expenditure of ₹830.11 crore was incurred on these schemes.

*(Paragraph: 2.1.8.7)*

- An amount of ₹43.45 crore incurred by 13 sampled divisions in respect of 28 schemes, for laying of distribution system and other works without executing the main works like source development, acquisition of land, insufficient funds and non-clearance from Forest department rendering the expenditure unproductive.

*(Paragraph: 2.1.8.10)*

- Water samples in respect of 30 to 48 per cent sources were only tested during 2013-14 to 2017-18. Further, against the required 7,66,326 water samples to be tested during 2013-18, only 5,60,331 (73 per cent) samples were tested, and the break-up of bacteriological examination and chemical contamination was not available separately.

*(Paragraph: 2.1.10.4)*

### **2.1.1 Introduction**

To provide adequate safe water for drinking, cooking and other domestic use on a sustainable basis to the rural population, the Government of India (GoI) launched (1972-73) the Accelerated Rural Water Supply Programme (ARWSP). The programme was given mission approach with the introduction of National Drinking Water Mission (NDWM) in 1986 and renamed as Rajiv Gandhi National Drinking Water Mission (RGNDWM) in 1991. The scheme was taken up as a flagship programme and re-christened (2009) as National Rural Drinking Water Programme (NRDWP) on sharing pattern of 90:10 between GoI and the State on certain activities like coverage, water quality, operation and maintenance cost. The GoI was to provide 100 per cent funding on components like sustainability, DDP<sup>1</sup> areas, support activities and WQM&S<sup>2</sup>. The NRDWP guidelines of the programme were revised from time to time, with latest revision in 2013. It was envisaged (August 2013) to provide safe drinking piped water supply up to at least 55 litres per capita per day (lpcd) within the household premises to 50 per cent of the rural population by the end of 2017 and 70 lpcd to every rural person and ensure all schools and anganwadi centers in rural India have access to adequate safe drinking water by the end of 2022. Emphasis was to be laid on gradual shift towards surface water based schemes so as to curb the lowering of water table.

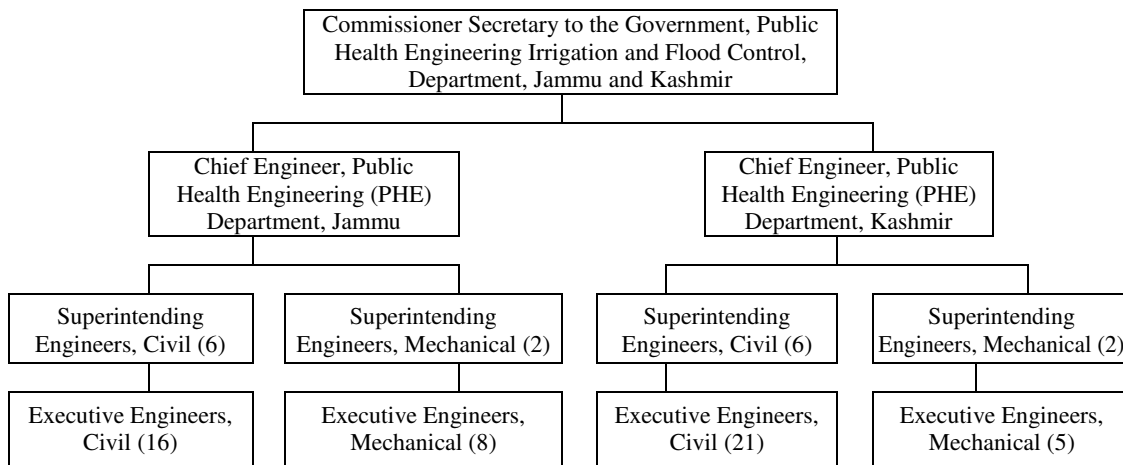
<sup>1</sup> Desert Development Programme

<sup>2</sup> Water quality monitoring and surveillance

### 2.1.2 Organisational set-up

In the State of Jammu and Kashmir (J&K), the Public Health Engineering, (PHE) Department is responsible for planning, implementation and maintenance of all water supply schemes/ programmes. The hierarchy and organisational structure of the Department is as under:

Chart: 2.1.1



### 2.1.3 Audit scope and methodology

A Performance Audit (PA) on NRDWP, covering the period from 2009-10 to 2012-13 has featured as para 2.2 in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2013 (Report No. 2 of 2014). The para was partly discussed by the Public Accounts Committee; their recommendations are awaited (March 2019). The current PA covering the period from 2013-14 to 2017-18 was conducted between January 2018 and August 2018, by test-check of the records of the offices of the Commissioner Secretary PHE Department, two Chief Engineers<sup>3</sup>, and 14 PHE Divisions<sup>4</sup> and four Provincial level Divisions<sup>5</sup> (out of 50 divisions in 22 districts), of seven districts from three regions<sup>6</sup> of the State and the sample was selected on the basis of probability proportional to size without replacement method taking expenditure into consideration. There were 989 Water Supply Schemes in those 14 sampled PHE divisions out of which 28 were analyzed in detail. An entry conference was held with the Additional Secretary, PHE Department on 7<sup>th</sup> March 2018, wherein objective, scope, criteria and methodology of audit were discussed. Audit finding were discussed in an exit conference held on 3<sup>rd</sup> January 2019 and replies have been suitably incorporated at the appropriate places in the report.

<sup>3</sup> One each at Jammu and Srinagar

<sup>4</sup> PHE divisions responsible for execution of Water supply schemes: (i) City-I Jammu, (ii) City-II Jammu, (iii) Rural Jammu, (iv) Akhnoor, (v) Kathua, (vi) Rajouri, (vii) Nowshera, (viii) Baramulla, (ix) Sopore, (x) Qazigund, (xi) Bijbehara, (xii) Awantipora, (xiii) Pulwama (xiv) Leh.

<sup>5</sup> Ground Water Divisions responsible for drilling of bore wells: (i) Jammu, (ii) Srinagar; Procurement Divisions responsible for procurement and supply of material: (i) Jammu, (ii) Srinagar

<sup>6</sup> (i) Jammu: Jammu; Kathua and Rajouri; (ii) Kashmir: Baramulla; Anantnag and Pulwama; (iii) Ladakh: Leh

#### **2.1.4 Audit objectives**

The PA was undertaken with an objective to assess as to:

- Whether the required structural mechanism had been put in place and adequate capacity building measures taken for implementation of the Programme;
- Whether the funds were released, accounted for and utilised by State Government in compliance with the provisions of guidelines/ circulars;
- Whether implementation of schemes was carried out economically, efficiently and effectively and in a time-bound manner in compliance with the programme guidelines and
- Whether monitoring and supervision of the programme was efficient and effective in facilitating the achievement of programme objectives.

#### **2.1.5 Audit criteria**

The implementation of the programme was evaluated against the following audit criteria:

- NRDWP Guidelines-2013,
- Manuals on sustainability, water quality and surveillance besides operation and maintenance issued by Ministry of drinking water and sanitation,
- Handbook on water treatment technologies,
- J&K public works code,
- J&K financial code and book of financial powers, and
- Project Reports and Project/ Action Plans for rural water supply schemes

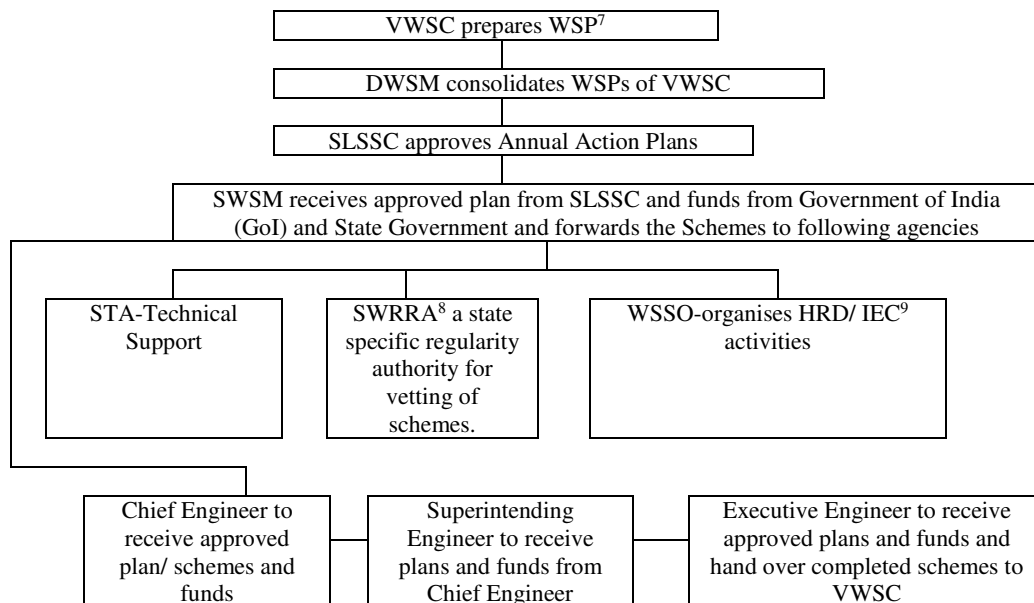
#### **2.1.6 Planning**

##### **2.1.6.1 Delivery mechanism of the programme**

The NRDWP guidelines provide for creation and establishment of various institutions like the State Water Sanitation Mission (SWSM), State Level Scheme Sanctioning Committee (SLSSC), Village Water Sanitation Committee (VWSC), District Water Sanitation Mission (DWSM), State Technical Agency (STA), Water Sanitation and Support Organisation (WSSO) for implementation of the Programme. The Commissioner Secretary of the PHE Department acts as member secretary of the SWSM supported at provincial level by the Chief Engineers as members. The execution part is carried out by Executive Engineers (EEs) as heads of the executing divisions. Institutional delivery mechanism prescribed in the programme guidelines is depicted in the chart below:



Chart: 2.1.2



Status regarding the establishment of various institutions under the programme is tabulated below:

Table-2.1.1: Status regarding setting up of various institutions in the State

Sl. No.	Institutions and nature of work	Status
<b>1.</b>	<b>Village Water Sanitation Committees (VWSCs)</b>	
	Gram Panchayat Water and Sanitation Committee (GPWSC)/ Village Water and Sanitation Committee (VWSC) was to be set up as a Standing Committee/ Sub-Committee in each Gram Panchayat for planning, monitoring, implementation and operation and maintenance of the Water Supply Schemes (WSSs) to ensure active participation of the villagers. This Committee was to be merged with the Village sanitation health and nutrition committee set up under NRHM, so that water, sanitation and health issues are tackled together at the village level.	VWSCs were formulated (June 2013) but they were not involved in formulation of plans. The Department replied (February 2018) that VWSCs were existent till July 2016 and became inactive after the dissolution of PRIs. It was further stated (January 2019) that PRIs were recently elected and the process of re-formation of VWCs shall start soon.
<b>2.</b>	<b>Block Resource Centres (BRCs)</b>	
	BRCs were to be set up at the block level to provide continuous support in terms of awareness generation, motivation, mobilisation, training and handholding to village communities, Gram Panchayats (GPs) and Gram Panchayat Water and Sanitation Committee (GPWSC)/ Village Water and Sanitation Committees (VWSCs). The BRCs were to serve as extended delivery arm of the DWSM for software support and act as a link between it and the GPs/ GPWSCs/ VWSCs/ village communities.	The Department stated (February 2018) that the role of BRCs would be activated once the elections for PRIs in the State are held. It was further stated (January 2019) that elections for PRIs have been held recently and Department is in the process to activate the BRCs in consultation with the Rural Development Department.
<b>3</b>	<b>District Water and Sanitation Mission (DWSM)</b>	
	DWSM were to be constituted at the district level to function under the supervision of the <i>Zilla panchayat/ parishad</i> or Deputy Commissioner of the District where <i>Zilla parishads</i> had not been constituted. It was to prepare and implement the district water security plan and where the PRIs were non-existent, alternative arrangement was to be put in place.	The Department stated (February 2018) that DWSM committees are in place, but their role is not active as the funds are not routed through them to the executing agencies. It was also stated (January 2019) that after the formation of PRIs the DWSM has now assumed active role.

<sup>7</sup> Water Security Plan

<sup>8</sup> State Water Resources Regulatory Authority

<sup>9</sup> HRD: Human Resource Development, IEC: Information Education Communication

<b>Sl. No.</b>	<b>Institutions and nature of work</b>	<b>Status</b>
<b>4.</b>	<b>Water and Sanitation Support Organisation (WSSO)</b>	
	States were to set up WSSOs under SWSM to deal with Water Quality Monitoring and Surveillance (WQM&S) i.e. District Water Testing Laboratories (DWT Labs), Management Information System (MIS)/ Computerisation, Monitoring and Evaluation (M&E), Information Education Communication (IEC), Human Resource Development (HRD), Communication and Capacity Development Units (CCDU), Research and Development (R&D), etc. The CCDUs for water and sanitation were to be merged with WSSO.	The Department had created CCDU in 2008 for support activities like IEC and HRD but it was not yet merged (February 2018) with WSSO. In reply, the Department intimated (February 2018) that all the activities of the CCDU were put on hold as there was dispute regarding selection of NGOs (December 2017). It was stated (January 2019) that presently CCDU is functioning with IEC and communication and capacity development activities through various NGOs. The water quality monitoring and surveillance is done by the department.
<b>5.</b>	<b>State Technical Agency (STA)</b>	
	Reputed Technical Institutions, designated as State Technical Agencies (STA) were to provide PHE Department/ Boards, the technical support for designing and planning of Rural Water Supply schemes, hardware/ software consultations and feedback of problems at field level.	The State Technical Agency had not been set up (February 2018). Department justified the non-identification to availability of Directorate of Design inspection and quality control which looks after quality control and technical vetting of design. It was also stated (January 2019) that for mega projects, all the DPRs are technically vetted by the Development Commissioner Works.
<b>6.</b>	<b>State Level Scheme Sanctioning Committee (SLSSC)</b>	
	State Level Scheme Sanctioning Committee (SLSSC) with Secretary PHE Department/ Rural Water Supply Department as Chairperson, Engineer-in Chief, PHE Department/ Rural Water Supply Department as Member Secretary, representatives of Ministry of Drinking Water and Sanitation of GoI, Central Ground Water Board, State and Central Water Commission/ Board, State Technical Agency (STA), Technical Expert from reputed State and/ or National related institutions, Chief Engineer, Planning PHE Department/ Rural Water Supply Department, Director, Water and Sanitation Support Organization and any other member (need based) nominated by State Secretary, PHE Department.  The SLSSC is to approve Annual Action Plan of the targets and finalise those with the GoI. The delegation of powers to SLSSC is subject to the condition that the State Government had to ensure that proper system of close monitoring and evaluation is in place. The State Government was to furnish complete and timely information to enable the GoI to release funds regularly.	The SLSSC with Secretary, PHE Department as Chairman existed in the State, which accorded approval to Annual Action Plans. However, in contravention to the programme guidelines, no member from State/ Central Water Commissions or representative of STA and Director, WSSO was inducted in the SLSSC. The Department assured (February 2018) that in future representatives from other agencies would also be considered.
<b>7.</b>	<b>State Water and Sanitation Mission (SWSM)</b>	
	State was to have SWSM (registered as a society) headed by the Chief Secretary/ Additional Chief Secretary/ Development Commissioner with Secretaries in-charge of Public Health Engineering (PHE) Department, Rural Development (RD), Panchayati Raj (PR), Finance, Health, Education, Women and Child Development, Water Resources, Agriculture, Information and Public Relations (I&PR) as members. Secretary (PHE) Department shall be the nodal Secretary. SWSM shall be responsible for activities which includes policy guidance, convergence, monitoring and evaluation, coordination with various State Government departments and maintaining the accounts of programme and support fund. SWSM has to convene at least two meetings every year.	SWSM with Chief Secretary as its Chairman existed in the State. However, against the required ten meetings, only one Meeting was held (December 2013) during 2013-18 and Department attributed same to non-availability of full quorum.

*(Source: Information furnished by Joint Director Planning Jammu and Kashmir)*

### 2.1.6.2 Preparation of plans

Para-14 of the Programme guidelines envisage setting up of broad goal by the State Government by preparing a five year Comprehensive Water Security Action Plan (CWSAP) and based thereon sub-goals and the priorities would be fixed for each financial year by mutual consultation with the GoI to give a definite direction to the programme and also to ensure its regular monitoring towards achieving the goal.

The plan was to be prepared from the Village Water Security Plans (VWSP) and then consolidated by the concerned divisions and finally prepared at the State level by the SWSM for approval by SLSSC.

It was noticed that five year CWSAP were not prepared (February 2018). However, the Annual Action Plans were prepared at the divisional level without any involvement of village representatives/ PRIs and consolidated by the Administrative Department without any involvement of SWSM.

The Department admitted (February 2018) that five year comprehensive plans were not prepared, and Annual Action Plans were prepared at Divisional level without involving VWSCs/ DWSM and discussed in SLSSC. It was stated (January 2019) that since the election of PRIs have been completed, the Chief Engineers shall be asked to ensure the involvement of the VWSCs in implementation of NRDWP. Thus, non-preparation CWSAP in accordance with Programme guidelines ultimately affected the setting up of broad goal by the State for finalization of targets for providing safe drinking water to the rural population.

### 2.1.6.3 Vetting of water supply schemes

The State enacted (January 2011) the J&K Water Resources (Regulation & Management) Act, 2010 which envisages that water supply schemes undertaken by the PHE Department be vetted by the Jammu Kashmir State Water Resources Regularity Authority (JKSWRRA) before execution.

Audit noticed that during 2013-18, out of the 247 new schemes taken up for execution by the PHE Department under the programme, only 53 (21 per cent) had been referred to the JKSWRRA against which five schemes had been approved and 48 were returned due to shortcomings in DPR, enclosed check list, source information, quality of water available, safety and environment measures. The Department, instead of clearing the shortcomings, executed all the schemes without the approval from JKSWRRA. Out of these 48 WSS, 40 were in the sampled divisions and were ongoing, ending March 2018.

The Department stated (January 2018) that the concerned Chief Engineers would be asked to forward all new schemes for vetting by JKSWRRA before their actual execution. Secretary JKSWRRA, stated (April 2019) that there was no authority in place between October 2015 to November 2017 and the utilities were instructed to get the schemes pertaining to that period approved as a special case by approaching the Government through an appropriate cabinet note as a one-time exception. Government stated (January 2019) that executing divisions shall be instructed that no

schemes under NRDWP shall be taken without vetting by JKSWRRA from 2018-19 onwards.

### 2.1.7 Financial management

Para 9.3 (ii) of Programme guidelines provided for 90 *per cent* GoI funding on certain activities like coverage, water quality, operation and maintenance cost. The GoI was to provide 100 *per cent* funding on components like sustainability, DDP areas, support activities and WQM&S. The GoI released funds to the SWSM directly up to 2013-14 and thereafter through State Budget. The position of funds released by GoI/ State under the programme and expenditure there against during 2013-18 is depicted in table below:

**Table-2.1.2: Fund flow**

(₹ in crore)

Year	Opening balance	Funds released		Interest	Total Availability	Expenditure (As per cent of total availability)	Closing Balance
		Central share	State Share				
2013-14	115.92 <sup>10</sup>	414.82	59.55	0.00	590.29	537.57 (91)	52.72
2014-15	54.73	474.41	53.83	7.13	590.10	513.46 (87)	76.64
2015-16	76.64	192.12	45.46	2.60	316.82	270.91 (86)	45.91
2016-17	45.91	225.14	56.85	0.00	327.90	286.18 (87)	41.72
2017-18	47.05	325.33	51.02	0.00	423.40	396.79 (94)	26.61
<b>Total</b>		<b>1,631.82</b>	<b>266.71</b>	<b>9.73</b>		<b>2,004.91</b>	

(Source: Financial Statements of Administrative Department)

Over all fund utilisation during 2013-14 to 2017-18 ranged between 86 and 94 *per cent*. There was a difference of ₹2.01 crore and ₹5.33 crore in the opening balance as on 1<sup>st</sup> April 2014 and 1<sup>st</sup> April 2017 *vis-a-vis* closing balance of the immediate previous years, which were attributed by the Department to inclusion of interest amount after reconciliation with bank as well as interest received from various divisions on NRDWP funds.

There was decreasing trend in release of funds by GoI during 2014-17, from ₹474.41 crore (2014-15) to ₹192.12 crore (2015-16) and ₹225.14 crore (2016-17). At the beginning of 2017-18 the required balance cost for completion of 873 ongoing water supply schemes was ₹1586.47 crore, against which only ₹281.45 crore<sup>11</sup> were provided and the balance ₹1305.02 crore were not released, as detailed in table below:

<sup>10</sup> The closing balance as of March 2013 reflected in the para 2.2.8 of CAG Report No. 2 of 2014 as communicated by the Department was ₹137.23 crore. However, the Department has now communicated that the balance as on 1<sup>st</sup> April 2013 is ₹115.92 crore. Reasons for variation were awaited (January 2019)

<sup>11</sup> Includes Meager funding schemes of ₹277.23 crore and Financially completed but not commissioned schemes of ₹4.22 crore

Table-2.1.3: Statement showing fund requirement of incomplete schemes

(₹ in lakh)

Year of start	Incomplete WSS by end of March 2017				Meager funding (2017-18)			Nil funding		Financially completed but not commissioned	
	No. of schemes	Estimated Cost	Cumulative expenditure March 2017	Balance cost required as on 1.4.2017	No. of schemes	Funds required	Funds released	No. of schemes	Funds required	No. of schemes	Funds released during 2017-18
2000-01	1	369.80	240.12	129.68	1	129.68	28.00	0	0	0	0
2002-03	1	466.51	142.32	324.19	1	324.19	93.71	0	0	0	0
2003-04	22	7,007.13	4,253.59	2,753.54	19	2,735.69	484.49	2	0.92	1	16.93
2004-05	1	299.13	2.00	297.13	1	297.13	15.25	0	0	0	0
2005-06	3	699.23	401.96	297.27	3	297.27	76.36	0	0	0	0
2006-07	58	16,748.70	10,087.37	6,661.33	53	6,615.53	1,654.78	1	0.23	4	45.57
2007-08	33	13,158.61	5,242.70	7,915.91	31	7,873.89	1,171.70	0	0	2	42.02
2008-09	29	8,786.20	3,996.96	4,789.24	21	4,286.41	1,005.80	4	491.15	4	11.68
2009-10	39	9,544.91	4,140.13	5,404.78	34	5,177.61	934.70	2	202.50	3	24.67
2010-11	62	12,544.32	6,017.16	6,527.16	58	6,389.98	1,429.03	4	137.18	0	0
2011-12	211	49,754.65	17,115.51	32,639.14	205	32,564.26	6,270.61	4	1.02	2	73.86
2012-13	234	63,330.39	14,527.24	48,803.15	227	48,413.82	8,113.33	5	182.26	2	207.07
2013-14	154	45,921.90	8,104.99	37,816.91	153	37,805.66	5,315.52	1	11.25	0	0
2014-15	15	5,696.97	1,648.80	4,048.17	15	4,048.17	1,046.64	0	0	0	0
2015-16	10	509.59	270.35	239.24	10	239.24	83.01	0	0	0	0
<b>Total</b>	<b>873</b>	<b>2,34,838.04</b>	<b>76,191.20</b>	<b>1,58,646.84</b>	<b>832</b>	<b>1,57,198.53</b>	<b>27,722.93</b>	<b>23</b>	<b>1,026.51</b>	<b>18</b>	<b>421.80</b>

(Source: Information provided by the two Chief Engineers of Kashmir and Jammu province).

As can be seen from the table, 873 water supply schemes taken up for execution at an estimated cost of ₹2,348.38 crore during 2000-01 to 2015-16 remained incomplete as on March 2018 due to meager funding (832)/ non-funding (23). In respect of 18 schemes, although entire funds were released and schemes shown as financially completed, but were yet to be commissioned by the department. Completion of the schemes have suffered because of financial constraints and reasons like source disputes, non-finalization of revised DPRs, non-obtaining of forest clearance, land disputes etc. as commented in Para No 2.1.8.10 in respect of cases taken up for detailed scrutiny.

### 2.1.7.1 Non-maintenance of records to monitor the receipt and release of funds

Para 16.9 of Programme guidelines provide that the accounting system shall be based on well established Public Works Accounting system adopted by the State. Therefore, for proper accounting of the funds, the Administrative Department/ SWSM and Chief Engineers were required to maintain the details of funds released (Center share/ State share) depicting therein true and correct picture of receipts, availability and release of funds.

It was, however, noticed that cash book, to monitor the receipt of funds and their further release, had neither been maintained (August 2018) by the Administrative Department/ SWSM nor by the Chief Engineers, due to which it was difficult to ascertain the position of receipts and releases made under the Programme.

Department replied (February 2018) that as the releases were watched online through Integrated Management Information System (IMIS) the cash book had not been maintained; however, it was assured that same would be maintained henceforth. Government stated (January 2019) that from 2018-19 the accounts are being maintained properly and the old records shall be prepared after reconciliation with the Accountant General (A&E) and the bank.

### **2.1.7.2 Delay in release of funds of GoI by State Government**

Para 17 (s) of the programme guidelines provide that the State was to release the entire amount of Central allocation along with its matching share to the implementing agencies without any delay and in no case later than 15 days after its receipt. Further, in terms of the conditions attached with the GoI sanction orders for release of funds, State was directed that a penal interest at the rate of 12 *per cent* per annum for the period of delay beyond stipulated period be transferred to the implementing agencies concerned, along with the principal amount of the fund. Position of delayed release of funds is depicted in the table below.

**Table-2.1.4: Details of delay in release of funds**

(₹ in lakh)

Year	Receipt by Finance Department from GoI	Released to SWSM	Retained	Delay in releases		
	Amount	Amount	Amount	Amount	Range of delay in days	Interest payable by Finance Department at the rate of 12 <i>per cent</i> per annum
2014-15	47,440.94	45,440.94	2,000.00	44,460.22	7 to 34	425.24
2015-16	19,211.61	20,981.39	230.22	20,981.39	14 to 67	279.50
2016-17	22,513.56	22,694.43	49.35	21,745.22	10 to 33	116.91
<b>Total</b>				<b>87,186.83</b>		<b>821.65</b>

(Source: Information provided by the Administrative Department)

Scrutiny of records revealed (February 2018) that an amount of ₹49.35 lakh released in two installments (July and October 2015) by the GoI as Central share had not been released by the State Finance Department to SWSM, as of February 2018. Further, there was a delay ranging between 7 and 67 days in release of funds amounting to ₹871.87 crore received during 2014-17 by the State Finance Department (FD) to the SWSM/ Administrative Department. Penal interest of ₹8.22 crore as worked out in audit, for retention of the funds (during 2014-17) by the Finance Department had not been transferred (December 2018) to the implementing agencies. The PHE Department/ SWSM had neither taken up the issue of retention of money with the Finance Department nor had claimed any interest for the delay so caused.

After this was pointed out in audit, the Assistant Director, Planning stated (December 2018) that the matter regarding interest has been taken up with the State Finance Department. Government stated (January 2019) that delay in some cases was due to procedural hiccups and is being addressed in meetings with the Finance Department.

### **2.1.7.3 Short release of State share**

As per information provided by the Administrative Department/ SWSM, the State Government released Central share of ₹1631.82 crore and State share of ₹266.71 crore under NRDWP during 2013-18. The state share due at apex level could



not be worked out due to non-maintenance of accounts. In two Chief Engineers offices, it was seen that against the amount of ₹1346.78 crore<sup>12</sup> received as Central share during 2013-18, the proportionate State share worked out to ₹149.64 crore. However, only ₹121.86 crore had been received by the two Chief Engineers, resulting in short release of ₹27.78 crore at State level. Further in 12 out of 18 test-checked divisions, against the due State share of ₹41.28 crore<sup>13</sup>, only ₹2.28 crore<sup>14</sup> had been received by these divisions, resulting in short release of ₹39 crore.

Audit scrutiny of records of Chief Engineer, Jammu showed that State share of ₹9.85 crore<sup>15</sup> during the period 2013-16 shown by the Department as matching State share under NRDWP had been released by the State Government against the capital expenditure (capex) budget for the financial year 2013-14 to 2015-16. These funds were not utilised against the approved NRDWP plan and as such cannot be taken as matching State share against the Central share released by GoI. The Chief Engineer, Jammu informed (August 2018) that capex budget utilised for drilling of hand pumps was taken as State share. It was also stated that from 2016 onwards, the State share has been received beyond 10 per cent against the matching State share which has given impetus to the various ongoing schemes. Government stated (January 2019) that shortfall in release of State share during some period was due to resource constraints; however, now proportionate share is being released, as per budgetary allocation.

**Recommendation:** *The Government may ensure the timely release of funds received from GoI and also release the proportionate State share to the implementing agencies.*

#### 2.1.7.4 Non-release of Central assistance due to unspent balances

Para 17 of the programme guidelines provide that in the beginning of the financial year, allocation under various components will be communicated by the GoI to the states. The states will be required to indicate the components and the extent upto which they would like to avail the funds. However, once the allocation has been made, the first installment of 50 per cent of the allocation under programme funds will be released, taking into consideration available opening balance with the states. Support Fund which is 100 per cent grant in aid, will also be released in two installments. The opening balance in excess of 10 per cent of the release in the previous year will be subsumed in the first installment. Balance of first Installment will be released upon utilisation of 60 per cent of the available funds.

<sup>12</sup> For programme components involving 90 per cent funding by GoI and 10 per cent by the State Government

<sup>13</sup> (i) City-I Jammu: ₹0.97 crore; (ii) City-II Jammu: ₹0.53 crore; (iii) Rural Jammu: ₹3.84 crore; (iv) Akhnoor: ₹4.45 crore; (v) Kathua: ₹4.20 crore; (vi) Rajouri: ₹1.66 crore; (vii) Nowshera: ₹4.59 crore; (viii) Baramulla: ₹3.87 crore; (ix) Sopore: ₹3.82 crore; (x) Bijbehara: ₹3.07 crore; (xi) Awantipora: ₹1.85 crore and (xii) Pulwama: ₹8.43 crore

<sup>14</sup> (i) City-I Jammu: Nil; (ii) City-II Jammu: Nil; (iii) Rural Jammu: Nil; (iv) Akhnoor: Nil; (v) Kathua: Nil; (vi) Rajouri: Nil; (vii) Nowshera: ₹1.30 crore; (viii) Baramulla: ₹0.28 crore; (ix) Sopore: Nil; (x) Bijbehara: ₹0.70 crore; (xi) Awantipora: Nil; (xii) Pulwama: Nil

<sup>15</sup> 2013-14: ₹3.35 crore; 2014-15: ₹3.25 crore and 2015-16: ₹3.25 crore

Audit noticed that the opening balances in excess of 10 per cent of the releases of previous year was only under support activity and WQM&S components during 2012-13 to 2016-17 and the unspent balance at the close of each year was in the range of 26 to 96 per cent of the funds released.

As against the allocation of ₹143.23 crore for support activity (₹89.52 crore) and WQM&S (₹53.71 crore) components, the GoI released only ₹48.94 crore during 2013-14 to 2016-17 and did not release ₹94.29 crore due to less spending.

The Joint Director (Planning), PHE Department stated (February 2018) that less release was due to less expenditure under these heads as the activities were halted in view of matter being sub-judice. However, Assistant Director (Planning) PHE Department stated (December 2018) that the activities were put on hold briefly by the Administrative Department due to various representations from NGOs with regard to allotment of zones and that the shortfall was due to non-engagement of NGOs. Government stated (January 2019) that unspent balance was due to non-performing of support activities through NGOs by Communication and Capacity Development Unit (CCDU) which have been activated now and it is expected that expenditure will be incurred upto the level of availability.

#### **2.1.7.5 Incorrect reporting of expenditure**

Comparison of annual physical and financial statements available in the office of Chief Engineer (PHE), Jammu revealed that the cumulative expenditure in 28 water supply schemes executed in 10 PHE divisions<sup>16</sup> (including three sampled divisions) was understated by reflecting wrong expenditure in the subsequent years to SWSM. Incorrect reporting of the cumulative balances had resulted in excess release of ₹1.10 crore against the estimated cost of these schemes. Of the 28 schemes, nine schemes<sup>17</sup> had been completed with an additional cost of ₹35.94 lakh. Though ₹74 lakh had been spent on the balance 19 schemes over and above the estimates, yet the schemes were physically incomplete (March 2018).

Chief Engineer PHE, Jammu stated (January 2019) that the excess may be due to double uploading of expenditure on IMIS by various divisions which could not be rectified once reported to GoI. Reply is not tenable, as the reasons for excess expenditure were not investigated by the department and the matter was not taken up with the GoI for rectification to ensure correct reporting of expenditure in the IMIS. Government stated (January 2019) that detailed reply regarding incorrect reporting of expenditure is being sought from the Chief Engineer PHE Jammu. No reply has been furnished by the Department as on date (September 2019).

<sup>16</sup> (i) City-II Jammu: 1; (ii) Kathua: 13; (iii) Udhampur: 2; (iv) Reasi: 1; (v) Mahore: 1; (vi) Ramban: 06; (vii) Kishtwar: 1; (viii) Doda: 1; (ix) Gandoh: 1 and (x) Nowshera: 1

<sup>17</sup> (i) WSS Domar, (ii) WSS Niali (Dhamlar), (iii) WSS Khalaid, (iv) WSS Bhullarian, (v) WSS Chilla, (vi) WSS Bangankote, (vii) WSS Sawani, (viii) WSS Chanderkote Phase-II and (ix) WSS Baryari Sangaldan



### 2.1.7.6 Non-availing of incentive

Para 9.6 of the programme guidelines provide for 10 *per cent* weightage in allocation of funds to states for management, operation and maintenance of the rural water supply schemes (WSS) by the gram panchayats/ rural population for encouraging the State to bring in reforms and de-centralise the drinking water supply sector.

Department had neither transferred physical functions of WSS to PRIs nor had provided financial powers to Panchayat Raj Institutions (PRIs), with the result the State could not avail 10 *per cent* incentive<sup>18</sup> of ₹145.55 crore on funds released by GoI during 2012-15.

The Administrative Department attributed (September 2018) the non-handing over of completed water supply schemes to poor response from the PRIs for taking over the schemes. Government stated (January 2019) that as soon as the financial powers are devolved to PRIs incentives shall be claimed. Same were not handed over till September 2019.

### 2.1.7.7 Accountal of Bank interest

Para 16 (10) of the programme guidelines provide that interest earned on the NRDWP funds shall be accounted for in programme funds and reflected in the Utilisation Certificate of the concerned year.

Scrutiny of the records of Administrative Department and six<sup>19</sup> sampled divisions revealed that the interest of ₹1.74 crore<sup>20</sup> earned during 2013-14 to 2017-18 on programme and support funds were not accounted for in the books/ accounts for working out the total availability of the funds. While Divisional authorities assured (March/ July 2018) inclusion of interest in future progress reports of the Programme, the Administrative Department intimated (February 2018) that the interest has been accounted for in the Utilisation Certificates. The fact remains that the interest actually earned had not been correctly communicated to Government of India for taking into consideration the available funds with the State for release of funds under the programme, during these years. Government stated (January 2019) that interest accrued over the years has been accounted for after restructuring of NRDWP (November 2017) and the same is being currently audited by the Chartered Accountant.

## 2.1.8 Programme execution

### 2.1.8.1 Coverage of habitations

Para 14(a) of programme guideline provide that the Annual Action Plans should indicate the following aspects:

<sup>18</sup> 10 *per cent* of release of ₹1455.48 crore during (2012-13: ₹566.25 crore; 2013-14: ₹414.82 crore and 2014-15: ₹474.41 crore) which is ₹145.55 crore)

(i) Administrative Department: ₹116.42 lakh; (ii) City-I Jammu: ₹4.70 lakh; (iii) City-II Jammu: ₹2.58 lakh; (iv) Kathua: ₹17.06 lakh; (v) Leh: ₹25.84 lakh; (vi) Rajouri: ₹3.29 lakh; (vii) Rural Jammu: ₹4.35 lakh

<sup>20</sup> 2013-14: ₹34.32 lakh; 2014-15: ₹9.33 lakh; 2015-16: ₹59.35 lakh; 2016-17: ₹60.91 lakh; 2017-18: ₹10.33 lakh

- Target for the year of coverage of habitations with 0 *per cent* population covered, 0-25 *per cent*, 25-50 *per cent*, 50-75 *per cent* and 75-100 *per cent* population covered and quality affected habitations.
- Priority was to be given to coverage of 0-25 *per cent* and 25-50 *per cent* population coverage habitations.
- Incomplete works shall be given priority over new work. It should be ensured that the works taken up are completed as per schedule and that there should not be any delay in execution which would result in cost escalation, non-utilisation of assets created, etc. Targets and achievements of coverage of habitations for providing safe drinking water during 2013-14 to 2017-18 is indicated in table-2.1.5 and chart-2.1.3.

**Table-2.1.5: Targets and achievements for coverage of habitations for safe drinking water**

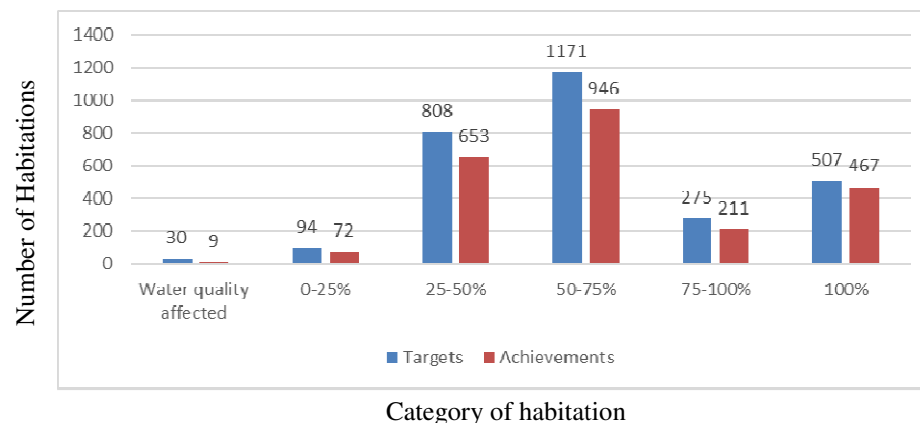
Year	Uncovered and partially <sup>21</sup> covered habitations (U&PCH)	Number of habitations for supply of safe drinking water with population coverage												Grand total	
		Water quality affected habitations		0 and <25 <i>per cent</i>		25 and <50 <i>per cent</i>		50 and <75 <i>per cent</i>		75 and <100 <i>per cent</i>		Coverage 100 <i>per cent</i>		Target ( <i>per cent</i> of U&PCH)	Achievement
		Tar	Ach	Tar	Ach	Tar	Ach	Tar	Ach	Tar	Ach	Tar	Ach		
2013-14	15613	0	0	27	19	503	412	69	53	82	81	282	336	963 (6)	901
2014-15	15798	10	2	32	30	147	124	448	380	75	44	91	62	803 (5)	642
2015-16	15798	4	3	12	7	54	30	216	153	48	27	39	13	373 (2)	233
2016-17	15958	4	3	14	9	52	35	226	156	41	30	54	27	391 (2)	260
2017-18	15958	12	1	9	7	52	52	212	204	29	29	41	29	355 (2)	322
<b>Total</b>		<b>30</b>	<b>9</b>	<b>94</b>	<b>72</b>	<b>808</b>	<b>653</b>	<b>1171</b>	<b>946</b>	<b>275</b>	<b>211</b>	<b>507</b>	<b>467</b>	<b>2885 (18)</b>	<b>2358</b>
<b>Habitations targeted as <i>per cent</i> of overall targets during 2013-18</b>		<b>1</b>		<b>3</b>		<b>28</b>		<b>41</b>		<b>9</b>		<b>18</b>			

(Source: Documents provided by two Chief Engineers of Kashmir and Jammu province)  
(Tar: Target; Ach: Achievements)

As can be seen from the table above that the uncovered/ partially covered habitations have increased from 15613 (2013-14) to 15958 (2017-18). Against the target of 2,885 habitations during 2013-18, only 2,358 habitations were covered resulting in shortfall in coverage of 527 habitations. There was a constant decline in the number of habitations targeted to be covered and the targets fixed accounted for only around 2 to 6 *per cent* of uncovered habitations and partially covered habitations during 2013-14 to 2017-18. The number of habitations with population coverage between 0-25 *per cent* and 25-50 *per cent* were also not prioritised. Only three *per cent* (94 habitations) from 0-25 *per cent* population coverage were targeted out of total targeted 2885 habitations during 2013-18. Habitations with less than 50 *per cent* coverage and water quality affected accounted for only 32 *per cent* of the targets fixed. Chief Engineer, PHE Jammu attributed (August 2018) shortfall in targets to curtailment of funds by the GoI. Chief Engineer Kashmir stated (September 2018) that in view of complete ban imposed (December 2016) by the Ministry of Drinking Water & Sanitation GoI, no new scheme was taken up for execution during last three years.

<sup>21</sup> The Water Supply Schemes which were not fully completed but are providing the water to some of the habitations.

Chart-2.1.3: Category wise habitation coverage



### 2.1.8.2 Execution of Water Supply schemes

The manual for preparation of DPRs issued by Ministry of Drinking Water and sanitation of Government of India has provided the maximum time of three years<sup>22</sup> for Preparation of DPR to Commissioning of Water Supply Scheme. The year-wise position of schemes undertaken, schemes targeted to be completed and incomplete schemes is given in the table below:

Table-2.1.6: Targets and achievements of Water Supply Schemes in respect of State

Year	No. of schemes taken up			Targets and achievements for completion of schemes			Incomplete schemes at the end of the year	Population deprived due to shortfall
	Spill over Schemes	New	Total	Targeted	Completed	Shortfall		
	1	2	3	4	5	6	7=(3-5)	8
<b>Overall State</b>								
2013-14	1,305	217	1,522	163	118	45	1,404	1,04,560
2014-15	1,404	18	1,422	281	203	78	1,219	1,27,308
2015-16	1,219	12	1,231	214	64	150	1,167	1,89,317
2016-17	1,167	0	1,167	210	116	94	1,051	52,930
2017-18	1,051	0	1,051	199	178	21	873	92,397
<b>Total</b>		<b>247</b>		<b>1,067</b>	<b>679</b> (64 per cent)	<b>388</b> (36 per cent)		<b>5,66,512</b>

(Source: Information provided by the two Chief Engineers of Kashmir and Jammu province)

There were 1,305 spillover schemes at the beginning of 2013-14. Despite old incomplete schemes, Department took up 247 new water supply schemes during 2013-16. However, no new schemes were taken up during 2016-17 and 2017-18. Out of the total 1,552 schemes, 679 were completed resulting in non-completion of 873 schemes as of March 2018, which include 694 schemes taken up prior to 2013-14. Only 64 per cent targeted schemes have been completed. Non-completion of 388 (36 per cent) targeted schemes impacted the process of providing potable drinking water to 5.67 lakh souls. The table-2.1.7 and chart- 2.1.4 below depict the age wise position of incomplete schemes:

<sup>22</sup> One year for Mini-piped schemes, one to two years for Standalone water supply schemes and two to three years for Multi village water supply schemes

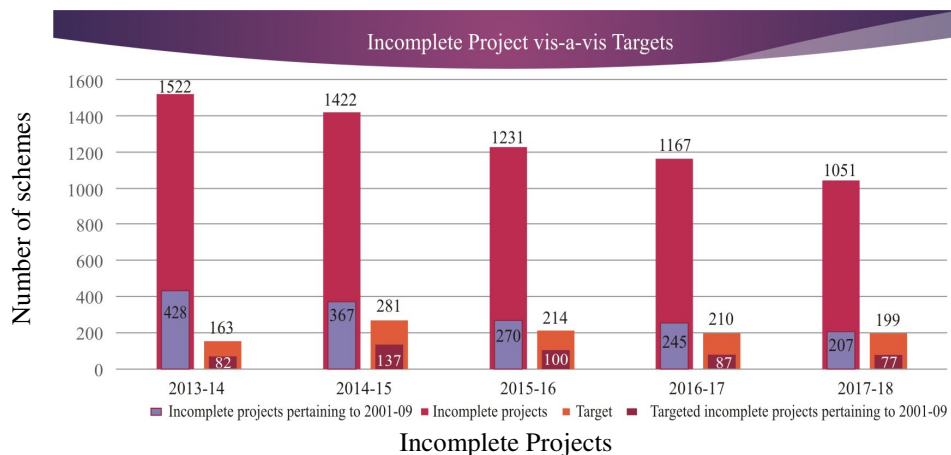
**Table-2.1.7: Year wise breakup of incomplete schemes as on ending March 2018**

Year	Year wise target and achievement of Water Supply Schemes under NRDWP in Jammu & Kashmir															Spill over schemes ending March 2018
	2013-14			2014-15			2015-16			2016-17			2017-18			
	Inc	Tar	Com	Inc	Tar	Com	Inc	Tar	Com	Inc	Tar	Com	Inc	Tar	Com	
2000-01	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1
2002-03	5	1	1	4	3	3	1	0	0	1	0	0	1	0	0	1
2003-04	64	12	10	54	15	11	43	18	6	37	12	8	29	9	7	22
2004-05	3	0	0	3	2	2	1	1	0	1	1	0	1	1	0	1
2005-06	13	6	5	8	3	2	6	2	1	5	1	1	4	1	1	3
2006-07	136	28	18	118	44	34	84	16	3	81	18	10	71	15	13	58
2007-08	107	24	19	88	43	29	59	27	7	52	18	4	48	28	15	33
2008-09	99	11	8	91	27	16	75	36	8	67	37	15	52	23	23	29
<b>Total upto 2009 (per cent)</b>	<b>428 (28)</b>	<b>82 (19)</b>	<b>61</b>	<b>367 (26)</b>	<b>137 (37)</b>	<b>97</b>	<b>270 (22)</b>	<b>100 (37)</b>	<b>25</b>	<b>245 (21)</b>	<b>87 (36)</b>	<b>38</b>	<b>207 (20)</b>	<b>77 (37)</b>	<b>59</b>	<b>148 (17)</b>
2009-10	108	17	12	96	37	30	66	21	3	63	23	5	58	19	19	39
2010-11	160	33	25	135	36	29	106	28	7	99	26	14	85	24	23	62
2011-12	283	10	3	280	22	17	263	35	8	255	29	16	239	31	28	211
2012-13	326	20	16	310	24	19	291	15	7	284	23	21	263	28	29	234
2013-14	217	1	1	216	21	9	207	13	12	195	22	22	173	19	19	154
2014-15	0	0	0	18	4	2	16	0	0	16	0	0	16	1	1	15
2015-16	0	0	0	0	0	0	12	2	2	10	0	0	10	0	0	10
<b>Total</b>	<b>1522</b>	<b>163</b>	<b>118</b>	<b>1422</b>	<b>281</b>	<b>203</b>	<b>1231</b>	<b>214</b>	<b>64</b>	<b>1167</b>	<b>210</b>	<b>116</b>	<b>1051</b>	<b>199</b>	<b>178</b>	<b>873</b>

(Source: Information provided by the two Chief Engineers of Srinagar and Jammu province)  
(Inc: Incomplete; Tar: Target; Com: Completed)

The Department has not prioritized the completion of old schemes over new schemes while fixing the targets, which resulted in non-completion of older water supply schemes. Percentage of incomplete schemes pertaining to period prior to 2009 out of total incomplete schemes during 2013-14 to 2017-18 was in the range of 20 to 28 per cent. Further, the old schemes prior to 2009 targeted for completion during 2013-14 to 2017-18 accounted for only 19 to 37 per cent of such schemes. Out of 873 incomplete water supply schemes as of March 2018, there was a delay of 10 to 15 years in completion of 25 schemes, 5 to 10 years in 162 schemes and one to five years in 676 schemes. The incomplete schemes also included 485 schemes taken up for execution during 2002-15, which could not cover any habitations either partially or fully as the work of source development, construction of rising main and distribution network were not constructed. The position in 14 sampled divisions was not different, as out of 645 incomplete water Supply Schemes as on March 2018, 80 schemes were 11-15 years old, 438 schemes were 6-10 years old and 127 were 1-5 years old.

**Chart-2.1.4: Incomplete projects vis-à-vis targets**



Department attributed (August 2018) the shortfall in achievement of targets to less release of funds by GoI during 2015-18. Government stated (January 2019) that

curtailment of funds by GoI from 2015-16 as compared to earlier years resulted in less coverage of habitations and delay in completion of schemes.

**Recommendation:** *The Government may ensure completion of incomplete works in a time bound manner so as to achieve the programme goals, besides prioritise the coverage of uncovered habitations.*

### 2.1.8.3 Coverage of schools and Anganwadi centres

Para 9.8 of the programme guidelines provide for compilation of data from the Education Department and the Women and Child Development Department regarding all rural Government schools and Anganwadis having drinking water facilities and feed the data online in the Integrated Management Information System (IMIS). The uncovered rural Government schools and Anganwadis (located in Government/ public/ community buildings) were to be provided with drinking water facilities by the end of 2012-13.

Position of targets for providing piped water services to schools and Anganwadi centres in the State during 2013-14 to 2017-18, is detailed as under:

**Table-2.1.8: Targets and achievements of Piped Water Supply (PWS) to Schools and Anganwadi centres**

Year	Schools				Anganwadis		
	Target	Achievements	Shortfall	Shortfall (percentage)	Target	Achievements	Shortfall
2013-14	2,634	2,378	256	10	6	6	0
2014-15	1,776	1,372	404	23	0	3	0
2015-16	509	402	107	21	0	0	0
2016-17	217	153	64	29	0	0	0
2017-18	0	0	0	0	0	0	0
<b>Total</b>	<b>5,136</b>	<b>4,305</b> <i>(84 per cent)</i>	<b>831</b>		<b>6</b>	<b>9</b>	

(Source: Information provided by Administrative Department)

Audit noticed that against the target of 5136 schools, 4305 schools were provided drinking water facility during 2013-18 and 831 (16 per cent) schools were yet (2017-18) to be provided the facility. Just nine Anganwadi centers had been provided the facility of drinking water during the period. The targets fixed were very low and even the lower targets could not be achieved fully (84 per cent).

It was seen that the department had neither called for any data from the concerned departments (Education and Social Welfare) to arrive at the position of availability of the drinking water facility in the schools and the Anganwadis for compilation nor had fixed any targets for providing them the facility.

During exit conference it was informed that the funds for providing piped water supply to schools and Anganwadi centres were stopped by GoI from 2016-17. It was also stated that the Department has compiled a fresh list of 4158 uncovered schools and forwarded to the Education Department for release of ₹32.36 crore, so as to provide piped water supply to all the uncovered schools.

From the details collected from seven test-checked districts (table below) it was noticed that out of 8966 schools and 559 Anganwadi centers, 1480 schools

(17 per cent) and 203 Anganwadi centers (36 per cent) were not provided any drinking water facility by the PHE Department or any other Department as given in the table:

**Table-2.1.9: Schools and Anganwadi centres in Government buildings without piped water supply in sampled districts**

District	Number of schools	Schools without drinking water facility		Number of Anganwadis	Anganwadi centres run in Government buildings	Anganwadi centres without drinking water in Government buildings	
		Number	Per cent			Number	Per cent
Jammu	1,574	19	1	2,658	32	7	22
Rajouri	1,724	888	52	1,672	39	19	49
Kathua	1,452	195	13	1,678	19	17	89
Leh	358	91	25	473	311	81	26
Anantnag	1,188	73	6	2,008	90	76	84
Pulwama	703	23	3	1,093	31	3	10
Baramulla	1,967	191	10	2,366	37	0	0
<b>Total</b>	<b>8,966</b>	<b>1,480</b>	<b>17</b>	<b>11,948</b>	<b>559</b>	<b>203</b>	<b>36</b>

(Source: Information provided by district level officers of Education and Social Welfare Department)

It implies that the Department had not been serious in mitigating the water scarcity problem to the school-going children despite the programme being in operation for the last over 10 years.

On being pointed out in audit, the Department stated (August 2018) that the funds for providing water supply to schools were stopped by GoI since 2016-17. Reply is not tenable in view of the fact that all the schools were to be covered by 2012-13, and the Department had not prioritised the same and 17 per cent schools and 36 per cent anganwadi centres in test checked districts remained uncovered.

#### **2.1.8.4 Idle investment on incomplete Schemes**

The year-wise physical progress of Water Supply Schemes (WSSs) during 2013-18 in five<sup>23</sup> out of 14 sampled divisions in seven districts showed that 20 WSSs, with original estimated cost of ₹26.28 crore (revised to ₹31.25 crore) were taken up during 1999-2014. However, after incurring an expenditure of ₹17.71 crore during 1999-2016, no further expenditure had been incurred in respect of 20 incomplete schemes during last two to five years (*Appendix-2.1.1*), rendering the investment made thereon idle. The executing divisions stated (September 2018) that further execution of these schemes could not be taken up due to non-release of funds, problems in the source and cost overrun.

Since these details are in respect of test-checked divisions only, Department may please carry out detailed analysis of all such schemes across all the divisions and ascertain the status of such incomplete works under intimation to audit.

Government stated (January 2019) that delay in completion was due to meagre funding and all such languishing projects have now been approved for funding through JK Infrastructure Development Finance Corporation (JKIDFC).

<sup>23</sup>

(i) Akhnoor: 1; (ii) Sopore: 8; (iii) Bijbehara: 4; (iv) Awantipora: 5; (v) Pulwama: 2



### 2.1.8.5 Expenditure on works without framing of DPRs

Para 15.6 of Programme Guidelines provide that Detailed Project Reports (DPR) of water supply schemes/ projects are to be prepared in the model DPR format by the State Rural Water Supply Department, for which services of the State Technical Agency (STA) for vetting may be sought. In preparing DPR for new WSSs and augmentation of existing schemes, the Groundwater prospects/ maps should be used for sitting locations of production wells/ bore-wells and locating sites for suitable sustainability structures, wherever required and feasible. SLSSC shall ensure this while according approval to schemes. Further, in terms of para 15.8, the approved annual shelf of projects (DPRs) approved by SLSSC are to be entered online (IMIS) as per the prescribed proforma. The projects are to be linked to the habitations to be covered during the particular financial year.

Audit noticed, that in seven sampled divisions (out of selected 14 divisions in seven districts), 43 schemes estimated to cost of ₹79.18 crore were taken up for execution without preparation of DPRs and an expenditure of ₹26.95 crore was incurred on these schemes (*Appendix-2.1.2*). Further, in PHE division Leh, DPRs in respect of 11 schemes on which an expenditure of ₹6.30 crore had been incurred, against the estimated cost of ₹12.83 crore were not produced (March 2019) to audit. The Executing divisions stated (March to September 2018) that the schemes were of small/ emergent nature and were taken up on public demand; hence, DPRs could not be prepared. The fact remains that execution of new schemes without DPRs was in violation of NRDWP guidelines as there is no special provision for small schemes.

Government stated (January 2019) that strict instructions are in place not to execute any scheme under NRDWP without DPR and without approval of Competent Authority.

### 2.1.8.6 Diversion of funds

In view of AAP discussion held during March 2017 and minutes of 12<sup>th</sup> SLSSC meeting circulated in May 2017, it was decided that apart from schemes falling under 0-25 *per cent* physical progress category, schools and hand pumps shall not be funded under Central assistance received under NRDWP and the same were to be funded from other sources.

- There were 259<sup>24</sup> WSSs taken up during 2003-15, which had achieved physical progress of less than 25 *per cent* as of March 2017, and were to be funded from other<sup>25</sup> sources after 1<sup>st</sup> April 2017. Test-check in audit revealed that State Government had released funds and incurred expenditure of ₹28.94 crore on these schemes during 2017-18, which was shown as a matching State share under NRDWP and tantamount to diversion of funds. Chief Engineer, Jammu while accepting the audit contention expressed (August 2018) his inability to leave these

<sup>24</sup> Jammu: 144; Kashmir: 115

<sup>25</sup> Funds out of the State resource other than matching State share of NRDWP

on-going schemes half way after considerable expenditure. The fact, however, remains that the Department failed to complete these schemes over long period ranging between two to 14 years and also could not convince GoI during AAP meeting for their continuation under NRDWP. Government stated (January 2019) that in view of irregular and inadequate funds, schemes could not be completed, and have now been approved for funding through JKIDFC.

- Test-check in audit also revealed that Procurement Division, Jammu purchased (January 2018), 251.72 MT steel tubes of 125 mm diameter and 5.4 mm thickness, specifically used for deep drilling/ installation of hand pumps, and incurred expenditure of ₹1.28 crore out of programme funds. The expenditure incurred in contravention of the standing instructions was irregular. In its reply, the EE, PHE Mechanical Procurement Division, Jammu stated (June 2018) that due to non-availability of funds under Constituency Development Fund, the procurement was made from NRDWP funds at the behest of Public representatives and amount shall be recouped. Division replied (December 2018/ April 2019) that funds under Constituency Development Fund have been received and recoupment has been completed by the end of March 2019. Audit scrutiny in 14 sampled divisions (out of 18 sampled divisions in seven sampled districts), revealed that an expenditure of ₹31.24 crore<sup>26</sup> was incurred (during April 2013 to March 2018) by diverting NRDWP funds for payment of wages, petrol-oil-lubricant (POL), hiring of vehicles, purchase of hard coke, and salary to DEOs etc. which tentamounts to diversion of funds. The abovementioned items of expenditure were to be incurred out of the normal budget grant of the division and not from the NRDWP funds, which were meant for execution of scheme works. Government stated (January 2019) that a report is being sought from the respective divisions with regard to diversion of programme funds on other activities, and a factual report shall be submitted to audit, but the same was awaited (March 2019).
- Para 1 of programme guidelines envisage providing safe drinking water to population in rural areas. However, it was seen that two sampled Ground Water Divisions<sup>27</sup> had drilled 276 bore wells/ hand pump sets at a cost of ₹6.12 crore in urban areas of Jammu and Srinagar, respectively. The action violated programme guidelines. In reply, the Executive Engineers of respective divisions stated (February/ March 2018) that works in some areas within the Municipal limits were taken up on public demand as they lacked basic infrastructure. The fact remains that the action of these divisions was in violation of the programme guidelines and irregular. Government stated (January 2019) that some hand pumps were drilled to overcome water scarcity in some urban areas of Srinagar and Jammu city;

<sup>26</sup> (i) City-I Jammu: ₹1.94 lakh; (ii) Nowshera: ₹18.22 lakh; (iii) Baramulla: ₹675.20 lakh; (iv) Sopore: ₹218.20 lakh; (v) Qazigund: ₹61.66 lakh; (vi) Bijbehara: ₹501.58 lakh; (vii) Awantipora: ₹66.55 lakh; (viii) Leh: ₹2.38 lakh; (ix) Ground water drilling division Jammu: ₹111.66 lakh; (x) Mechanical Division South Jammu: ₹2.59 lakh; (xi) Ground Water Drilling Division Srinagar: ₹22.35 lakh; (xii) Mechanical North Sopore: ₹656.80 lakh; (xiii) Procurement division Srinagar: ₹53.68 lakh; (xiv) Mechanical Division Awantipora: ₹731.08 lakh

<sup>27</sup> Jammu: 24; Srinagar: 252



however, no funding is being provided now under NRDWP for hand pumps from 2017-18, as per revised guidelines.

#### 2.1.8.7 Execution of schemes without administrative approval

Para 15.7 of the guidelines provide that once the annual shelf of projects (DPRs) is finalised, it is to be placed in the SLSSC meeting for approval. Further, rule 9-3 of J&K Financial Code read with Chapter-5 of J&K book of Financial Powers, also provides that no work is to be taken up for execution and expenditure incurred unless administratively approved (AA) and technically sanctioned (TS).

Audit noticed that in 14 sampled Divisions, out of 989 schemes<sup>28</sup> under execution during 2013-18, the AA and TS in respect of 657 schemes at an estimated cost of ₹1,415.37 crore had not been obtained.

While as the AA guarantees flow of funds, the TS assures the viability of the scheme. The issuance of AA and TS besides the guarantees puts the onus of responsibility for successful completion of the schemes on the officers issuing such approval. In the absence of these vital components, the spending on the schemes cannot taken as justified as neither the fund flow nor the successful completion or viability of a scheme is ensured with the result ₹830.11 crore spent on the afore quoted schemes is termed as irregular.

While accepting the audit observation, the Department stated (August 2018) that instructions have been issued (July 2018) by SLSSC to superintending engineers and executive engineers to get the WSS administratively approved for further release of funds. Government stated (January 2019) that instructions have been issued to all the divisions that the funds may neither be spent nor works be taken up without AA and TS.

**Recommendation:** *The Government may ensure that schemes under the programme are taken up only after the same have been approved administratively and technically.*

#### 2.1.8.8 Time over-run and cost escalation

Para 14 of the programme guidelines provide that the works taken up are completed as per schedule without delay in execution, which otherwise would result in cost-escalation, non-utilisation of assets created etc.

Audit noticed that out of 989 schemes under execution during 2013-18, in 14 sampled test-checked divisions only 150 schemes (15 per cent) were completed in time. Remaining 839 schemes (85 per cent) with an estimated cost of ₹1689.75 crore had not been completed in time and the delay in completion ranged from one to twelve years. The table below provides the extent of delay in respect of schemes under execution in the sampled PHE divisions during 2013-18.

<sup>28</sup> Includes spill over works of 2012-13

**Table-2.1.10: Time overrun/ cost overrun of WSS in 14 sampled divisions during 2013-18**

(₹ in crore)

Name of the Division	Number of schemes			Estimated cost	Expenditure	Cost escalation		Age wise time overrun schemes (Number)			
	During 2013-18	Completed in time	Delayed			Schemes	Amount	1-3 years	4-6 years	7-9 years	10-12 years
Rural Jammu	71	12	59	121.50	90.98	9	6.03	21	36	2	0
City-I Jammu	14	1	13	31.21	25.75	10	10.33	5	6	2	0
City-II Jammu	17	0	17	45.27	30.04	6	6.16	7	7	3	0
Akhnoor Jammu	120	11	109	194.22	109.80	7	5.73	63	33	12	1
Kathua	149	4	145	218.03	148.46	27	22.07	49	45	35	16
Rajouri	83	0	83	170.14	114.22	16	26.71	41	19	16	7
Nowshehra	66	3	63	129.55	77.54	13	18.65	35	20	2	6
Leh	51	11	40	83.62	57.69	11	12.13	37	3	0	0
Baramulla	61	28	33	117.42	70.40	11	4.70	26	5	2	0
Sopore	58	0	58	126.83	64.45	23	25.78	21	23	11	3
Bijbehara	137	75	62	182.32	49.36	16	7.68	40	21	1	0
Awantipora	56	5	51	81.07	54.73	20	12.70	31	13	6	1
Qazigund	35	0	35	27.60	28.06	14	12.60	34	1	0	0
Pulwama	71	0	71	160.97	156.39	26	10.29	29	22	20	0
<b>Total</b>	<b>989</b>	<b>150</b>	<b>839</b>	<b>1,689.75</b>	<b>1,077.87</b>	<b>209</b>	<b>181.56</b>	<b>439</b>	<b>254</b>	<b>112</b>	<b>34</b>

(Source: Information provided by sampled PHE divisions)

As can be seen, the delay was in the range of one to three years in 439 schemes, four to six years in 254 schemes, seven to nine years in 112 schemes and 10 to 12 years in 34 schemes. The extraordinary delay has defeated the very purpose of the schemes and deprived the targeted population of the envisaged benefits, besides expenditure of ₹181.56 crore had been incurred against the cost escalation in respect 209 schemes.

Respective divisions attributed (March to September 2018) the cost escalation to meager funding by the State Government. Government stated (January 2019) that irregular and inadequate funding resulted in time and cost overrun of these schemes which are now being taken up under 'Languishing Projects'. It was also stated that the GoI has agreed (September 2018) to 15 per cent cost overrun in respect of incomplete schemes.

**Recommendation:** The Government may review all schemes in the programme and release funds on priority to those schemes which are held up for want of funds. Allocation of resources should be based on a clear assessment of requirements and achievements under each component.

### 2.1.8.9 Inadmissible expenditure

(I) As per para 17(x) of programme guidelines, amounts released under NRDWP cannot be utilised/ adjusted against any cost escalation of the schemes or excess expenditure over and above approved cost of schemes in the previous years.

Audit noticed in 13 out of 14 sampled PHE divisions, that the cost over-run of ₹69.90 crore<sup>29</sup> in 119 (out of 209) schemes had been met from the NRDWP funds, resulting in inadmissible expenditure. The concerned divisions stated (March, May, June, July and September 2018) that no separate funds were provided by the State Government to meet the cost overrun.

(II) Para 113 of J&K Public Works Accounts Code *inter alia* lays down that issue rate is to be assigned to each new article as and when it is brought on stock. This rate is fixed on the principle that the cost to be charged to the works on which the material is to be used should approximately be equal to the actual cost of the stores (landed cost) plus storage charges fixed annually without profit or loss in the stock accounts. The issue rate so fixed should in no case exceed the market rates of the article. Further, utilisation of any revenue/ departmental receipts towards expenditure is proscribed under State Financial Code.

Test-check of records in Procurement Division, Jammu revealed that the issue rate of MS Pipes (125 mm x 5.4 mm thick), received and issued during July 2015 to February 2017 on the basis of actual landed cost and supervision charges worked out to ₹45,554 Per MT, as detailed below:

Table-2.1.11: Basis for actual landed cost and supervision charges

(Amount in ₹)

Particulars	Rate per MT	CST at the rate of two per cent	Freight charges	Inspection fee at the rate of one per cent	Landed cost	Supervision charges at the rate of four per cent	Issue rate per MT
MS Pipes (125mm x 5.4 mm thick)	41,003.12	820.06	1,568.60 <sup>30</sup>	410.03	43,801.81	1,752.07	45,553.88

(Source: Bills of suppliers provided by Procurement Division along with supervision charges)

However, the Division had charged ₹62,200 per MT for 330.20 MT of the material issued to the Ground Water Drilling Division, Jammu upto October 2015 and thereafter ₹48,093 per MT for 750.495 MT upto February 2017, thereby charging an excess amount of ₹74.02 lakh, as detailed below.

Table-2.1.12: Excess charging of supervision charges

(Amount in ₹)

Particulars	Issue rate per MT			Quantity of material issued	Excess amount charged
	Actual	Charged	Excess rate		
MS Pipes (125mm x 5.4 mm thick)	45,554	62,200	16,646	330.20	54,96,509
		48,093	2,539	750.495	19,05,507
<b>Total</b>				<b>1,080.695</b>	<b>74,02,016</b>

(Source: Bills of suppliers provided by Procurement Division along with supervision charges)

Further, Procurement Division, Jammu spent ₹32.26 lakh on the items<sup>31</sup> which should have been met out the normal allotments under Office Expenses (OE) of the Division.

<sup>29</sup> (i) City-I Jammu: ₹6.26 crore; (ii) City-II Jammu: ₹3.36 crore; (iii) Rural Jammu: ₹4.57 crore; (iv) Kathua: ₹11.62 crore (v) Rajouri: ₹4.99 crore; (vi) Nowshera: ₹2.74 crore; (vii) Baramulla: ₹3.59 crore; (viii) Sopore: ₹2.41 crore; (ix) Qazigund: ₹0.63 crore; (x) Bijbehara: ₹6.55 crore; (xi) Awantipora: ₹1.83 crore; (xii) Pulwama: ₹18.02 crore and (xiii) Leh: ₹3.33 crore

<sup>30</sup> Freight charges at the rate of ₹2.53 per MT per km for 620 km

<sup>31</sup> Utilised on stationery, computers, hire charges, biometric machines, fuel

On being pointed out in audit, the Division stated (June 2018) that the adjustment if any, in the instant case will be looked into. It was also stated (June/ December 2018 and April 2019) that OE expenditure of ₹32.26 lakh was incurred due to non-allotment of funds for such activities and the same was incurred on purchase of computers for testing labs of PHE, POL, hiring of vehicles for performing official visits connected with NRDWP schemes etc. The fact remains that the expenditure incurred on these items was to be incurred from the normal budget grant of the division and NRDWP funds were to be specifically utilised for execution of project works.

#### **2.1.8.10 Unproductive/ unfruitful expenditure**

In terms of the State Level Scheme Sanctioning Committee (SLSSC) decision (June 2013), the source development should be first charge and construction of reservoir etc. second charge on action plan.

Scrutiny of records of 28 Water supply schemes in 13 sampled Divisions, revealed that ₹43.45 crore (*Appendix-2.1.3*) had been spent on distribution and other works (estimated cost: ₹75.67 crore) without executing the main works like source development, acquisition of land/ land dispute, flawed DPRs, insufficient funds and non-clearance from forest with the result the expenditure incurred on these WSSs proved unproductive. This besides being against the dictates of the instructions issued by the State Government is also against the concept of value for money.

**Table-2.1.13: Reasons for unfruitful expenditure**

(₹ in lakh)

Year of start	No of schemes	Envisaged date of completion	Estimated expenditure	Expenditure incurred	Year in which work was halted	Work halted due to
2011-14	3	2013-16	499.12	426.46	2016-18	Flawed DPR
2011-13	8	2013-15	2,218.54	1,247.46	2016-18	Land dispute
2006-13	10	2008-15	2,850.88	1,797.99	2014-18	Insufficient funds
2008-14	6	2011-16	1,704.25	760.39	2013-18	Source dispute
2013-14	1	2015-16	294.43	112.57	2015-16	Non-clearance from Forest Department
<b>Total</b>	<b>28</b>		<b>7,567.22</b>	<b>4,344.87</b>		

(Source: Information provided by the sampled Divisions)

The executing divisions attributed (March to September 2018) non-completion of these schemes to land/ source disputes and less release of funds.

Government stated (January 2019) that most of the schemes have been identified and taken up under 'Languishing Projects' and will be completed in next two years. It was also stated that instructions have been issued for early settlement of land disputes and completion of all ongoing schemes on priority.

#### **2.1.8.11 Convergence**

Para 10.3 (vii) of Programme guidelines provide for promotion of convergence with other agencies involved in similar activities and dovetail the programmes for the benefit of the Water Sanitation sector (WATSAN). Some of the major related

programmes are Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Integrated Watershed Management programme, Central and State Finance Commission funds, National Rural Health Mission, etc.

It was, however, noticed that the SWSM had not issued (August 2018) any specific guidelines/ instructions on convergence nor was any programme work dovetailed on sharing basis with other programmes implemented by other State departments. The amount that could have been saved as a result of such dove-tailing was not quantifiable.

On being pointed out in audit, it was stated (September 2018) that State had not framed any policy for convergence. Government stated (January 2019) that decision for taking works under convergence could not be taken up in SWSM due to some practical problems like discontinuance of sustainability component under which convergence was possible and holding of only one SWSM meeting during 2013-18, due to non-availability of full quorum.

### **2.1.9 Non-Imposition of penalty on defaulters**

The standard terms and conditions of the supply orders lay down that in the event of firms delaying the supplies, the Department can impose a penalty not exceeding 10 *per cent* of the value of order. During test-check of records in Procurement Division Jammu it was seen that the delivery schedule had not been adhered to in eight out of 13 test-checked cases where supply orders were issued during August 2016 to December 2017 and delay in supplies ranged between one to 204 days. While in two cases, a nominal penalty had been imposed by the Chief Engineer, PHE Department Jammu, in six cases, the penalty was condoned, even though the order governing imposition of penalty stipulated that cases of delayed supplies beyond 150 days would be dealt with/ decided by the purchase committee, in accordance with the penalty clause of the supply order.

It was also observed that in cases where delay exceeded 150 days, the Department had not resorted to invoke penalty clause in its spirit including forfeiture of Bank Guarantee, imposing 10 *per cent* penalty on the value of contracts, termination of contract, etc. The inaction/ relaxation had extended undue benefit to the suppliers. Even fresh supply orders had been placed with the defaulting suppliers without completing the first contract, indicating that the Department had remained soft on the defaulters. Non-invoking of penalty clause in cases of abnormal delays had resulted in undue favour to six defaulters during 2013-18, against whom the maximum penalty at the rate of 10 *per cent* of gross value of contract worked out to ₹2.37 crore.

On being pointed out in audit, the EE, M&P Division, Jammu stated (June 2018) that penalty was imposed by the Division in the light of order (November 2010) of the Chief Engineer and cases where penalty has not been imposed shall be reviewed. The fact remains that November 2010 order provided for imposition of penalty of 0.2 to 1.80 *per cent* for delays upto 150 days, which was not in the spirit of the provisions of the supply orders, wherein penalty upto 10 *per cent* was envisaged. It was further

stated (December 2018/ April 2019) that the matter for rescheduling of penalty clause has been taken up with the higher authorities, and penalty was condoned by the Provincial Level Purchase Committee after consideration of delay due to unforeseen circumstances, lack of space for storing, etc. However, the minutes of the committee whereby decisions regarding condoning of penalty had been taken were not furnished to audit (April 2019) and the action taken in this regard could not be verified.

State Government stated (January 2019) that instructions are in place to concerned divisions to strictly adhere to the terms and conditions laid down in the NIT and impose penalty as per the contract.

**Recommendation:** Government may ensure that action on the suppliers is taken as per contractual provisions and delays penalized.

## **2.1.10 Monitoring and evaluation**

### **2.1.10.1 Support Activities**

Para 1 (Annexure-IV) and para 4 (Annexure-VII) of programme Guidelines provide that Communication and Capacity Development Unit (CCDU) shall be merged into the Water and Sanitation Support Organisation (WSSO) and shall carry out all the support activities. The aim is to create awareness among rural people on all aspects of rural water supply and related issues and to enhance the capacity of the *Panchayati Raj* Institutions/ Local Bodies/ Gram Panchayat Water and Sanitation Committee (GPWSC)/ Village Water and Sanitation Committees (VWSC) with the objective of enabling them to take up planning, implementation and operation and maintenance activities related to rural water supply schemes. Communication and Capacity Development Unit (CCDU) has been designed to support the Engineering Department by taking up software activities like Information Education Communication (IEC), Human Resource Development (HRD), Management Information System (MIS), etc.

As per data regarding training provided by the Communication and Capacity Development Unit (CCDU) of the Department the overall shortfall in achievement of targets of trainings<sup>32</sup> from State level to grass root level during 2013-18 ranged between 60 and 95 *per cent*. Audit noticed that no targets were fixed for the training at Block level and District level for the Annual Action Plans 2015-16 and 2016-17.

The Department stated (March 2018) that no activities were carried out during 2015-18 as the activities were halted by orders of Secretary PHE, I&FC Department due to dispute among NGOs who were to be engaged for implementation of support activities. Government stated (January 2019) that from 2018-19 NGOs have been engaged after proper scrutiny in a transparent manner. It was also stated (December 2018/ April 2019) that the training activities were resumed and 248 staff members including Engineers (90) and Chemists (158) were imparted training during 2018-19.

<sup>32</sup> State Level Trainings: 60 *per cent*; District Level Trainings: 93 *per cent*; Block Level Trainings: 95 *per cent*; Village Level/ VWSC Training: 80 *per cent*; Grass Root workers: 83 *per cent*; Engineers outside State: 87 *per cent*



### 2.1.10.2 Information Education Communication (IEC) Activities

Annexure-IV of the Programme guidelines provide that trainings, conferences, seminar, R&D activities shall be taken up which may include identifying Key Resource Centres at State and District/ Regional level. Besides, documentation shall be carried out in respect of successful cases as well as initiatives taken by the States/ Agencies. Districts, which have poor performance, shall also be documented to find out the reasons and possible solutions which may help in improving their performance. For this purpose, awareness campaign shall be unleashed through electronic and print media, IEC activities in school, organising seminars and workshops, etc. As per information provided by Communication and Capacity Development Unit (CCDU) of the department, there was considerable shortfall in achievement of targets in various IEC activities<sup>33</sup>, ranging between 52 and 95 *per cent* during 2013-18.

The Department stated (March 2018) that no activities were carried out during 2015-18, as there was dispute between NGOs, which were to be engaged for support activities. It was also stated (April 2019) that various media activities<sup>34</sup> were carried out during 2018-19 and there was shortfall of 73 *per cent* and 84 *per cent* under print media and reminder media activities, respectively. Reasons for shortfall during 2018-19 were attributed to shortage of staff, adoption of e-tendering, poor response by the bidders, extension of tenders, etc.

### 2.1.10.3 Social Audit

Para 19.3 of the Guidelines provide for Community Monitoring and Social Audit on six monthly basis, at the village level so as to provide regular and systematic information about community needs, which would guide planning and measuring the consumer's satisfaction of provision of drinking water. It will be used to develop a performance index of the rural water supply situation across all States and also in providing incentives for States, districts and *panchayats*.

Audit scrutiny showed that social audit of NRDWP schemes was not being conducted in the State. The Department stated (February 2018) that the implementation of Social Audit aspect would be considered in future. Thus, in the absence of social audit of NRDWP schemes the overall impact and outcomes from the programme was not assessed. Government stated (January 2019) that as PRIs are in place now, the VWSCs and GPs will be involved in social audit.

<sup>33</sup> Mid Media: 92 *per cent*; Reminder Media: 95 *per cent*; Advocacy workshops: 57 *per cent*; Social Mobilisation: 90 *per cent*; Print Media: 79 *per cent*; In schools: 92 *per cent*; IEC Gadgets: 83 *per cent*; Training and workshop: 82 *per cent*; Others: 52 *per cent*

<sup>34</sup> Mass media activity: 22200; New Media activities: 276; Mid Media activities: 54; Reminder Media activities: 343; Print Media activities: 31900; Other activities: 29

#### **2.1.10.4 Water Quality Monitoring and Surveillance**

Para 10.4 of the programme guidelines provide that all drinking water sources should be tested for bacteriological contamination, at least twice a year and for chemical contamination, once a year. There were 101 departmental water testing labs functioning in the State. As per information provided by the Department, the year-wise position of sources available, sources tested and number of samples tested is depicted in table below:

**Table-2.1.14: Year-wise position of sources available, sources tested and samples tested**

Year	Number of water sources	Number of samples required <sup>35</sup> to be tested	Number of sources that were actually tested (per cent)	Number of sources not tested (per cent)	Number of samples tested	Shortfall in conducting of tests (per cent)	Water quality affected habitations
1	2	3	4	5	6	7	8
2013-14	49,316	1,47,948	14,984 (30)	34,332 (70)	65,327	82,621 (56)	0
2014-15	49,316	1,47,948	17,803 (36)	31,513 (64)	90,525	57,423 (39)	10
2015-16	52,270	1,56,810	19,515 (37)	32,755 (63)	1,25,064	31,746 (20)	6
2016-17	52,270	1,56,810	25,320 (48)	26,950 (52)	1,34,578	22,232 (14)	11
2017-18	52,270	1,56,810	23,187 (44)	29,083 (56)	1,44,837	11,973 (08)	17
<b>Total</b>		<b>7,66,326</b>			<b>5,60,331</b>	<b>2,05,995 (27)</b>	

(Source: Information provided by Joint Director, Planning, PHE, I&FC Department, J&K)

As against 49,316 sources available during 2013-15 and 52,270 during 2015-18, only 30 to 48 per cent sources have been tested during 2013-14 to 2017-18. In accordance with the programme guidelines, 7,66,326 samples were to be tested for bacteriological contamination (5,10,884) chemical contamination (2,55,442). However, only 5,60,331 (73 per cent) water samples were tested, and the break-up of results of bacteriological examination and chemical contamination was not available separately.

On being pointed out in audit, Joint Director Planning PHE stated (February 2018), that the matter would be looked into and all the tests conducted as per guidelines. It was also stated (December 2018) that shortfall during 2013-14 was due to non-establishment of Labs. However, once the Labs got fully established and man power engaged and trained, the Department has been achieving targets regularly. The fact remains, that requisite number of samples from all the sources were not got tested, thereby diluting the objectives of providing safe drinking water to the rural population. Government stated (January 2019) that targets shall be achieved fully once the labs are fully established and full manpower is engaged and trained.

**Recommendation:** *The Government may ensure that water quality monitoring and surveillance is done in accordance with the prescribed norms so as to meet the objective of providing safe drinking water.*

#### **2.1.10.5 Impact Assessment of Programme and Evaluation studies**

Para 19 of Programme guidelines provide that the State Government should carry out regular monitoring and evaluation through STA of all the activities viz. RWS projects with major emphasis on sustainability projects (100 per cent GoI funded), software

<sup>35</sup> Three times per source per year



activities and submit the report to SWSM/ SLSSC/ PHE department, for carrying out mid-course corrections. This should be done at least once every year and preferably, bi-annually.

Audit noticed that during 2013-18, no such evaluation studies were conducted by the Department as of February 2018, with the result the Department could not assess the discrepancies in the implementation of the programme and no corrections were therefore carried out.

Department accepted (February 2018) that no such evaluation studies were carried out during 2013-18. Government stated (January 2019) that although scheme is monitored at State, Divisional and District level, instructions have also been issued to field agencies for getting the impact assessment and evaluation studies conducted.

#### 2.1.10.6 Joint Beneficiary Survey

As a result of joint inspection during January 2018 to August 2018 by Audit and the PHE Department in respect of 549 beneficiaries<sup>36</sup> consumers of seven selected Districts, where 14 sampled Divisions<sup>37</sup> were responsible for implementation of the programme, the following position emerged.

- 41-Households (7 per cent) reported that they are still without piped water supply and are getting water from springs/ nallahs/ hand pumps/ wells.
- 73-Households (13 per cent) intimated that the piped water supply is not available in their house premises. Out of these, 13 were getting piped water from village taps which were at a distance of 50 to 2000 meters.
- 136 households/ consumers (27 per cent<sup>38</sup>) informed that the water supply is not being provided daily.
- 123 households/ consumers (24 per cent<sup>39</sup>) informed that the supply of water is not sufficient for them as well as their animals.
- 25 households (5 per cent) complained about the quality of water and informed that muddy water is being supplied.
- 203 households (37 per cent) informed that they do not have any knowledge about the testing of water. All the (100 per cent) survey households informed that no *Jalsurakshak* or any other departmental worker (ASHA workers) have ever contacted them for water testing.
- All 549 households (100 per cent) informed that no Village Water Sanitation Committees are existing in their village.

<sup>36</sup> Random selection of at least two remote habitations in each of the 14 executing divisions, with 20 beneficiaries from each village (14 x 2 x 20 = 560 beneficiaries). Since one village was very small, where only 9 beneficiaries could be selected

<sup>37</sup> Only 14 out of 18 sampled divisions were executing divisions. Remaining four divisions included two procurement divisions and two drilling divisions which did not handle the consumers/ beneficiaries

<sup>38</sup>  $136/(549-41)*100 = 27 \text{ per cent}$

<sup>39</sup>  $123/(549-41)*100 = 24 \text{ per cent}$

- 12 households (2 *per cent*) expressed their non-satisfaction as consumers.

It was noticed that there was positive response towards the implementation of the NRDW Programme in response to the joint survey conducted. The department stated (January 2019) that after completion of languishing schemes, sufficient water will be provided to all households. It was also stated that plan is being made to cover rest of the habitations in a phased manner. Besides, complaints regarding turbid water shall be addressed after installation of more filtration plants and metering of installations is on the anvil for Jammu and Srinagar cities, on pilot basis.

### **2.1.11 Conclusion**

The planning framework was deficient and five year comprehensive plans were not prepared. Annual plans were prepared at division level without involvement of stakeholders. The performance audit revealed deficiencies in fund management which included delays in release of funds, non/ short-release of matching State share, excess release of funds for certain schemes due to wrong reporting, non-accountal of interest earned on programme funds, etc. There was shortfall in coverage of habitations. Non-completion of 36 *per cent* targeted schemes impacted the process of providing potable drinking water to envisaged population of 5.67 lakh souls. Despite the fact that all the schools and anganwadis were to be covered by 2012-13, Department has not prioritised the same and 17 *per cent* schools and 36 *per cent* anganwadi centres in seven test-checked districts remained uncovered. Audit also noticed instances of execution of works without AA/ TS or without framing of DPRs, diversion of funds, irregular and unproductive expenditure. Water quality monitoring and surveillance was not done in accordance with the prescribed norms and adequate number of water sources and samples were not got tested.

The audit findings were referred to the Government/ Department in September 2018, Government provided its reply in January 2019 which has been included appropriately in the report.

## Public Works (Roads & Buildings) Department

### 2.2 Implementation of Pradhan Mantri Gram Sadak Yojana

The Government of India (GoI) launched Pradhan Mantri Gram Sadak Yojana (PMGSY) in December 2000 to provide connectivity by way of an ‘all weather road’ to eligible unconnected habitations in the rural areas. PMGSY was a 100 per cent Centrally sponsored scheme up to March 2015 and thereafter the funding pattern was shared between the Centre and the State in the ratio of 90:10. All staff costs is to be borne by the State Government whereas the administrative and travel expenses are to be borne by the GoI up to certain extent<sup>40</sup>, with the State Government bearing any additional cost. Maintenance of completed road projects is to be budgeted by the State Government and no funds are provided by the GoI for land acquisition. A performance audit of implementation of PMGSY in the State of Jammu and Kashmir was conducted between December 2017 to June 2018, covering the period from 2013-14 to 2017-18. The important audit findings are highlighted below.

#### Highlights

- **Out of sanctioned 1,769 road projects involving road length of 9,383.07 Kms under construction during 2013-18, only 810 road projects (46 per cent) having a road length of 4,172.50 Kms were completed as of March 2018. The year-wise completion rate of road projects during 2013-18 ranged between 8 to 19 per cent. Due to problems in land acquisition, forest clearance, etc. 467 road projects (road length: 2,577.88 km) sanctioned prior to April 2013 for connecting 175 habitations were incomplete, as of March 2018.**  
(Paragraph: 2.2.4)
- **Planning for implementation of PMGSY in the State was deficient as District Rural Road Plan was neither prepared in most of the sampled Programme Implementation Units nor approved from the intermediate panchayat/ District panchayat/ District Rural Development Department and State Level Standing Committee. Core Network did not cover all the eligible habitations, inadmissible road projects were included in the Core Network and road projects which were not in Core Network were taken up for execution.**  
(Paragraph: 2.2.5)
- **Out of total sanction of programme fund of ₹8,892.69 crore during 2000-01 to 2017-18 (January 2018) under Phases I to XI, GoI released ₹5,092.14 crore against which ₹4,312.41 crore was spent, as of March 2018. The closing balance at the end of each of the financial year during 2015-18 ranged between ₹128 crore to ₹1,046 crore.**  
(Paragraph: 2.2.6.1)
- **Due to poor progress in completion of road projects, balance fund of ₹1,494.60 crore under Phases-VI, VII and IX were not released by GoI.**

<sup>40</sup> Administrative expenses for PIUs: 1 per cent; Travel expenses of PIUs: 0.50 per cent; Administrative and travel expenses (JKSRRDA): 0.25 per cent (₹75 lakh maximum) and Independent quality monitoring: 0.50 per cent

Against due State share of ₹252 crore, the State Government released ₹155 crore during 2015-18, leaving a balance of ₹97 crore.

*(Paragraph: 2.2.6.1)*

- Against the demand of ₹36.22 crore placed by JKSRRDA, the State Government released only ₹8.12 crore (22 per cent). The percentage of utilisation of funds was very poor and ranged between 6 to 30 per cent, during 2013-18.

*(Paragraph: 2.2.6.2)*

- Out of 2,738 unconnected habitations as of April 2000, a total of 1,694 (62 per cent) habitations were connected during 2000-2018 and 1,044 (38 per cent) habitations remained to be connected at the end of March 2018. As against target for coverage of 572 sanctioned habitations with population of 1,000 and above by the year 2003, 506 habitations were provided connectivity as of March 2018. While habitations with population between 500 to 999 were to be covered by 2007, JKSRRDA could cover 758 habitations out of 870 sanctioned by the GoI, with a shortfall of 112 eligible habitations as of March 2018.

*(Paragraph: 2.2.7.2)*

- Execution of 46 road projects, sanctioned at a cost ₹169.68 crore under Phase VI to X on which expenditure of ₹39.93 crore was incurred as of January 2018, were not completed due to land dispute, non-clearance of forest land, etc.

*(Paragraph: 2.2.8.1)*

- Out of ₹370.70 crore released by 13 PIUs of nine districts for acquisition of land, an amount of ₹302.54 crore continued to lie with Revenue department, ₹17.85 crore with Forest department and ₹5.80 crore with PHE/PDD/ Irrigation department.

*(Paragraph: 2.2.8.4)*

- In nine sampled Districts, 254 road projects, sanctioned at a cost of ₹1,031.35 crore on which expenditure of ₹514.62 crore was incurred, were allotted at a cost of ₹935.96 crore without accord of AA/ TS from the competent authority. Mobilisation/machinery advance of ₹46.52 lakh in respect of eight completed/ fore closed road projects was not recovered from contractors. Liquidated damages amounting to ₹17.64 crore were not imposed on the contractors.

*(Paragraph: 2.2.8.5)*

- No Action Taken Reports (ATRs) were submitted by any of the PIUs in respect of 492 inspections conducted by the SQMs during 2013-14 to 2017-18, wherein 159 inspections were graded as 'Un-satisfactory' and the remaining 333 'Required improvement'. In eight sampled districts, ATRs in respect of 221 inspections conducted was awaited from PIUs. Against 180 meetings required to be conducted by DVMC/ DISHA in nine sampled districts for

monitoring the PMGSY works, only six meeting were conducted in two districts, during 2013-18.

(Paragraphs: 2.2.9.5 and 2.2.9.9)

- Database of OMMAS was incomplete and unreliable. Against 2,738 habitations reported as unconnected by JKSRRDA as of April 2000, 2,493 habitations were shown as unconnected on OMMAS.

(Paragraph: 2.2.10)

### 2.2.1 Introduction

PMGSY launched in December 2000 is a 100 *per cent* Centrally sponsored scheme up to March 2015, aimed at providing connectivity by way of an ‘all weather road’ to eligible unconnected habitations in the rural areas with a population of 500 persons and above (250 persons in hilly areas) as a strategy for poverty alleviation. After March 2015, the funding pattern was shared between the Centre and the State in the ratio of 90:10. The roads were to be provided with necessary culverts and cross drainage structures to make them motorable throughout the year. Besides, upgradation of existing rural roads is also to be taken up as a second priority work. In Jammu and Kashmir, PMGSY was implemented since 2000-01 and up to XI phases<sup>41</sup> have been taken up, as of March 2018.

To consolidate the entire rural road network by upgradation of selected Through Routes and some Major Rural Links<sup>42</sup>, GoI further evolved (May 2013) a new intervention, namely PMGSY-II on cost sharing basis between the Centre and States in the ratio of 90:10 in case of Jammu and Kashmir. As per para 4.1 of PMGSY-II guidelines, a State is to participate under this Programme only after 100 *per cent* new connectivity and 90 *per cent* of upgradation works under PMGSY-I are awarded. As the State did not achieve the envisaged targets under PMGSY-I, PMGSY-II is yet to be implemented in the State, as of January 2019. As of March 2019, there is 40,500 Kms of road network in the State, out of which 9,000 Kms (22 *per cent*) of road length is under PMGSY.

### 2.2.2 Organisational set up

At the State level, the projects under the programme are monitored, co-ordinated and executed by the State Government through its agency, the Jammu and Kashmir State Rural Roads Development Agency (JKSRRDA) headed by the Chief Executive Officer (CEO) and assisted by two Chief Engineers, Jammu and Kashmir. At the district level, 30 Programme Implementation Units (PIUs) in 22<sup>43</sup> districts headed by the Executive Engineers (EEs) are nominated for execution of PMGSY works only. An organisational set up showing various authorities/ agencies engaged for the implementation of PMGSY is given in *Appendix-2.2.1*.

<sup>41</sup> Phase-I (2000-01), Phase-II (2001-03), Phase-III (June 2004), Phase-IV (April 2006), Phase-V (March 2007), Phase-VI (May 2008), Phase-VII (April 2010), Phase-VIII (July 2012), Phase-IX (December 2012), Phase-X (August 2016) and Phase-XI (January 2018)

<sup>42</sup> Through Routes are the ones which collect traffic from several link roads or a long chain of habitations and lead it to Marketing centres either directly or through the higher category roads i.e., the District Roads or the State or National Highways. In case Through Routes are not part of the rural roads, the next lower categories of roads are Main Rural Links (MRLs)

<sup>43</sup> Records of PMGSY maintained in erstwhile 14 districts as shown in OMMAS

### **2.2.3 Audit objectives**

The objectives of the performance audit are to ascertain whether:

- The systems and procedures in place for identification/preparation of Core Net work as well as District Rural Road Plan (DRRP) were adequate and conform to the programme provisions;
- The allocation and release of funds under PMGSY were made in an adequate and timely manner for optimum utilisation of funds;
- The road works were executed economically, efficiently and effectively and
- The quality control mechanism and monitoring system was adequate and effective for achieving the desired objective.

### **2.2.4 Scope and methodology of Audit**

Performance audit of the PMGSY for 2008-09 to 2012-13 was conducted between November 2012 and May 2013 and the audit findings were reported to the Legislature in the Report of the Comptroller and Auditor General of India Social, General, Economic (Non-PSUs) Sectors for the year ended 31 March 2013. The report was partly discussed (August 2015) in the Public Account Committee (PAC), however, no recommendation was given.

The present performance audit conducted between December 2017 to June 2018, covers the implementation of PMGSY during the period of five years from 2013-14 to 2017-18. The audit examination involved test-check of the records related to the works sanctioned prior to audit period but were under progress (on-going) or completed during audit period i.e 2013-14 to 2017-18; works sanctioned during the audit period and were under progress (on-going) or completed and works sanctioned during audit period but could not be executed due to various reasons in the office of Chief Executive Officer, JKSRDA, Chief Engineers (Jammu and Kashmir) and 14 PIUs in nine districts<sup>44</sup> out of 30 PIUs in 22 districts, selected through Probability Proportional to Size Without Replacement (PPSWOR). To assess the implementation of PMGSY, physical evidences were also collected through joint inspection (alongwith representatives of the department) of 49 road projects<sup>45</sup> out of 272 road projects in nine sampled Districts.

In the State, there were 1,227 road projects with road length of 5,863.13 Km to be constructed as of April 2013 and GoI further sanctioned 542 road projects with road length of 3,519.94 km during 2013-18. Out of these, 810 road projects (46<sup>46</sup> per cent ) with road length 4,172.50 km were completed, leaving a balance of 959 road projects with length of

<sup>44</sup> Jammu province:(1) Ramban (PIU Ramban and Banihal) (2) Rajouri (PIU Rajouri and Budhal) (3) Udhampur (PIU Udhampur and Ramnagar) (4) Jammu (PIU Jammu); Kashmir province: (5) Kupwara (PIU Kupwara and Handwara), (6) Baramulla (PIU Baramulla and Uri), (7) Anantnag (PIU: Anantnag), (8) Ganderbal (PIU Ganderbal) and (9) Leh (PIU Leh)

<sup>45</sup> Ramban: 6; Rajouri: 12; Udhampur: 13; Jammu: 3; Baramulla: 2; Ganderbal: 3; Kupwara: 4; Anantnag: 3 and Leh: 3

<sup>46</sup>  $810/(1,227+542=1,769) \times 100$

5,210.57 km as of March 2018 which included 467 road projects which were sanctioned prior to April 2013. The position of execution of road projects during the audit period (2013-18) is shown in the **Appendix-2.2.2**.

As could be seen from the **Appendix-2.2.2**, the completion of road projects during the review period ranged between 8 to 19 *per cent*. It was noticed that 467 road projects (road length: 2,577.88 km) out of 1,227 sanctioned prior to April 2013 for connecting 175 habitations were still incomplete (March 2018), due to problems in land acquisition, forest clearance, etc.

IT Nodal Officer PMGSY, JKSRDA stated (September 2018) that due to disturbed condition in the State and problems faced in acquisition of land, forest clearance and lengthy court cases; there was slow progress in implementation of the programme. The reply is not tenable as the department is required to ensure the availability of land before approval/ sanction of road projects as per the guidelines.

For detailed scrutiny, 272 packages<sup>47</sup> (26 *per cent*<sup>48</sup>) with 196 habitations<sup>49</sup> out of 979 packages<sup>50</sup> with 729 habitations<sup>51</sup> were selected<sup>52</sup> using Simple Random Sampling without Replacement (SRSWOR). The position of the total number of packages in the selected districts and packages selected under new connectivity and upgradation are given in the **Appendix-2.2.3**.

Audit objectives/ criteria/ scope and methodology were discussed (January 2018) with the Empowered Officer PMGSY Jammu and Kashmir (Commissioner Secretary to the Government of J&K, Public Works, R&B Department) during the entry conference. The replies of the department on the issues raised during audit are suitably incorporated in the report. An exit conference was held on 4 January 2019 with the Empowered Officer to discuss the audit findings. Audit criteria is given in **Appendix-2.2.1**.

## Audit findings

### 2.2.5 Planning

As per Operational Manual (OM) of PMGSY, District Rural Road Plan (DRRP), indicating all rural habitations in the district with the status of road connectivity to the habitations was required to be prepared by each PIU. Thereafter, Core Network (CNW), a subset of DRRP indicating the shortest single connectivity was to be extracted from the DRRP. Comprehensive New Connectivity Priority List (CNCPL) for new connectivity and Comprehensive Upgradation Priority List (CUPL) for upgradation of existing rural roads were also to be prepared from CNW. As per Para 3.4 of OM, as soon as DRRPs are finalised, the PIUs shall enter the data in Online

<sup>47</sup> New connectivity: 233; Up-gradation: 39

<sup>48</sup> Total sampled projects were 272, out of which 254 road works (254/ 979 x 100=26 *per cent*) were selected for detailed scrutiny as 18 road projects were under tendering/ not allotted at the time of sampling

<sup>49</sup> Ramban: 20; Rajouri: 36; Udhampur: 87; Jammu: 10; Baramulla: 8; Ganderbal: 7; Kupwara: 7; Anantnag: 19 and Leh: 2

<sup>50</sup> New connectivity: 907; Up-gradation: 72

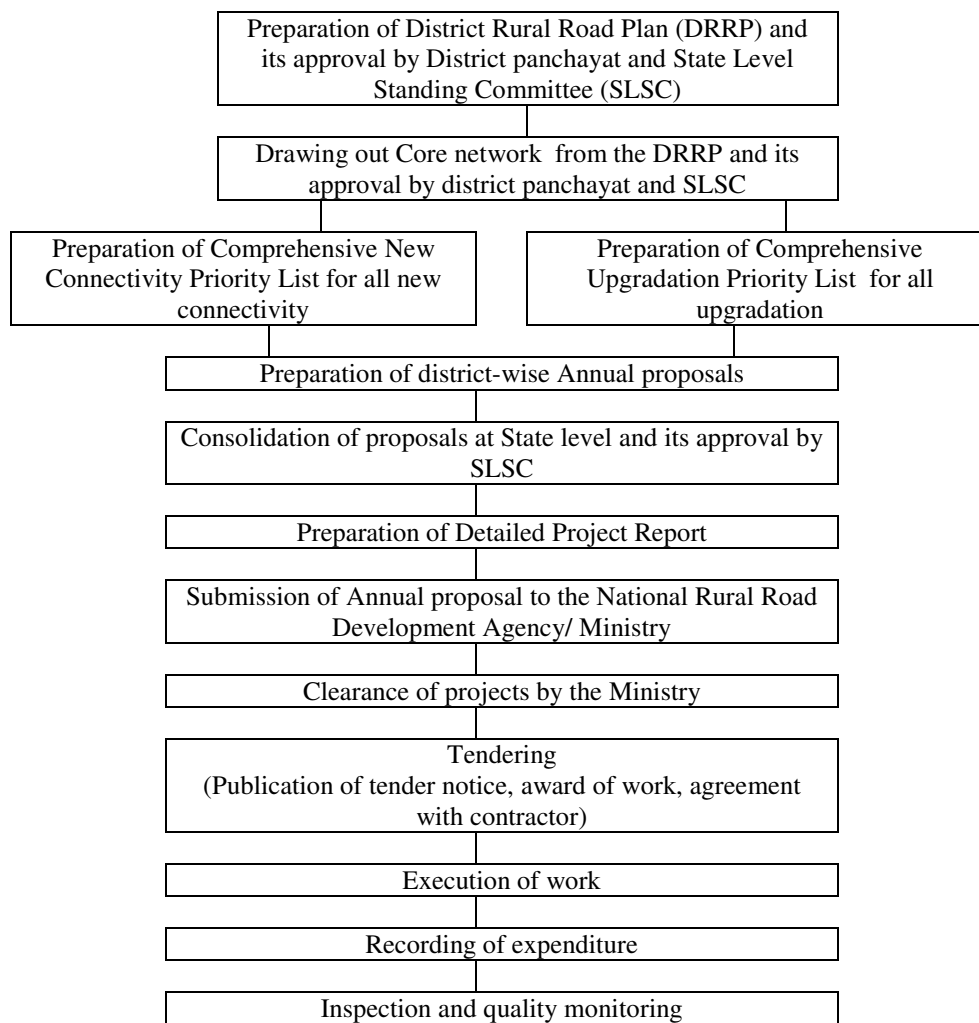
<sup>51</sup> Ramban: 90; Rajouri: 121; Udhampur: 273; Jammu: 48; Baramulla: 55; Ganderbal: 36; Kupwara: 35; Anantnag: 68 and Leh: 3

<sup>52</sup> 25 *per cent* of the total packages subject to minimum of five were selected



Management, Monitoring and Accounting System (OMMAS). Master data of district has to be entered first followed by the details of habitations and the roads connecting them. The software for the OMMAS developed by the National Rural Road Development Agency (NRRDA) shall not be modified at any level in the State and any requirement and suggestions for change shall be intimated to NRRDA (Para 16.1 of Programme guidelines). The planning process flow chart is shown as under:

**Chart-2.2.1**



Scrutiny of records in nine sampled districts revealed various deficiencies in planning, as discussed below:

### **2.2.5.1 District Rural Road Plan**

As envisaged in Para 3.1.2 of Operational Manual (OM), the District Rural Road Plan (DRRP) is a compendium of the existing and proposed road network systems in the District. DRRP is required to clearly identify the proposed roads for connecting the unconnected habitations with all weather roads in an economic and efficient manner and is prepared at Block and District level. The plans of all the blocks in a District after approval of the respective intermediate panchayat are to be integrated into the DRRP. This is placed before the District panchayat or District Rural Development Agency (DRDA) for consideration and approval. The DRRP, therefore, is required to



be submitted to the Nodal department/ Jammu and Kashmir State Rural Road Development Agency (JKSRRDA) for approval of the State Level Standing Committee (SLSC). Approved DRRPs form the basis for selection of road works under the PMGSY through Core Network (CNW).

Contrary to the guidelines, in six<sup>53</sup> out of nine sampled districts, DRRP was not prepared and in remaining three districts<sup>54</sup>; DRRP though available, there was no evidence of its approval from intermediate panchayat, District panchayat/ DRDA and SLSC in accordance with the Operational Manual of PMGSY.

The Executive Engineers (EEs) stated (March to June 2018) that relevant records relating to approval of DRRP from various agencies was not available. In the exit conference, Commissioner Secretary, R&B stated (January 2019) that records relating to approval of DRRP from various agencies got damaged in the devastating flood of 2014.

**Recommendation:** DRRP should be prepared as per guidelines and its provisions duly adhered to.

#### 2.2.5.2 Deficiency in preparation of Core Network

Para 3.2.1 of OM envisages that for identification of the Core Network (CNW<sup>55</sup>), the priorities of elected public representatives are to be given full consideration. The CNW shall be approved at all levels viz. Intermediate Panchayat, District Panchayat and SLSC. Once the CNW roads are identified in the OMMAS, the OMMAS is enabled to produce the CNCPL for the District and also, once the Pavement Condition Index has been entered, the CUPL (Para 3.4.2 of OM). All these basic records of representation of different functionaries are to be kept in respective PIU.

During test-check of records of nine sampled districts, copies of Block-wise CNW downloaded from OMMAS were provided; however, in absence of relevant records, the participation of elected representatives and approval of CNW from intermediate panchayat, District panchayat/ DRDA and SLSC could not be verified (June 2018). Hence, there was no assurance of suggestions of public representatives having been adequately taken into account in preparation of CNW.

The EEs stated (March to June 2018) that no records relating to participation of public representative and approval of CNW was received from Rural Development Department/ Public Works Department (RDD/ PWD). In the exit conference, Commissioner Secretary, R&B stated (January 2019), that records of CNW for all Districts, received from PWD R&B Department which were kept in record room in Chief Engineer's office, Srinagar after creation of separate wing of PMGSY were got damaged in the 2014 floods.

<sup>53</sup> Rajouri, Udhampur, Jammu, Baramulla, Ganderbal and Leh

<sup>54</sup> Ramban, Anantnag and Kupwara

<sup>55</sup> CNW is the network of all the rural roads that are necessary to provide basic access to all the habitations. It is a set of roads, extracted from the DRRP to cover targeted habitations with single all weather road connectivity

Thus, due to non-adherence to the procedure prescribed for preparation of CNW coupled with non-preparation of DRRP, it could not be assured that all eligible unconnected habitations were actually included in the CNW. Improper preparation of CNW was confirmed in nine sampled Districts wherein 606 habitations<sup>56</sup> with a population of 250 and above out of 1,171 unconnected eligible habitations as of March 2018 were not included in the original CNW (Census 2001) in contravention of Para 2.1 of programme guidelines, which envisage that all eligible unconnected habitations with a population of 250 persons and above were to be provided connectivity by way of an all-weather road and thus, were deprived of the benefits of PMGSY scheme. The EEs stated (March to June 2018) that though the left out habitations had been uploaded in the OMMAS, the approval had not been accorded by the NRRDA/ MoRD. No explanation was given for not adhering to the prescribed procedure for preparation of CNW. In the exit conference, the Commissioner Secretary, R&B stated (January 2019) that left over habitations entered in OMMAS were not considered by MoRD, GoI and were deleted in June 2018. Financial Controller, PMGSY (JKSRRDA), however, stated (April 2019) that the left out habitations would be considered under PMGSY-III.

**(a) Inclusion of inadmissible road projects**

Para 3.3 of the programme guidelines envisage that an unconnected habitation is one with a population of designated size located at a distance of at least 500 meter or more in plain area and 1.5 km of path distance in case of hills from an all weather road or a connected habitation.

During test-check of CNW, deficiencies in preparation of CNW were noticed in six out of nine sampled districts, wherein 64 road projects<sup>57</sup> at a distance of less than 1.5 km in hilly areas were included in CNWs, in contravention of programme guidelines.

The EEs stated (March to June 2018) that these roads had been approved by NRRDA, GoI. The fact remains that the department did not adhere to the prescribed procedure for preparation of CNW as per programme guidelines, besides NRRDA approved the CNW despite the fact that CNW roads identified in the OMMAS clearly indicate the length of roads to be constructed.

**(b) Non-compliance of Core Network Parameters**

Para 3.6 of guidelines envisage that a CNW is that minimal network of roads and routes that is essential to provide basic access to essential social and economic services to all the eligible habitations in the selected areas through at least single all weather road connectivity. The department formulated block-wise CNW as per provisions of programme guidelines. The CNW reflected name of road, details of habitations to be connected, length of road, etc.

<sup>56</sup> Jammu: 18; Udhampur: 150; Ramban: 51; Rajouri: 152; Ganderbal: 29; Anantnag: 109; Baramulla: 89; Kupwara: 7 and Leh: 1

<sup>57</sup> Jammu: 9; Ganderbal: 8; Anantnag: 30; Baramulla: 11; Kupwara: 4 and Leh: 2

On comparison of records pertaining to CNW with the Detailed Projects Reports (DPRs)/ monthly progress reports, it was noticed in nine sampled Districts, that the road projects taken up for execution were either short or exceeded the actual length of roads, as reflected in the CNW. In 117 road projects<sup>58</sup>, against the length of 998.11 km as reflected in the CNW, 679.86 km was actually taken up for execution. The road length reduced in respect of these road projects was in the range of 0.10 to 58.85 km<sup>59</sup>. On the other hand, 60 road projects<sup>60</sup> were taken up for execution with total road length of 396.30 km, as against 306.18 km road length mentioned in the CNW. Extra road length executed in respect of these road projects was in the range of 0.10 to 5.97 km for which no approval was available. The reasons for taking up short/ extra roads length irrespective of road length reflected in CNW were not on record.

The EEs stated (March to June 2018) that the roads had been approved by NRRDA (GoI) and have been taken up for actual length, at site, to connect the targeted villages/ habitation. The reply should be seen in the light of facts that the details of block, village, habitation and roads master farming part of CNW, are entered in the OMMAS only once and there is no provision for its revision at any stage.

### (c) Execution of road project not in Core Network

As per Para 3.8 of PMGSY guidelines, each road work is to form a part of the CNW. In six out of nine sampled Districts, it was, however, noticed that 45 road works<sup>61</sup> which were executed at a cost of ₹113.19 crore (sanctioned cost: ₹150.15 crore) were not part of CNW.

The EEs stated (March to June 2018) that the habitations could not be included in the original CNW due to poor survey conducted by the Rural Development Department (RDD) and PWD departments, resulting in these being left out. The fact remains that these road works were approved for execution by State Government/ NRRDA in contravention of PMGSY guidelines, with the result eligible habitations could not be provided road connectivity.

**Recommendation:** *Deficiencies in the preparation of CNW should be addressed and its provisions followed to cover eligible habitations.*

<sup>58</sup> Jammu: 7; Udhampur: 52; Ramban: 6; Rajouri: 7; Ganderbal: 9; Anantnag: 6; Baramulla: 17; Kupwara: 10 and Leh: 3

<sup>59</sup> Length of road from Fanjila to Lingshed (Fotksar) as per CNW was 96 Km whereas as per DPR approved by the NRRDA under package No. JK09-13 it was 37.15 Km

<sup>60</sup> Jammu: 2; Udhampur: 5; Ramban: 1; Rajouri: 4; Ganderbal: 4; Anantnag: 9; Baramulla: 17; Kupwara: 16 and Leh: 2

<sup>61</sup> Jammu: 2; Ramban: 1; Anantnag: 10; Baramulla: 11; Kupwara: 11 and Leh: 10



**Baleeni to Katal Batal Upgradation inspected on 06.03.2018 not included in CNW**

### **2.2.5.3 Comprehensive New Connectivity Priority List/ Comprehensive Upgradation Priority List**

Para 3.3.1 of OM envisage that once the CNW is ready, the States are required to prepare Comprehensive New Connectivity Priority List (CNCPL) at block and District level of all proposed road links, grouping them in order of priority<sup>62</sup>. The programme guidelines (Paras 6.3 and 6.4) further provide that a Comprehensive Upgradation Priority List (CUPL) is to be prepared in respect of those Districts where no new connectivity remains to be taken up. The CUPL is to be verified on sample basis through State Technical Agencies (STA) and National Quality Monitor (NQM). The CNCPL/ CUPL shall be placed before the District panchayat for its approval. The MP/ MLA is to be given a copy of the CNCPL/ CUPL and their suggestions and those of lower level panchayati raj institution were to be given the fullest consideration by the District panchayats while according approval.

Deficiencies noticed in preparation of CNCPL/ CUPL were as under:

#### **(a) Non-approval of CNCPL/CUPL**

During scrutiny of CNCPL/CUPL in nine sampled Districts, there was nothing on record (June 2018) to verify the evidence of participation of elected representatives and approval of CNCPL/CUPL from intermediate panchayat at block level<sup>63</sup>, District panchayat<sup>64</sup>. Further, the CUPL was not verified (June 2018) on sample basis by STA/NQM.

The EEs stated (March to June 2018) that updated CNCPL and CUPL are available in OMMAS. IT Nodal Officer PMGSY, JKSRDA stated (September 2018) that all records pertaining to DRRP, CNW, CNCPL, CUPL for all Districts, received from

<sup>62</sup> Priority-I: 1,000 persons and above; Priority-II: 500 persons and above but less than 1,000 persons and Priority-III: 250 persons and above but less than 500 persons

<sup>63</sup> Consisting of Chairperson, sarpanches of Gram panchayats, Block Development Officer (BDO), MLAs/ MPs/ MLCs of that area

<sup>64</sup> Consisting of chairperson, BDOs and chairman of panchayat simiti, MPs/ MLAs of that area, Heads of Government Department and Deputy Commissioner

PWD, R&B Department were damaged in the 2014 floods. It was further stated that no panchayats existed at that time and all road projects sanctioned stood approved by SLSC before submission to NRRDA/MoRD for sanction. The reply is not tenable and should be seen in the light of the fact that where no panchayats existed at the time of preparation of DRRP, CNW, CNCPL and CUPL, the same should have been got approved from the District Rural Development Agency (Para 3.1.2 of OM). The fact remains that neither any field is available in OMMAS to ascertain approval of intermediate panchayats, nor any physical records is shown to audit in support of verification and approval of CNCPL/ CUPL from intermediate panchayats.

#### **(b) Inclusion of roads both in CNCPL and CUPL**

On comparison of CNCPL with CUPL, audit noticed that in six out of nine sampled Districts, 48 roads<sup>65</sup> of CNW, eligible for upgradation only, were included in both CNCPL and CUPL instead of CUPL only. Incurring of expenditure of ₹21.25 crore against sanctioned cost of ₹37.11 crore in respect of six road projects in three sampled Districts<sup>66</sup> on Stage-I instead of upgradation, constitutes grave irregularity.

The EEs stated (March to June 2018) that all the schemes whether in CNCPL or CUPL were taken up as per CNW. The reply is not tenable, as road projects under CUPL do not qualify for Stage I works.

#### **(c) Inclusion of habitations below admissible population size**

As per para 2.1 of programme guidelines, unconnected habitations with a population of 250 persons and above (Census 2001) are eligible for road connectivity.

During test-check of CNCPL and CNW, audit noticed that in eight out of nine sampled Districts, 172 roads<sup>67</sup> for connecting 197 habitations<sup>68</sup> with population below 250 persons were included in block level CNCPL/ CNW. Out of 197 habitations, five habitations were provided connectivity by incurring expenditure of ₹6.18 crore<sup>69</sup>.

The EEs stated (March to June 2018) that all the habitations mentioned are not at present in the CNCPL but are part of left out habitation proposed as per revised CNW 2011, which is not yet approved. The reply is not tenable as these habitations were included in the CNW despite the fact that these were not eligible as per programme guidelines.

#### **2.2.5.4 Annual proposal**

Para 4.2 of OM envisage that annual proposal consisting of list of roads eligible under PMGSY are to be finalised by the District Panchayat. Based on the DRRP and CNW, a CNCPL or a CUPL is to be prepared by the PIU/ JKSRRDA, prioritising the list of

<sup>65</sup> Jammu: 6; Udhampur: 3; Ramban: 7; Ganderbal: 28; Anantnag: 3 and Kupwara: 1

<sup>66</sup> Jammu: (Road: 1; Expenditure: ₹0.27 crore), Udhampur: (Road: 1; Expenditure: ₹6.06 crore) and Ramban: (Roads: 4; Expenditure: ₹14.92 crore)

<sup>67</sup> Jammu: 14; Udhampur: 16; Rajouri: 5; Ganderbal: 45; Anantnag: 17; Baramulla: 19; Kupwara: 23 and Leh: 33

<sup>68</sup> Jammu: 14; Udhampur: 16; Rajouri: 5; Ganderbal: 70; Anantnag: 17; Baramulla: 19; Kupwara: 23 and Leh: 33

<sup>69</sup> Jammu: (Habitation: 1; expenditure: ₹1.40 crore), Ganderbal: (Habitation: 4; expenditure: ₹4.78 crore)



eligible road works and the annual proposal is to be prepared on the basis of the list. In States where existing rural links Through Routes are in reasonably good condition (i.e PCI<sup>70</sup> above three), the prioritisation of new links will be taken up for construction as per the order of CNCPL. Where the existing rural links Through Routes are in poor conditions (PCI is three or less), the upgradation/ renewal of Through Routes may be taken up as an adjunct to new connectivity. The proposals of all the districts are to be placed before the SLSC for its consideration.

In test-checked nine Districts, Annual proposals were not prepared, with the result these proposals could not be placed before the SLSC for its consideration. The EEs stated (March to June 2018) that DPRs of all the projects were submitted to the higher authority for sanction and no annual proposal were prepared and the road projects were taken phase-wise as sanctioned by GoI.

Thus, due to deviation from the prescribed procedure while preparing DRRP and Core network, eligible habitations were either left out or shown as connected.

**Recommendation:** *The Government may ensure that the provisions of the Guidelines/ Operational Manual for PMGSY should be strictly followed while preparing CNCPL and CUPL, Annual Proposals, etc.*

## **2.2.6 Fund management**

PMGSY was a 100 per cent Centrally sponsored scheme up to March 2015 and thereafter, the funding pattern was shared between the Centre and the State in the ratio of 90:10. Maintenance of completed road projects is to be budgeted by the State Government. The funds were released by the Ministry of Rural Development, GoI directly to JKSRDA up to 2013-14 and thereafter, the GoI's assistance and funds for maintenance of roads are received by the JKSRDA through State Finance Department. These funds are kept in three designated accounts viz. Programme Fund Account (for execution of works), Administrative Fund Account (for meeting administrative expenses) and Maintenance Fund Account (for maintenance of roads). The State Government is required to transfer these funds to JKSRDA within three working days of receipt of funds.

### **2.2.6.1 Financial targets and achievements**

#### **(a) Programme Fund Account**

Out of total sanction of programme fund amount of ₹8,892.69 crore during 2000-01 to 2017-18 (January 2018) under phases I to XI, GoI released ₹5,092.14 crore, against which ₹4,312.41 crore<sup>71</sup> was spent, as of March 2018. The position of availability of programme funds and expenditure thereagainst during the period 2013-14 to 2017-18 for execution of works is as under:

<sup>70</sup> Pavement Condition Index

<sup>71</sup> Includes the State share of ₹160 crore

Table-2.2.1: Details of funds available and the expenditure at the State level during 2013-18

(₹ in crore)

Year	Opening Balance	Central release	Miscellaneous receipt	Interest	State share	Total	Expenditure (per cent to col. 7)	Closing Balance (per cent to col. 7)
1	2	3	4	5	6	7	8	9
2013-14	142.41	366.67 <sup>72</sup>	5.29	0	0	514.37	508.29 (99)	6.08 (1)
2014-15	6.08	414.00 <sup>73</sup>	2.96	15.55	0	438.59	422.73 (96)	15.86 (4)
2015-16	15.86	364.00 <sup>74</sup>	0	10.40	20	410.26	282.47 (69)	127.79 (31)
2016-17	127.79	384.77	0	15.09	50	577.65	320.91 (56)	256.74 (44)
2017-18	256.74	1,400.00	0	20.44	85	1,762.18	716.00 (41)	1,046.18 (59)
<b>Total</b>		<b>2,929.44</b>	<b>8.25</b>	<b>61.48</b>	<b>155</b>		<b>2,250.40</b>	

(Figures in the parenthesis is percentage of total fund available)

(Source: Records of JKSRDA)

As evident from the table, during 2015-18, the State Government did not spend the available fund ranging between 31 to 59 per cent mainly due to delay in taking up the works, non-finalisation of tenders, non-execution of contracts and slow progress of works. Further, out of ₹1,400 crore released by the GoI under programme fund during 2017-18, an amount of ₹880.63 crore continued to remain with Finance Department for two to nine months and was finally released to JKSRDA during May 2018 to December 2018<sup>75</sup>.

**(b) Less release of State share**

Ministry of Rural Development (MoRD), GoI revised (April 2015) the funding pattern of PMGSY in the ratio of 60:40 in respect of all the States, except special category States for which the sharing pattern was 90:10. All the ongoing as well as outstanding works would be covered under this sharing pattern. The position of funds released by MoRD, State share due and State share released is as under:

Table-2.2.2: Detail of release of State share

(₹ in crore)

Year	Allocation	Central funds released	State share due	State share released	Short release/ (per cent to column 4)
1	2	3	4	5	6
2015-16	488.00	488.00	54.00	20.00	34.00 (63)
2016-17	786.00	384.77	43.00	50.00	(-) 7.00
2017-18	1,400.00	1,400.00	155.00	85.00	70.00 (45)
<b>Total</b>		<b>2,272.77</b>	<b>252.00</b>	<b>155.00</b>	<b>97.00 (38)</b>

(Source: Records of JKSRDA)

Against the due State share of ₹252 crore, an amount of ₹155 crore was released, resulting in less release of ₹97 crore during 2015-18.

<sup>72</sup> Includes ₹66.43 crore interest accrued during 2013-14

<sup>73</sup> Under programme fund: ₹290 crore and under land acquisition: ₹124 crore (temporary utilised under programme fund)

<sup>74</sup> Under programme fund: ₹488 crore less ₹124 crore which were temporary utilised under programme fund during 2014-15

<sup>75</sup> 31.5.2018: ₹200 crore; 26.06.2018: ₹100 crore; 27.07.2018: ₹180 crore; 8.08.2018: ₹200 crore and 12.12.2018: ₹200.63 crore

Financial Controller PMGSY stated (September 2018/ April 2019) that the matter had been taken up with the State Planning Development and Monitoring Department for release of balance State share.

### (c) Non/ short release of funds by GoI to State

The PMGSY has adopted a project approach where road works have to be completed within a stipulated time. The funds for the cleared projects are made available to the JKSRDA in two instalments. The first installment amounting to 50 *per cent* of the cleared value of projects, (or annual allocation whichever is lower) shall be released subject to fulfillment of conditions, if any, stipulated earlier (Para 19.1 of programme guidelines). Further para 19.3 of programme guidelines envisage that the release of the second instalment shall be subject to submission of the required documents<sup>76</sup>.

The position of MoRD share via-a-vis funds released is as under:

**Table-2.2.3: Short release of funds by the GoI**

(₹ in crore)

Phase	Year of sanction	MoRD/GoI share	1 <sup>st</sup> installment	2 <sup>nd</sup> installment	Total release	Short release
1	2	3	4	5	6	7=(3-6)
VI <sup>77</sup>	February/ May 2008	1,384.90	600.12	0	600.12	784.78
VII	April 2010	1,461.95	730.97	547.53*	1,278.50	183.45
VIII	July 2012	1,246.24	109.14	1,137.10	1,246.24	0
IX	December 2012	526.37	0	0	0	526.37
X	August 2016	2,558.09	55.04	1,080.62	1,135.66	1,422.43
	<b>Total</b>	<b>7,177.55</b>	<b>1,495.27</b>	<b>2,765.25</b>	<b>4,260.52</b>	<b>2,917.03</b>

(\*Includes ₹66.43 crore on account of interest) (Source: Records of JKSRDA)

Review of records revealed that balance funds amounting to ₹1,494.60 crore in respect of Phases VI, VII and IX were not released by GoI due to poor progress in completion of road projects commented under programme implementation (para 2.2.8). In respect of phase X, 44 *per cent* of funds have been released as on March 2018.

#### 2.2.6.2 Inadequate transfer of funds for Administrative expenses

As per Para 12.2 (x) of programme guidelines, 2.25 *per cent* of the annual allocation were to be released along with programme fund to the State for meeting of Administrative expenses. The first installment amounting to 50 *per cent* after deducting the opening balance in the account of administrative fund with the State as on 1<sup>st</sup> April of the financial year (including interest accrued) shall be released in the beginning of the financial year. Second installment of the balance 50 *per cent* shall be released after utilisation of 60 *per cent* of the available funds, subject to fulfillment of conditions. The position of the administrative fund due, released and utilised is as under:

<sup>76</sup> UCs for funds released earlier; Certificate by the bank manager indicating the balance amount on date of issue of the certificate and interest credited; a certificate regarding physical completion of the work, production of an audited statement of accounts and the balance sheets duly certified by the Chartered Accountant for the accounts of the previous financial year; output of the relevant modules of the OMMAS, duly certified by the JKSRDDA as being correct, etc.

<sup>77</sup> No sanctions for phase I and II were lying with the Department and under phase III to V full funds were released



Table-2.2.4: Short release of administrative funds

(₹ in crore)

Year	Allocation/ release	Administrative fund admissible at the rate of 2.25 per cent of allocation/release	Administrative fund released by GoI	Interest accrued	Expenditure	Less/ short release (per cent )
1	2	3	4	5	6	7= (3-4)
2013-14	300.24 <sup>78</sup>	6.76	0	0.16	3.13	6.76 (100)
2014-15	290.00	6.53	2.60	0.09	2.92	3.93 (60)
2015-16	488.00	10.98	0	0.07	2.07	10.98 (100)
2016-17	384.77	8.66	7.84	0.29	2.81	0.82 (9)
2017-18	1,400.00	31.50	0	0.12	4.06	31.50 (100)
<b>Total</b>	<b>2,863.01</b>	<b>64.43</b>	<b>10.44</b>	<b>0.73</b>	<b>14.99</b>	<b>53.99 (84)</b>

(Source: Records of JKSRRDA)

From the above, it was noticed that administrative funds were not released by GoI at the rates prescribed in the guidelines. There was short release of ₹53.99 crore during the period 2013-14 to 2017-18. Against availability of ₹15.71 crore<sup>79</sup>, an expenditure of ₹14.99 crore was incurred during 2013-18.

Financial Controller PMGSY stated (September 2018) that the matter regarding timely release of administrative funds has been taken up with MoRD, GoI from time to time.

#### (a) Diversion of administrative funds

Para 1.4 of PMGSY Administrative Expenses Fund Accounts envisage that Administrative expenses shall, in addition to usual office expenses, include all expenses related to operation and maintenance of the On Line Management and Monitoring and Accounting System (OMMAS), computers including internet charges and data entry costs. Cost of outsourcing of execution and management related functions may also be paid out of administrative expenses within the limits prescribed. However, expenditure on purchase of vehicles, purchase or construction of buildings is not permissible.

Defying the provision of accounts manual of PMGSY, an amount of ₹4.38 lakh was diverted from administrative fund and expended on inadmissible items<sup>80</sup>.

In reply, Chief Engineer PMGSY Jammu stated (April 2019) that expenditure had been incurred as no funds under relevant heads had been released by the higher authorities. The reply is not tenable as the funds were expended on inadmissible items.

<sup>78</sup> Excludes interest of ₹66.43 crore accrued during 2013-14

<sup>79</sup> Opening balance of ₹4.54 crore plus receipt of ₹10.44 crore plus interest of ₹0.73 crore

<sup>80</sup> Creation of electric sub-station: ₹3 lakh, desktop/ printer: ₹0.92 lakh, election campaign: ₹0.25 lakh, registration charges vehicle: ₹0.21 lakh

**(b) Maintenance fund account**

Para 17 of the Programme guidelines put in place institutional measures to ensure systematic maintenance and providing adequate funding for maintenance of the rural core network particularly the Through Routes, a key to the continuance of PMGSY.

As per Para 17.2 of the programme guidelines, all PMGSY roads (including associated main rural links/ through routes of PMGSY link routes) will be covered by five years maintenance contracts, to be entered into alongwith construction (Stage-II) contract with the same contractor. Maintenance funds are to be budgeted for by the State Government and placed at the disposal of the JKSRDA in a separate maintenance funds account twice a year, in May and November. The State Government is required to develop sustainable source of funding for undertaking the maintenance of roads during the post-construction period of five years. For this purpose, the State shall (a) prepare and submit to State Nodal Department and NRRDA, an annual estimate of funds for proper maintenance of rural CNW (b) enforce a prioritisation criteria for allocation of budgeted maintenance funds and (c) liaise with executive agencies receiving maintenance funding for rural roads to ensure coordinated application of the prioritisation criteria (Para 17.5 of programme guidelines).

The position of maintenance funds required, released and expenditure incurred during the period 2013-14 to 2017-18 is as under:



**Table-2.2.5: Receipt and utilisation of maintenance funds**

(₹ in crore)

Year	Funds required	Opening balance	State share	Total	Expenditure (per cent to column 5)	Closing balance
1	2	3	4	5	6	7= (5-6)
2013-14	8.39	14.96	5.00	19.96	1.43 (7)	18.53
2014-15	5.48	18.53	0	18.53	1.50 (8)	17.03
2015-16	7.10	17.03	2.42	19.45	1.18 (6)	18.27
2016-17	8.71	18.27	0.40	18.67	1.89 (10)	16.78
2017-18	6.54	16.78	0.30	17.08	5.16 (30)	11.92
<b>Total</b>	<b>36.22</b>		<b>8.12</b>		<b>11.16</b>	



(Source: Records of JKSRDA)

As evident from the table, against the demand of ₹36.22 crore placed by JKSRDA during 2013-18, the State Government released only ₹8.12 crore (22 per cent). Apart from short release of funds, the percentage of utilisation was also very poor and ranged between 6 to 30 per cent. Some of the photographs taken during joint physical verifications depicting the poor maintenance of roads are shown below:

	
<p><b>Link road Batote to Rakhzarog (PIU-Ramban)</b>  Physically inspected on 09.05.2018  Expenditure incurred: ₹336.06 lakh;  Date of completion: September 2017</p>	<p><b>Link road Green to Lah (PIU-Budhal, Rajouri)</b>  Physically inspected on 18.05.2018  Expenditure incurred: ₹329.42 lakh;  Date of completion: December 2014</p>


Financial Controller PMGSY stated (September 2018) that there is balance of ₹11.92 crore under maintenance fund and money is released on receipt of requisitions from concerned Chief Engineers. However, the fact remains that the State Government has not devised any policy for the maintenance of PMGSY roads as per programme guidelines to avoid premature deterioration of completed roads and available maintenance funds remained unspent.

Audit also physically inspected along with the departmental representatives, 12 roads wherein work for Stage-II was not allotted<sup>81</sup> after completion of Stage-I, resulting in poor condition of roads, as detailed in the *Appendix-2.2.4*. Some photographic evidences are given below:

	
<p><b>Link road Rajdhani to Panjgrain Rajouri</b>  Physically inspected on 16.08.2018  Stage-I: completed in May 2013  Stage-II: under tendering</p>	<p><b>Link road Moud to Pattian upto upper Moud, Udhampur</b>  Physically inspected on 24.08.2018  Stage-I: Completed in December 2012  Stage-II: Not allotted</p>

<sup>81</sup> Stage-II may be taken up after two rainy seasons have elapsed to ensure adequate stabilisation of the side slopes (Para 4.3.1 of OM)



	
<p align="center"><b>Link road Sunetarkhas to Dhanwalt, Udhampur (PIU Ramnagar) Physically inspected on 11.09.2018 Stage-I: Completed in December 2012 Stage-II: Not allotted</b></p>	<p align="center"><b>Link road Jakhed to Gursgalla, Udhampur (PIU Ramnagar) Physically inspected on 12.09.2018 Stage-I: Completed in May 2017 Stage-II: Not allotted</b></p>

**Recommendation:** *The State Government should put in place rural road maintenance policy for proper maintenance of PMGSY roads to avoid premature deterioration.*

### **2.2.6.3 Delayed release of funds by the State Government to JKSRDDA**

GoI, MoRD released funds directly to the Nodal Agency (JKSRDDA) up to 2013-14. From 2014-15 onwards, the funds are routed through the State Government (Finance Department) and these funds are required to be transferred to the JKSRDDA within three working days from the date of receipt, failing which the State Government was liable to pay interest at the rate of 12 per cent per annum for the period of delay beyond the specified period.

GoI, MoRD released ₹3,049.77 crore<sup>82</sup> to the Government of Jammu and Kashmir during the years 2014-15 to 2017-18. The funds released were not transferred to JKSRDDA within three working days, and the delay ranged between 11 to 259 days with the result, the State Government (Finance Department) was liable to pay JKSRDDA ₹53.34 crore as interest, which has not been paid, as of March 2019.

Financial Controller PMGSY stated (September 2018/ April 2019) that the matter had been taken up with Finance Department from time to time. The fact remains that neither funds were released within the prescribed time period of three days nor was interest paid by Finance Department, as of March 2019.

### **2.2.7 Status of road projects**

To provide connectivity by way of an all weather road to eligible unconnected habitations in the rural areas, PMGSY had been implemented in the State in ten

<sup>82</sup> Including ₹487 crore (2014-15: ₹124 crore; 2016-17: ₹363 crore) received for land acquisition

phases during 2000-01 to 2016-17<sup>83</sup>. The position of the PMGSY road projects in the State is as under:

Table-2.2.6: Status of road projects under PMGSY

(₹ in crore; Road length in kms)

Phase	Total packages Sanctioned	Sanctioned cost		Funds released		Expenditure (Central share and State share)	Road length sanctioned	Length completed (per cent)	Works completed			Habitation	
		Central share	State share	Central share	State share				New Connectivity	Up-gradation	Total (per cent to column 2)	Sanctioned	Connected (per cent)
1	2	3	4	5	6	7	8	9	10	11	12 (10+11)	13	14
I	36	21.84	-	20.09	-	0	97.21	96.95 (99.73)	25	11	36 (100)	37	37 (100)
II	66	59.78	-	52.44	-	17.27	219.85	214.22 (97)	66	0	66 (100)	109	111 (102)
III	67	91.27	-	91.27	-	25.63	295.22	265.32 (90)	57	1	58 (87)	101	101 (100)
IV	108	144.41	-	144.41	-	15.65	413.83	400.48 (97)	102	0	102 (94)	165	163 (99)
V	143	520.43	-	523.40	-	36.40	1,152.78	791.23 (69)	103	0	103 (72)	266	251 (94)
VI	465	1,402.25	-	600.12	-	297.28	2,593.56	2,286.16 (88)	387	32	419 (90)	748	692 (93)
VII	494	1,461.95	1.26	1,278.50	5.00	658.21	2,239.01	1,787.36 (80)	378	16	394 (80)	584	482 (83)
VIII	534	1,246.24	1.91	1,246.25	-	510.25	2,651.23	1,426.31 (54)	289	0	289 (54)	115	88 (77)
IX	124	526.37	0	0	-	501.32	843.52	312.10 (37)	50	0	50 (40)	53	29 (55)
X	542	2,558.09	284.23	1,135.66	155.00	2,250.40	3,519.94	887.25 (25)	45	5	50 (9)	595	145 (24)
<b>Total</b>	<b>2,579</b>	<b>8,032.63</b>	<b>287.40</b>	<b>5,092.14</b>	<b>160.00</b>	<b>4,312.41</b>	<b>14,026.15</b>	<b>8,467.38 (60)</b>	<b>1502</b>	<b>65</b>	<b>1,567 (61)</b>	<b>2,773</b>	<b>2,099 (76)</b>

(Source: Information furnished by the JKSRDA)

Out of total 2,579 road projects<sup>84</sup> (road length: 14,026.15 km), taken up under Phase-I to X, 1,567 (61 per cent) road projects (new connectivity and upgradation works) comprising 8,467.38 km road length (60 per cent) were completed as of March 2018, leaving a shortfall of 959 road projects<sup>85</sup> (road length: 5,210.56 km), indicating improper planning for prioritisation of road projects and selection of new projects without ensuring timely completion of the existing projects. Also, against 2773 sanctioned habitations to be connected, only 2099 (76 per cent) were connected, as of March 2018.

Chief Engineer PMGSY, Jammu/IT Nodal Officer PMGSY, JKSRDA stated (April/September 2018) that poor progress on the projects was due to non-acquisition of private land, diversion of forest land, shifting of public utilities, day to day hindrances created by local people of the area and court cases. The reply is not acceptable, as PMGSY guidelines clearly envisage that it is the responsibility of the State Government to ensure that land is available for the proposed projects and each

<sup>83</sup> 199 packages involving 141 road projects and 58 bridges with sanctioned amount of ₹955.63 crore (MoRD share: ₹860.06 crore; State share: ₹95.57 crore) under XI phase though sanctioned in January 2018 but implementation of the projects were not commenced/ completed till March 2018. Hence, XI phase has not been covered in Performance Audit

<sup>84</sup> Comprising both new construction and up-gradation of road works

<sup>85</sup> 53 road projects for connecting 49 habitations with road length of 348.21 km were proposed for de-sanctioned.

proposal which is put up for approval of the GoI is to be accompanied by a certificate to that effect.

### 2.2.7.1 Discrepancies in total number of road projects sanctioned

The road projects shown as sanctioned by the GoI, did not fully match with the data furnished by Chief Engineers (Jammu and Kashmir)/ JKSRRDA and figures furnished during the previous performance audit of PMGSY duly incorporated in the CAG's Audit Report for the year ended 31<sup>st</sup> March 2013. Scrutiny of records of JKSRRDA, Chief Engineer Kashmir and Jammu, revealed variations in total number of road projects sanctioned, as per the detail shown in the table below:

**Table-2.2.7: Variation in figures of road projects sanctioned**

Phase	Year of Sanction	Total number of road projects sanctioned			
		As per information furnished by the Department for Audit Report ending March 2013	As per sanction order of GoI	As intimated by Chief Engineers	As intimated by JKSRRDA
I	2000-01	28	36	36	36
II	2001-03	66	66	66	66
III	June 2004	62	67	58	67
IV	April 2006	104	108	103	108
V	March 2007	139	143	119	143
VI	May 2008	400	465	458	465
VII	April 2010	449	494	481	494
	<b>Total</b>	<b>1,248</b>	<b>1,379</b>	<b>1,321</b>	<b>1,379</b>

(Source: Departmental records)

IT Nodal Officer PMGSY JKSRRDA and Commissioner Secretary (R&B) in the exit conference stated (September 2018/ January 2019) that the variation would be looked into.

### 2.2.7.2 Non-prioritisation of new connectivity

Para 1.2.1 of OM, envisaged to provide road connectivity to all unconnected habitations with a population of 1,000 persons (500 persons for hilly areas) and above by the year 2003 and with a population of 500 persons (250 persons for hilly areas), and above by March 2007. The category-wise position of the total unconnected, sanctioned and connected habitations is given as under:

**Table-2.2.8: Status of connectivity to habitations with size of population as of March 2018**

Type of habitation with size of population	Unconnected habitations as on April 2000	Sanctioned by GoI during 2000-2018	Habitations connected out of sanctioned habitations	Unconnected habitations out of sanctioned	Total unconnected habitations ending March 2018 (per cent to column 2)
1	2	3	4	5= (3-4)	6= (2-4)
1000 persons and above	618	572	506	66	112 (18)
500 persons and above but less than 1000 persons	1,034	870	758	112	276 (27)
250 persons and above but less than 500 persons	1,086	760	430	330	656 (60)
<b>Total</b>	<b>2,738</b>	<b>2,202</b>	<b>1,694</b>	<b>508</b>	<b>1,044 (38)</b>
Less than 250 (connected incidentally)		571	405	166	
<b>Total</b>		<b>2,773</b>	<b>2,099</b>	<b>674<sup>86</sup></b>	

(Source: Records of NRRDA)

From the table it was seen that as per original CNW

- Out of 2,738 unconnected habitations as of April 2000, a total of 1,694 (62 per cent) habitations were connected during the period 2000-2018 and 1,044 (38 per cent) habitations remained to be connected at the end of March 2018.
- Out of 2,202 habitations sanctioned for connectivity by the GoI during the period 2000-2018, a total of 508 (23 per cent) habitations remained to be connected as of March 2018. In the nine sampled districts, out of 196 habitations<sup>87</sup> sanctioned for connectivity by the GoI during the period 2000-2018, a total of 85 (43 per cent) habitations remained to be connected as of March 2018.
- Out of unconnected habitations as of March 2018, a total of 112 habitations with a population of 1,000 persons and above, 276 habitations with a population of 500 persons and above, and 656 habitations with a population of 250 persons and above remained unconnected as of March 2018, which was required to be completed by the end of March 2003 and March 2007 respectively.
- In the nine sampled districts, the status of connectivity to habitations as of March 2018 was as under:

**Table-2.2.9: Status of connectivity to habitations in nine sampled districts as of March 2018**

Type of habitation with size of population	Habitations sanctioned	Habitation Connected	Habitations not connected
1	2	3	4
1000 persons and above	29	26	3
500 persons and above but less than 1000 persons	48	38	10
250 persons and above but less than 500 persons	62	24	38
<b>Total</b>	<b>139</b>	<b>88</b>	<b>51</b>

(Source: Departmental records)

- As could be seen that out of 139 habitations sanctioned for connectivity to 51 habitations with population of 250 and above remained unconnected as of March 2018. IT Nodal Officer PMGSY JKSRDA/ Chief Engineer PMGSY Jammu stated (September/ April 2018) that due to disturbed conditions in the State and problems faced in acquisition of land, forest clearance and lengthy court cases; the targets could not be achieved. The reply is not acceptable as out of ₹710 crore special one time dispensation provided by the GoI for the cost of land acquisition covering compensatory afforestation, forest land, trees, private land and structures for completion of PMGSY programme, an amount of ₹152.04 crore was still lying with the PIUs (March 2018). Also, against an amount of ₹370.70 crore released by the PIUs to the concerned authorities for acquisition of land, only ₹44.51 crore was utilised/ disbursed for acquisition of land. Moreover, the department is required to ensure the availability of land before approval of DPRs by the competent authority. However, the targets and achievement of connectivity to habitations during the review period, uploaded on OMMAS was as under:

<sup>87</sup> Ramban: 20; Rajouri: 36; Udhampur: 87; Jammu: 10, Baramulla: 8; Ganderbal: 7; Kupwara: 7; Anantnag: 19 and Leh: 2

**Table-2.2.10: Target and achievement of connectivity to habitations (2013-18)**

Year	Habitation to be connected		Road length	
	Target	Achievement (per cent)	Target	Achievement (per cent)
2013-14	100	165 (165)	1,285	866.21 (67)
2014-15	50	123 (246)	750	858.83 (115)
2015-16	130	110 (85)	975	789.86 (81)
2016-17	120	240 (200)	1,050	1,785.16 (170)
2017-18	400	152 (38)	1,800	1,804.54 (100)
<b>Total</b>	<b>800</b>	<b>790 (99)</b>	<b>5,860</b>	<b>6,104.60 (104)</b>

(Source: Data taken from OMMAS)

As can be seen, against the targets of 800 habitations to be connected with road length of 5,860 km, 790 habitations (99 per cent) with road length of 6,104.60 km (104 per cent) were completed. However, during 2017-18, only 38 per cent of targets were achieved in respect of connectivity to habitations, despite over achievement of targets of road length. This indicated that the targets were not realistically fixed.

IT Nodal Officer PMGSY JKSRRDA stated (September 2018) that during 2017-18, target road length was achieved but targets of habitation could not achieved due to the fact that most of the road length completed was for Stage-II road projects where habitations have been already connected. Efforts would be made to achieve the targets in the current financial year.

## **2.2.8 Programme Implementation**

### **2.2.8.1 Detailed Project Reports**

As per guidelines/ OM of PMGSY, Detailed Project Report (DPR) for each work was to be prepared in accordance with the Rural Road Manual, Indian Road Congress (IRC) specifications and instructions, issued from time to time. The DPR should be based on detailed survey and investigations, design and technology choice. It should be of such detail that the quantities and costs are accurate and no cost over-run takes place due to changes in scope of work or quantities at the time of execution. It was noticed that due procedure was not adopted while preparing DPRs, as discussed below:

#### **(a) Non-conducting of Transect Walks**

Para 8.4 of programme guidelines and 5.3.3 of OM envisage that Programme Implementing Units (PIUs) are required to prepare the DPR for each proposed road work by organising transect walk<sup>88</sup> accompanied by the officials of Revenue and Forest Department, alongwith the members of the local community to discuss and finalise the issues relating to alternative alignments, land requirements for the road and its impact on landowners, etc.,. A copy of the proceedings along with digital photographs of the transect walk shall be attached with the finalised DPR.

<sup>88</sup>

A walk to be conducted along the proposed road to decide the alignment



Scrutiny of records in nine sampled districts revealed that in 106 road projects of Stage-I<sup>89</sup> (out of 254<sup>90</sup> sampled road projects selected for detailed scrutiny), transect walk was conducted without revenue and forest officials in 17 projects, transect walk was either not organised or required documents were not found attached with DPRs in 59 projects and in the remaining 30 projects, DPRs were not produced to Audit (March 2018).

The EEs admitted (March to June 2018) that the road projects which were taken up in earlier phases, the required transect walk could not be conducted.

Further, the land required to be obtained from the Government, Forest department and private parties was also to be identified during transect walk. As envisaged in Para 6.12 of the Guidelines, the State Government/ district panchayats are responsible for ensuring availability of land for the road projects. A certificate that land is available must accompany the proposal for each road work. The habitations concerned will not be counted as connected till the Stage-II<sup>91</sup> is completed.

Audit observed that:

- In Jammu province, 46 road projects<sup>92</sup>, sanctioned at a cost ₹169.68 crore under Phases VI (sanctioned during May 2008) to X (sanctioned during August 2016) on which expenditure of ₹39.93 crore was incurred as of January 2018 for connecting 66 habitations remained incomplete due to land dispute and non-clearance of forest land, court cases, etc. (**Appendix-2.2.5**).
- In seven out of nine sampled districts, 22 road projects (out of 254 test-checked), sanctioned at a cost of ₹130.53 crore under Phase VII to X<sup>93</sup> on which expenditure of ₹38.78 crore<sup>94</sup> was incurred, for connecting 21 habitations could not be completed as these projects were taken up for execution without ensuring encumbrance free land, clearance of forest department, etc.

Thus, the habitations targeted to be connected by November 2011 to March 2018 remained unconnected (March 2018).

Chief Engineer PMGSY Jammu stated (April 2018) that local public including members of Gram panchayat are regularly being included in the transect walk for fixation of alignment. During the transect walk, the people do not object to the alignment fixed in their presence and also provide certificate with regard to availability of land. However, when the work is started, these people raise demand for compensation and create hindrances in the work. As a result, the projects get delayed as the acquisition of land is a lengthy process. The fact remains that in all these cases,

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<sup>89</sup> Stage-I consist of formation cutting, slope stabilisation, protection/ drainage works

<sup>90</sup> Stage-I: 99; Stage-II: 101; Long span bridge: 15; Up gradation: 39

<sup>91</sup> Stage-II includes the Water Bound Macadam (WBM) and bitumen surface course

<sup>92</sup> Out of 959 road projects which were incomplete as of March 2018

<sup>93</sup> Number of incomplete road projects sanctioned during April 2010 (Phase-VII), July 2012 (Phase-VIII), December 2012 (Phase-IX) and August 2016 (Phase-X) to be completed by November 2011, February 2014, July 2014 and March 2018 were 10, 4, 2 and 6 respectively

<sup>94</sup> Jammu: (Road projects: 2; Expenditure: ₹0.47 crore); Udhampur: (Road projects: 4; Expenditure: ₹6.37 crore); Ramban: (Road projects: 2; Expenditure: ₹0.63 crore); Rajouri: (Road projects: 5; Expenditure: ₹6.77 crore); Anantnag: (Road projects: 2; Expenditure: ₹1.02 crore); Baramulla: (Road projects: 4; Expenditure: ₹12.46 crore) and Leh: (Road projects: 3; Expenditure: ₹11.06 crore)

certificate of land availability was given in the DPRs on the basis of agreement with the local people for the alignment of roads.

The EEs stated (March to June 2018) that the bottlenecks of road projects are being addressed at the appropriate levels viz. Forest/ Revenue Department and notices have been issued to the contractors to resume the allotted works. The reply of the department is not acceptable as these road projects were got sanctioned from GoI without obtaining statutory clearance from the concerned authorities.

### **2.2.8.2 Non-construction of bridges**

Para 2.1 of PMGSY guidelines envisages to provide all weather roads, with necessary culverts and cross drainage structures which is operable throughout the year. Further as per para 8.5 (v) Minor Bridges (of single lane specification only) may be provided wherever necessary. In case the length of individual bridges exceeds 15m, a separate DPR will be prepared after site inspection jointly by the Superintendent Engineer and the State Technical Agency.

During test-check of physical and financial progress reports, it was seen that six road projects<sup>95</sup> in two Districts out of nine sampled Districts, were completed during April 2013 to February 2018 and habitation shown as connected at a cost of ₹24.47 crore, despite the fact that work of construction/ designing of bridges was in progress, as of March 2019. As such, these road projects did not serve the purpose of all weather road connectivity to proposed habitations. Photographs were taken during joint inspection of one of these road works with the staff of implementing agencies.



**Link road Mansar to Sourap in PIU Udhampur physically inspected on 17.03.2018**

The EEs stated (March to June 2018) that construction of bridges is in progress and DPRs/ design of bridges are under approval/ under preparation and would be completed very soon. As of March 2019, an amount of ₹2.82 crore has been spent against the estimated cost of ₹5.19 crore on these six bridges.

<sup>95</sup> Udhampur District: (1) Kud to Madha-12.40 km (2) Barmen to Satyaltha Khas-7.250 km (3) Barmen to Dharnoo-14.725 km (4) Mansar to Sourap-4.500 km (5) Dhar road to Plater-3.850 km; District Rajouri: (6) Khawas to Bela-10 km

### 2.2.8.3 Delay in completion of road projects

Para 13.1 of the guideline envisage completion of the road projects within a period of nine months from the date of issue of work order but not exceeding 12 calendar months in any case. However, time limit up to 18 calendar months would be allowed for completion of Stage-I work of roads in hilly States.

Review of records in nine sampled Districts revealed that out of 254 road projects test-checked in audit, only 43 (17 per cent) road projects were completed within the stipulated time, 78 road projects were not due for completion and 90 road projects<sup>96</sup> which were taken up for execution under Phases IV to IX were completed with delay ranging from 2 months to 8 years<sup>97</sup>. The remaining 43 road projects<sup>98</sup> for connecting 30 habitations<sup>99</sup> taken up for execution under Phases V to X<sup>100</sup> at a sanctioned cost of ₹191.05 crore, allotted at ₹173.02 crore on which expenditure of ₹86.71 crore was incurred could not be completed within stipulated period of 9 to 18 months due to land dispute, non-clearance from forest department, etc. Even after a delay of more than seven years and four months from the date of allotment, these roads were not completed (March 2018). Thus, habitations targeted to be connected by October 2008 to March 2018 remained unconnected as of March 2018.

The EEs attributed (March to June 2018) non-completion of these road projects to factors like public interference, land dispute, non-payment of compensation for structures coming under alignment, forest clearance, etc.

**Recommendation:** Progress of execution of road projects should be closely monitored so that the works are completed within the specified time frame and connectivity to habitations ensured.

### 2.2.8.4 Funds for land acquisition

Para 6.12 of the PMGSY guidelines envisage that it is the responsibility of the State Government to ensure that land is available for taking up of proposed road project. A certificate that land is available must accompany the proposal.

Scrutiny of records revealed that although funds for acquisition of land are not covered under PMGSY, yet for completion of PMGSY programme as per originally approved CNW, an amount of ₹710 crore<sup>101</sup> was released by the GoI to Jammu and Kashmir State as a special one time dispensation for the cost of land acquisition, covering compensatory afforestation, forest land, trees, private land and structures.

<sup>96</sup> Jammu: 6; Udhampur: 19; Ramban: 5; Rajouri: 19; Ganderbal: 7; Anantnag: 12; Baramulla: 5; Kupwara: 14 and Leh: 3

<sup>97</sup> Zero to two years= 50 road projects, two to four years= 31 road projects and above four years= 9 road projects

<sup>98</sup> Jammu: 1; Udhampur: 8; Ramban: 5; Rajouri: 6; Ganderbal: 3; Anantnag: 5; Baramulla: 10; Kupwara: 2 and Leh: 3

<sup>99</sup> Udhampur: 14; Ramban: 5; Rajouri: 2; Ganderbal: 2; Anantnag: 3; Baramulla: 2; Kupwara: 1 and Leh: 1

<sup>100</sup> Number of incomplete road projects sanctioned during March 2007 (Phase-V), May 2008 (Phase-VI), April 2010 (Phase-VII), July 2012 (Phase-VIII), December 2012 (Phase-IX) and August 2016 (Phase-X) to be completed by October 2008, December 2009, November 2011, February 2014, July 2014 and March 2018 were 1, 1, 14, 17, 6 and 4 respectively

<sup>101</sup> 2013-14: ₹223 crore; August 2014: ₹124 crore and March 2017: ₹363 crore

The position of funds received, released and expenditure incurred during 2013-18 is as under:

**Table-2.2.11: Status of funds received by the State from GoI for land acquisition**

(₹ in crore)

Year	JKSRRDA					PIUs				
	Opening balance	Funds received	Total	Funds released to PIUs	Balance	Opening Balance	Funds received from JKSRRDA	Total	Expenditure	Unspent balance
1	2	3	4=2+3	5	6=4-5	7	8	9=7+8	10	11=9-10
2013-14	0	223.00	223.00	0	223.00	0	0	0	0	0
2014-15	223.00	124.00	347.00	223.00	124.00	0	223.00	223.00	160.35	62.65
2015-16	124.00	0	124.00	16.84	107.16	62.65	16.84	79.49	48.24	31.25
2016-17	107.16	363.00	470.16	118.62	351.54	31.25	118.62	149.87	112.39	37.48
2017-18	351.54	0	351.54	272.73	78.81	37.48	272.73	310.21	236.98	73.23
<b>Total</b>		<b>710.00</b>		<b>631.19</b>			<b>631.19</b>		<b>557.96</b>	

(Source: Departmental records)

As can be seen, out of ₹710 crore released by the GoI, ₹152.04 crore was lying unspent with JKSRRDA (₹78.81 crore) and PIUs (₹73.23 crore) as of March 2018.

Scrutiny of records of nine sampled Districts revealed that against an amount of ₹370.70 crore released by the 13 PIUs to the concerned authorities for acquisition of land, only an amount of ₹44.51 crore<sup>102</sup> was utilised/ disbursed. Thus, due to non-utilisation of balance amount of ₹326.19 crore<sup>103</sup> by the concerned authorities, 22 road projects in 7 out of 9 sampled Districts could not be completed due to lengthy process of forest clearance, land acquisition, court cases, etc. as of March 2018, (as commented under para 2.2.8.1 (a)). One such case as an example is discussed below:

**(a) Taking up of execution of road project without ensuring encumbrance free land, led to wasteful expenditure of ₹204.63 lakh on acquisition of land**

Under Phase-VII, Stage-I of the road project ‘Thune to Badipathri’ was sanctioned (April 2010) at a cost of ₹573.74 lakh. Without ensuring the availability of land<sup>104</sup>, the department allotted (August 2011) the work to a contractor at a cost of ₹476.46 lakh. Meanwhile, under Phase-IX, Stage-II of the project was also sanctioned (December 2012) by the GoI at a cost of ₹324.92 lakh.

Scrutiny of records revealed that the department advanced an amount of ₹204.63 lakh to the Collector, land acquisition against total cost of land of ₹340.83 lakh. The revenue department disbursed (January 2011) an amount of ₹204.63 lakh to rightful land owners and acquired (January 2011) 69 *kanals* and 13 *marlas* of land for the project but the land was not handed over (May 2018) to the department due to hurdles raised by some land owners, non-issuance of NoC by forest department and status quo orders issued by High Court; with the result, the project could not fructify. The contract was cancelled (August 2012) and the department recommended (May 2018) de-sanction of the project. Thus, failure of the department to execute the road project

<sup>102</sup> Revenue department: ₹32.47 crore, Forest department: ₹12.04 crore

<sup>103</sup> Revenue department: ₹302.54 crore, Forest department: ₹17.85 crore and PHE/ PDD/ Irrigation department: ₹5.80 crore

<sup>104</sup> The land award for the project was issued in January 2011

despite acquisition of land for the purpose resulted in wasteful expenditure of ₹204.63 lakh.

The EE stated (June 2018) that DPR of the scheme was prepared as per guidelines of the programme and blamed it on hindrances created by the locals and the forest department. The reply is not acceptable as the project was got sanctioned from the GoI without an undertaking of the competent authority that the land was available for the project.

**Recommendation:** *The DPRs should be sent to GoI for approval only after completion of all mandatory clearances as required under the guidelines and the PIUs must ensure obtaining of documents regarding possession of land that are legally binding.*

### 2.2.8.5 Other procedural irregularities

Audit noticed various other procedural irregularities during programme implementation as highlighted below, the details thereof are tabulated in *Appendix-2.2.6*.

#### (1) Non-accord of Administrative Approval/ Technical sanction

- 254 road projects in nine sampled Districts, sanctioned at a cost of ₹1,031.35 crore on which expenditure of ₹514.62 crore was incurred, were allotted at a cost of ₹935.96 crore, without Administrative Approval and Technical Sanction.

#### (2) Irregularities in inviting tenders

- Out of 272 road projects test-checked in audit, tenders for 77 road projects<sup>105</sup> were invited with delay ranging between 3 days to 5 years and 11 months<sup>106</sup> from the date of approval by the Ministry.

#### (3) Delay in allotment/ award of work

- In Jammu province, out of 76 road projects<sup>107</sup> under Stage-II cleared by the Union Ministry, 30 road projects<sup>108</sup> with sanctioned cost of ₹121.02 crore were not put to tender as Stage-I of these road projects was still incomplete and the remaining 46 road projects with sanctioned cost of ₹154.31 crore could not be awarded due to poor response to the tenders. Delay upto six years in allotment of work for Stage-II after completion of Stage-I resulting in deterioration of these roads. Photographic evidences taken during physical inspections of these road projects are given below.


<sup>105</sup> Jammu: 59; Kashmir: 18

<sup>106</sup> Road from Balhama to Braman under package No. JK03-08 was approved by the NRRDA in June 2004 whereas NIT was invited on April 2010 by the PIU Baramulla

<sup>107</sup> Phase-VIII in July 2012: 59; Phase-IX in December 2012: 17

<sup>108</sup> Including seven road projects which were sanctioned for Stage-II alongwith Stage-I



		
<p><b>Link road Kotdhara to Chambitrar Rajouri Budhal</b>                      Physically inspected on 17.08.2018                      Stage-I: Completed in March 2013                      Stage-II: Work in progress</p>	<p><b>Link road T01 to Dodasanpain, Budhal (Rajouri)</b>                      Physically inspected on 18.08.2018                      Stage-I: Completed in December 2015                      Stage-II: Work in progress</p>	<p><b>Link road Thanamang to Badyar, Budhal (Rajouri)</b>                      Physically inspected on 17.08.2018                      Stage-I: Completed in March 2017                      Stage-II: Work in progress</p>

Thus, failure of the department to arrange additional funds due to cost escalation of these roads and to ensure the completion of Stage-I before getting the Stage-II of these road projects sanctioned from MoRD and award these road projects even after 60 to 65 months of clearance from the Ministry indicated poor planning

- There was delay ranging between 3 days to 2 years and 11 months in completing the bidding process of 148 roads projects (Jammu: 96; Kashmir: 52) and in nine cases, the detail of 1<sup>st</sup> call of tenders was not on record (February 2018).

**(4) Non-provision of insurance cover**

- 254 road projects in nine sampled Districts, sanctioned at a cost of ₹1,031.35 crore, on which expenditure of ₹514.62 crore was incurred during 2013-18 were awarded at a cost of ₹935.96 crore without taking any insurance policies and certificates from the contractors.

**(5) Non-recovery of mobilisation and equipment advance**

- In six out of nine sampled Districts, mobilisation/ machinery advance of ₹46.52 lakh<sup>109</sup>, out of ₹133.89 lakh sanctioned (February 2009 to December 2017) in respect of eight road projects was not recovered (March 2018) from contractors who had completed the allotted projects or whose contracts were terminated/ fore closed during June 2014 to June 2017.

**(6) Non-verification/ non-renewal of Bank guarantees**

- Confirmation of bank guarantees was not found attached in none of the test-checked nine sampled Districts.
- In four cases, the validity of bank guarantees amounting to ₹46.02 lakh had either expired or not revalidated during the construction period.

<sup>109</sup> Jammu: ₹2.12 lakh; Ramban: ₹9.63 lakh; Ganderbal: ₹11.26 lakh; Anantnag: ₹0.80 lakh; Baramulla: ₹2.17 lakh and Kupwara: ₹20.54 lakh

**(7) Deviation from approved technical specifications**

- In 57 out of 254 road projects of nine sampled Districts, various items were executed (December 2007 to February 2017) in excess of the approved quantities ranging between 11 to 8,121 *per cent* after incurring expenditure of ₹23.51 crore, without obtaining approval of the NRRDA. Some instances wherein there was a high percentage of deviation from approved technical specification are given below.

(i) In construction of road from Ronu to Sudgar (JK 14-164) by the PIU Udhampur, Audit noticed that against work done of 49 cubic metre for filling excavated earth trenches as per drawing and technical specification, quantity of 4,028.22 cubic metre was actually executed (variation of 8,121 *per cent*).

(ii) Further, during construction of road from Channi to Pardey (JK 14-131) by PIU Ramnagar, quantity of 348.99 cubic metre for RR stone masonry laid in 1:6 mortar was executed, against work done of 9 cubic metre (variation of 3,778 *per cent*) as per drawing and technical specification.

(iii) In another case, it was seen that against work done of 140.58 cubic metre for back filling behind retaining wall abutment as per drawing and technical specification, quantity of 4,215.47 cubic metre was actually executed (variation of 2,899 *per cent*) by the PIU Budhal in construction of road from lower Planger to Badanoo (JK 12-94) in District Rajouri.

**(8) Non-installation of signboards within specified period**

- In 54 test-checked cases, no signboard giving details of the work alongwith logo of PMGSY had been erected within prescribed 15 days from the date of work order (Para 8.14 of OM).

**(9) Non-imposition of liquidated damages (LD)**

- 48 road projects<sup>110</sup> out of 254 in eight sampled Districts were awarded (October 2008 to March 2016) at a cost of ₹176.44 crore. The contractors completed the works with delay ranging between two months to six years. LD amounting to ₹17.64 crore was not imposed (April 2019) on the contractors for such delay.

**(10) Premature release of security deposit and performance security**

Out of nine sampled Districts, in 43 road projects<sup>111</sup> being executed in eight Districts, security deposit of ₹6 crore and performance security of ₹0.68 crore was released before due dates, with period ranging between one month to four years, thus giving undue favour to the contractor by releasing the security before the defect liability period.

<sup>110</sup> Jammu: 2; Udhampur: 3; Ramban: 3; Ganderbal: 6; Anantnag: 12; Baramulla: 4; Kupwara: 15 and Leh: 3

<sup>111</sup> Udhampur: 11; Ramban: 3; Rajouri: 2; Ganderbal: 6; Anantnag: 7; Baramulla: 4; Kupwara: 8 and Leh: 2

**Recommendation:** *Concerted efforts should be made to avoid delay in issuance of NIT, award of contract and ensure strict supervision of execution of road projects. The State Government should also investigate the cases of abnormal delay in execution of works by fixing responsibilities and addressing systematic deficiencies/bottlenecks, if any.*

## **2.2.9 Quality Control, Monitoring and Evaluation**

### **2.2.9.1 Schedule of Inspection**

Para 15.1 of programme guidelines envisage that maintenance of quality of the road works is the responsibility of the State Government/ Executing agencies, who are implementing the programme. For this purpose, all works should be effectively supervised. As per Chapter 2 Para 3.1 (v) of Quality Handbook of NRRDA for rural roads, the following frequency of inspection visits to site by PIU staff is recommended while the work is in progress: (a) Junior Engineer – Daily, (b) Assistant Engineer – Twice a week, (c) Executive Engineer – Once a week.

Scrutiny of records revealed that in none of the nine sampled Districts schedule of inspection to be conducted was maintained (June 2018), although the technical staff of the PIUs inspected all the sites.

The reply (March to June 2018) of the EEs that the technical staff of the division inspected the road works as and when required, is not tenable as no schedule of inspection was maintained in any of the Districts test-checked in audit.

### **2.2.9.2 Quality control register**

Para 15.1 of programme guidelines envisage that quality control registers containing the results of the tests prescribed in the quality control handbook are to be maintained for each road work by the PIU. Further, a site quality control laboratory is required to be set up by the contractor for each package and the results of various tests conducted therein are to be recorded in the quality control registers.

Test-check of records of nine sampled Districts, however, revealed that the quality control register was not maintained by the PIUs as of June 2018, although these registers containing the results of the tests were maintained by the contractors in all cases.

In reply, EEs stated (March to June 2018) that quality control registers containing the results of the tests are maintained by the contractor in the laboratory established for the projects. The reply should be seen in the light of the fact that each PIU is required to maintain its own quality control records as per the guidelines.

### **2.2.9.3 Establishment of laboratories**

As per Para 15.2 of programme guidelines, a three-tier quality control mechanism is envisaged under the PMGSY. The State Government would be responsible for the quality control structure. The primary responsibility of PIU is to ensure that all the materials utilised and the workmanship conform to the prescribed specifications. The



PIU will supervise the site quality control laboratory set up by the contractor. It shall also ensure that all the tests prescribed are carried out at the specified time and place by the specified authority. Further, Para 11.7 of OM envisage for establishment of District level laboratories for conducting accurate surveys and soil and material tests.

It was noticed during physical verification, that the contractor had established site quality control laboratories for each ongoing road projects and had maintained the requisite quality control registers in all projects. No quality tests were, however, conducted in any of the nine sampled Districts, as the laboratory equipment supplied to PIUs in seven<sup>112</sup> out of nine sampled Districts were lying idle. Some of the photographs taken during joint verification showing equipment lying idle in open are shown below.

	
<p align="center"><b>Equipment found lying idle in PIU Jammu during inspection on 06.03.2018</b></p>	<p align="center"><b>Equipment found lying idle in PIU Ramban during inspection on 09.05.2018</b></p>

In reply, EEs stated (March to June 2018) that laboratory equipments supplied are unserviceable and no equipment were supplied to three PIUs of Jammu<sup>113</sup> and Kashmir province<sup>114</sup> each. The Chief Engineer, PMGSY, Jammu stated (April 2019) that no funds were provided for establishment/ upgradation of laboratories in the Districts.

Thus, in absence of District level laboratories, execution of sub-standard works could not be addressed and the department had to rely upon various types of soil and material tests conducted by the contractor in their own laboratories.

#### **2.2.9.4 Inspection of works by State Quality Monitors and National Quality Monitors**

In the 2<sup>nd</sup> tier, at least three periodic inspections are to be carried out by State Quality Monitors (SQM) for each completed road and to test the samples of the material used in laboratories of the State Government or in laboratories of State Technical Agency (Para 15.3 of programme guidelines and Para 11.5.7 of OM).

<sup>112</sup> Jammu, Udhampur, Rajouri, Ramban, Anantnag, Kupwara and Ganderbal

<sup>113</sup> Ramnagar, Budhal and Banihal

<sup>114</sup> Leh, Baramulla and Uri

In nine sampled Districts, the required three inspections by the SQMs were carried out in only 31 out of 120 completed road projects during the review period 2013-18, 51 road projects were inspected less than the prescribed limit of 153 inspections, 35 road projects were inspected more than the prescribed limit, whereas in three road projects, no inspection was conducted by the SQM as of March 2018 (*Appendix-2.2.7*).

During the period, against 360 inspections of SQM to be conducted, 308 inspections of SQM were conducted in 120 road projects in nine sampled Districts. The action taken report of road works requiring improvement had not been produced (June 2018).

In the 3<sup>rd</sup> tier, National Quality Monitors (NQM) have to inspect the work with particular reference to quality (Para 15.5 and 15.6 of programme guidelines). They may take samples from the site and get them examined by any competent Technical Agency/ Institution. They shall also report on the general functioning of the Quality Control mechanism in the District.

Audit observed that 61 inspections were conducted during May 2011 to September 2017 by the NQM in 120 road projects.

The EEs stated (March to June 2018) that all the road works which were not found satisfactory by the SQM/ NQM were rectified and action taken report sent to higher authorities. The matter regarding non-conducting of due inspection by SQM/ NQM would be taken up with concerned authorities.

As a result of non-conducting of inspection by the SQM/NQM at prescribed stages, the quality of material used for execution of road works could not be monitored.

#### **2.2.9.5 Action Taken Report**

Out of 895 inspections conducted by the SQMs during 2013-14 to 2017-18, 492 (55 *per cent*) inspections were graded as 'Unsatisfactory' (159) or 'Required improvement' (333); for which action taken reports (ATRs) were still awaited (October 2019) from the PIUs in the State. Out of nine sampled Districts, in eight sampled Districts<sup>115</sup>, Action Taken Report (ATRs) in respect of 221 (50 *per cent*) inspections out of 439 inspections conducted was awaited from PIUs.

Further, the PIUs have to submit the ATRs to State Quality Coordinator (SQC) after a period of one month of inspection by NQM when the grading is 'Unsatisfactory' or 'Required Improvement' (Para 11.6.3 of OM).

Audit scrutiny revealed that the ATRs in respect of 34 inspections conducted by the NQM during 2013-14 to 2017-18 had not been submitted by the PIUs. In six sampled Districts, ATRs in respect of 12 inspections were awaited as of July 2019.

Thus, due to non-submission of ATRs by the PIUs, the rectification of defects pointed out by SQM/ NQM could not be addressed.

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<sup>115</sup> Except Ganderbal district

### **2.2.9.6 Evaluation of performance of SQMs**

Performance of inspections conducted by the SQMs are to be evaluated in terms of instructions of NRRDA (January 2013). As per the instructions, it was to assess the SQM on parameters like application of mind in recording observations, quality of technical observations, completeness of inspection format and see whether the forms have been filled up after appropriate testing and the quality grading abstracts and requisite number of photographs uploaded in the OMMAS.

It was noticed that performance of SQMs was not technically evaluated (June 2018) as per directions of NRRDA.

State Quality Coordinator while admitting the facts stated (December 2018) that the committee to conduct periodical performance evaluation of SQMs was not in place and came into existence in June 2018.

### **2.2.9.7 Grievance Redressal Mechanism**

As per Para 15.8 of programme guidelines, the State Quality Coordinator/ Head of PIU is the authority to receive and inquire into complaints/ representations in respect of quality of works and should give a reply to the complainant within 30 days. All complaints are to be acknowledged on receipt (giving registration number) and likely date of reply indicated. On receipt of the report, the complainant shall be informed of the outcome and the action taken/ proposed. All these records viz., acknowledgement register, action taken reports, etc. are required to be prepared.

Review of records revealed that records relating to redressal of grievances was not maintained (June 2018) as prescribed, with the result timely disposal of the complaints could not be ascertained. In none of the test-checked District, these records were maintained.

The EEs stated (March to June 2018) that instructions have been noted for compliance.

### **2.2.9.8 Joint inspections**

As per Para 15.10.1 of programme guidelines, the Superintending Engineer concerned of the zone/ region is to request the MP and Zilla Pramukh representing that zone/ region once in six months to select any PMGSY project(s) for joint inspection. The schedule of joint inspection is to be fixed as per the convenience of the MP/ Zilla Pramukh.

The Executive Engineer in-charge of a division is to request the MLA/ Chairperson of the intermediate Panchayat concerned once in three months for joint inspection of any PMGSY project(s) as per their choice and according to their convenience.

Similarly, the Assistant Engineer in-charge of the sub-division will request the concerned Sarpanch of the Gram Panchayat once in two months to select any PMGSY project(s) for joint inspection.

Scrutiny of records revealed that joint inspections as prescribed had neither been conducted nor any schedule was maintained (June 2018). Further, no requests for conducting joint inspections were made as of September 2019.

The EEs while admitting the facts gave (March to June 2018) assurance for future compliance.

#### **2.2.9.9 District Vigilance and Monitoring Committee (DVMC)/ District Development Coordination and Monitoring Committee (DISHA)**

PMGSY works are to be monitored by DVMC established by MoRD along with other Centrally Sponsored Schemes funded by GoI. The MoRD (Vigilance and Monitoring Cell) ordered (June 2016) constitution of District Development Coordination and Monitoring Committee (DISHA) to monitor all the programmes/ schemes funded by GoI with Member of Parliament as Chairman and District Development Commissioner as member secretary. DISHA of each District is required to meet at least four times in a year.

Audit noticed that requisite meetings of DVMC/ DISHA were not conducted (June 2018) in sampled Districts. Against 180 meetings to be conducted during 2013-18 in nine sampled Districts, only six meetings<sup>116</sup> were conducted (June 2018) in two Districts.

**Recommendation:** *ATRs on the rectification of defects pointed out by the SQM/ NQM needs to be addressed. A mechanism may be devised for systematic redressal of grievances. DVMC/ DISHA meetings to monitor the progress of ongoing works should be held regularly. Also, the JKSRDA may ensure setting up of laboratories at Districts.*

#### **2.2.10 Online Management, Monitoring and Accounting System**

Online Management, Monitoring and Accounting System (OMMAS) software is a prime mechanism for online monitoring and management of the scheme. JKSRDA and PIUs are responsible for ensuring uploading and updating of all relevant data in the database of relevant modules of OMMAS. The software comprised 14 modules encompassing each process of the PMGSY as indicated in the **Appendix-2.2.8**.

Scrutiny of records revealed the following:-

- Centre for Development of Advanced Computing (C-DAC) was advised (October 2014) by National Rural Road Development Agency (NRDDA) that once the figures of balance sheet on OMMAS tallied with the figures as per audited manual balance sheet, the data should be locked and in any case any correction is required, the same may be made in the ensuing financial year by way of transfer entry. Scrutiny of records for the period 2013-17 revealed that the figures in these balance sheets did not tally. Balance Sheet reports generated through OMMAS showed 'Un-reconciled Bank authorisations' ending March 2018 to the tune of ₹22.77 crore and Un-reconciled Programme Fund transferred to PIUs amounting

<sup>116</sup> Jammu: 4; Rajouri: 2

to (-) ₹500.15 crore. This indicated that even after the implementation of OMMAS module for more than 18 years, JKSRRDA was still in the process of updating of Receipt and Payment module which shows lackadaisical approach towards implementation of the system. Examination further revealed that there was huge variation between the figures of expenditure on new roads completed/ in-progress, up-gradation roads completed/ in-progress uploaded on OMMAS and the figures of expenditure as reflected in balance sheets of the JKSRRDA, duly audited by Chartered Accountant as detailed in **Appendix-2.2.9**. Also, there was mis-match in the figures of habitations as per State data vis-a-vis figures of habitations uploaded on OMMAS. As against 2,738 habitations reported as unconnected by JKSRRDA as of April 2000, 2,493 habitations<sup>117</sup> were shown as unconnected on OMMAS. Further, an amount of ₹557.96 crore incurred on land acquisition had not been uploaded on OMMAS as of March 2018 as new sub-head 'Acquisition of Land' was not opened under the Head 'Construction of new Roads' despite advised by the NRRDA.

- The Information Technology Nodal Officer is responsible for monitoring the progress of data entry at PIU level, supervise bulk data entry and other IT related functions of the State. Audit observed that neither monthly MIS reports were submitted (September 2018) to the Empowered Officer of JKSRRDA, nor quarterly MIS Reports generated at DPIUs and forwarded to IT Nodal Officer. Audit further noticed that arrangements for net connectivity, uninterrupted power supply using UPS/ inverters were not available in all the sampled Districts/ PIUs. Further, an amount of ₹26.10 lakh released by NRRDA for procurement of computer hardware could not be utilised as of March 2018. In reply, IT Nodal Officer stated (April 2019) that now MIS reports are being submitted to empowered officer for monitoring of physical progress on daily basis.
- Perusal of expenditure and physical achievement intimated by JKSRRDA, IT Nodal officer and those uploaded on OMMAS did not match with each other as shown under.

**Table-2.2.12: Variation in figures of expenditure and physical achievement**

Year	As per OMMAS		JKSRRDA	As per information furnished by IT Nodal Officer		
	Habitations connected	Road length (in Km)	Expenditure (₹ in crore)	Expenditure (₹ in crore)	Road length (in Km)	Habitations connected
2013-14	165	866.21	508.29	534.17	891.79	189
2014-15	123	858.83	422.73	422.73	934.66	132
2015-16	110	789.86	282.47	258.39	488.11	85
2016-17	240	1,785.16	320.91	296.56	428.60	87
2017-18	152	1,804.54	716.00	709.44	1,429.34	226
<b>Total</b>	<b>790</b>	<b>6,104.60</b>	<b>2,250.40</b>	<b>2,221.29</b>	<b>4,172.50</b>	<b>719</b>

(Source: Departmental records)

<sup>117</sup> 1000 persons and above: 574; 500 persons and above: 886 and 250 persons and above: 1033



Variation in figures of expenditure vis-a-vis physical achievement was not clarified by the department.

**Recommendation:** *Deficiencies in the operationalisation of OMMAS needs to be rectified so that it may serve as an effective tool for monitoring and decision making, as envisaged.*

### **2.2.11 Manpower Management**

At the State level, against the sanctioned strength of 853 technical staff, there were 673 officers/ officials leaving a shortage of 180 posts (21 per cent). In respect of non-technical staff, there was a shortage of 494 posts (57 per cent) under various categories vis-a-vis the sanctioned posts.

In sampled Districts, against the sanctioned strength of 366 technical staff (EE, AEE, AE, JE, DM), there were 311 officers/ officials leaving a shortage of 55 posts (15 per cent). In respect of non-technical staff, there was a shortage of 140 posts (47 per cent) vis-a-vis the sanctioned posts. In rural Districts the shortage in technical staff was in the range of 26 to 58 per cent. The position of technical staff in urban District was excess (77 per cent) as the effective strength was 46 against the sanctioned 26 posts.

The Chief Engineer PMGSY Jammu stated (April 2018) that there is shortage of ministerial/ technical staff in the department to cope up with the heavy work load. The matter regarding shortage of staff had been discussed at Government level and it was decided that vacancies would be filled up. The EEs of rural Districts stated that the shortage of staff under Technical cadres and ministerial Group 'C' has been appraised to the higher authorities time and again. The deficit under these cadres effected implementation of the programme. The EE Jammu stated (April 2018) that excess manpower in various cadres posted in the division were on the instructions of the higher authorities.

**Recommendation:** *Considering the skewed deployment of excess manpower in urban areas and shortage in rural areas, the Government may ensure immediate rationalisation of manpower by identifying surplus staff so that adequate resources are available in the field.*

### **2.2.12 Conclusion**

The basic records for preparation and approval of DRRP from various agencies were not maintained. Prioritisation and execution of road projects were not as envisaged in CNCPL/ CUPL. The department could construct 60 per cent of the targeted road length by providing connectivity to 76 per cent of habitations as of March 2018. Forty six road projects sanctioned between May 2008 and August 2016 remained incomplete due to land dispute and non-clearance of forest land. None of the 254 road projects test-checked in nine sampled Districts was administratively approved and technically sanctioned by the competent authority. Tenders were invited in respect of works without being technically sanctioned and there was abnormal delay in

completing the bidding process. There were huge unutilised balances in the range of ₹128 crore to ₹1,046 crore in the programme funds during 2015-18, resulting in short release of ₹1,494.60 crore by the GoI. State Government also did not release its due share of ₹97 crore. Rural Road Maintenance policy for maintenance of PMGSY roads was not formulated by the State. The monitoring and quality control system of the programme did not function as envisaged in the guidelines. Monitoring was ineffective due to inconsistencies in data in OMMAS.

The matter was referred to the Government in September 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).





**Chapter-III**  
**Compliance Audit**



## CHAPTER-III

### COMPLIANCE AUDIT

#### Agriculture Production Department

#### 3.1 Research and Development activities in Sher-i-Kashmir University of Agricultural Sciences and Technology, Jammu

The University did not develop any hybrid seed (except one single cross hybrid variety of Maize) despite incurring an expenditure of ₹16.08 crore on 'All India Coordinated Research Projects (AICRPs)' for five food crops. Sher-i-Kashmir University of Agricultural Sciences and Technology, Jammu did not maintain effective seed production chain for making quality seed available to farmers as against the demand of 2,62,207 quintals of breeder/ foundation seeds by the State Agriculture Department during 2014-18, University could produce only 5,126.69 quintals. Rakh Dhiansar Centre established to carry out research on dryland agriculture did not transfer any technology for increasing the production and productivity of dryland areas despite an expenditure of ₹6.99 crore under the project during 2008-09 to 2017-18. Monitoring by the Project Monitoring and Evaluation (PME) wing was almost non-existent as the University had not maintained database of number of projects submitted to the funding authorities, number of projects approved/ rejected and the research papers published out of the concluded projects and their impact till audit intervention. Against eight mandatory meetings of the Research Council to be held during 2014-18, only three were held.

#### 3.1.1 Introduction

Jammu and Kashmir is primarily an agrarian State with nearly 70 per cent of its population<sup>1</sup> deriving its livelihood directly or indirectly from agriculture and allied activities. Sher-i-Kashmir University of Agricultural Sciences and Technology (SKUAST), Jammu was established on 20 September 1999 with the objectives of furthering the advancement of learning, agriculture research and undertaking extension of such sciences. Provisions of the University Act 1982 envisage that the University has to develop its programme of research keeping in view the needs of the State and provide appropriate technical support and consultative advice to the Government departments engaged in the development work in agriculture, animal husbandry and other allied sectors. Research in the University is being carried out by the faculties of various departments<sup>2</sup> and scientists working at eight research stations (*Appendix-3.1.1*) spread over different agro-climatic zones of Jammu division. Research Council is responsible for overseeing research activities of the University. The role of SKUAST is very significant for development of modern method of agriculture and allied sciences and for improving the economic status of the people of the State.

<sup>1</sup> Digest of Statistics of the State (2015-16)

<sup>2</sup> 13 divisions under faculty of agriculture, 17 divisions under faculty of veterinary science and animal husbandry and 4 divisions under faculty of basic science and 2 schools of bio-technology and agri-business management

Audit on the research and development activities in the field of agriculture and allied sectors undertaken by the University was conducted during December 2017 to August 2018 through detailed examination of 20<sup>3</sup> out of 98 ongoing projects<sup>4</sup> and 23 out of 70 completed/ abandoned projects during 2014-18, selected on a random sampling basis. The details of long term/ *ad hoc* ongoing research projects prior to March 2014, projects taken up and completed during 2014-18, along with the name of the funding agency is given in the **Appendix-3.1.2**. The organogram of the University is given in **Appendix-3.1.3**.

### **3.1.2 Financial management**

The position of grants received from State Government and Indian Council for Agricultural Research (ICAR) for specific schemes/ projects and income accrued to the University by way of Internal Receipts (IR)<sup>5</sup> during the period 2014-18 and expenditure incurred there-against was as under:

**Table-3.1.1: Position of receipts and expenditure during 2014-18**

(₹ in crore)

Particulars	Year-wise breakup <sup>6</sup>					
	2014-15	2015-16	2016-17	2017-18	Total	
<b>Opening Balance</b>	<b>43.59</b>	<b>46.64</b>	<b>55.72</b>	<b>58.95</b>		
<b>Grants received</b>						
State Government	Plan	11.21	15.29	15.00	12.00	53.50
	Non-plan	61.21	64.25	70.50	83.59	279.55
Indian Council for Agricultural Research		25.30	20.57	24.80	27.78	98.45
Internal Receipts		9.79	9.54	6.26	6.02	31.61
<b>Total receipts</b>		<b>107.51</b>	<b>109.65</b>	<b>116.56</b>	<b>129.39</b>	<b>463.11</b>
<b>Total availability</b>		<b>151.10</b>	<b>156.29</b>	<b>172.28</b>	<b>188.34</b>	
<b>Expenditure incurred</b>						
State Government	Plan	15.26	5.38	9.08	9.25	38.97
	Non-plan	58.84	63.98	71.62	80.92	275.36
Indian Council for Agricultural Research		23.72	24.30	26.63	24.90	99.55
Internal Receipts		6.64	6.91	6.00	5.95	25.50
<b>Total</b>		<b>104.46</b>	<b>100.57</b>	<b>113.33</b>	<b>121.02</b>	<b>439.38</b>
Salaries		54.65 (52)	67.16 (67)	68.52 (60)	71.39 (59)	261.72 (60)
Projects		14.53 (14)	21.14 (21)	23.25 (21)	20.67 (17)	79.59 (18)
Others		35.28 (34)	12.27 (12)	21.56 (19)	28.96 (24)	98.07 (22)
<b>Closing balance</b>		<b>46.64</b>	<b>55.72</b>	<b>58.95</b>	<b>67.32</b>	
<b>Percentage of utilisation to total availability</b>		<b>69</b>	<b>64</b>	<b>66</b>	<b>64</b>	
<b>Percentage of savings under Plan Head</b>			<b>65</b>	<b>39</b>	<b>23</b>	

(Figures in the parenthesis is percentage of total expenditure incurred)

(Source: Records of Comptroller office)

<sup>3</sup> Including one abandoned project regarding 'Establishment of mother plant nurseries for high pedigree plant material for fruit crops (Funded by National Horticulture Board)

<sup>4</sup> Agriculture: 81; Veterinary: 13 and Horticulture/ Floriculture: 4

<sup>5</sup> Academic fee, sale proceeds of farm produce, etc.

<sup>6</sup> Accounts for the years 2016-17 and 2017-18 were not certified by the Chartered Accountant

During 2014-18, there was excess expenditure of ₹1.10 crore under ICAR grants which was met out of internal resources. The overall under-utilisation of funds during 2014-18, however, ranged from 31 to 36 *per cent* indicating budget gaps. Of total expenditure of ₹439.38 crore during 2014-18, 60 *per cent* was incurred on salaries, 18 *per cent* on implementation of projects and the balance 22 *per cent* on travel expenses, pension payments, gratuity and other contingent expenditure. The expenditure on projects had shown increasing trend from 14 *per cent* in 2014-15 to 21 *per cent* in 2016-17 and decreased to 17 *per cent* in 2017-18, whereas expenditure on salaries had decreased from 67 *per cent* in 2015-16 to 59 *per cent* in 2017-18.

The under-utilisation of funds was attributed (September 2018) by the Comptroller to transfer of funds at the fag end of each year. Reply is not tenable as the funds received do not lapse at the close of each year and unspent balances are carried forward to next financial year. Besides, there were savings ranging between 23 to 65 *per cent* during 2015-16 to 2017-18, under plan head of expenditure.

### 3.1.3 Research policies and programmes

The Research Council (RC) of the University<sup>7</sup> is mandated to oversee research programmes carried out in the University, make recommendations in respect of research programmes and projects undertaken and orient research to meet farmers needs. The Extension Education Council (EC)<sup>8</sup> is mandated to integrate extension education with research. The University Council (UC)<sup>9</sup> being the apex body, reviews the policies and programmes of the University and advises in regard to its future plans, development and expansion. The Zonal Research and Extension Advisory Committee (ZREAC)<sup>10</sup> discusses the adoption and feedback of recommendations of concluded projects besides deliberation on the researchable areas on the basis of problems encountered in field. A systematic flow in selection of the projects is given in *Appendix-3.1.4*.

In order to ensure taking up of need based and relevant projects, the RC in its meetings (May 2011, September 2013) had recommended creation of a committee for reviewing project proposals. The committee was set up only in November 2018 after a lapse of seven years from the date of initial recommendation. The project proposals were being forwarded by the respective Principal Investigators (PIs) directly to the

<sup>7</sup> Comprising of Vice Chancellor (VC) as its ex-officio Chairman, Directors of Agriculture, Horticulture, Sheep Husbandry, Fisheries, Chief Conservator of Forests, all Directors of University with Director Research as its Member Secretary, all deans of faculties, all HoDs/ Regional Research Stations and two scientists of eminence to be nominated by VC, etc.

<sup>8</sup> Comprising of Vice Chancellor as its ex-officio Chairman, Directors of Agriculture, Horticulture, Sheep Husbandry, Fisheries, Chief Conservator of Forests, all Directors of University with Director Research as its Member Secretary, all deans of faculties, all HoDs/ Regional Research Stations and two scientists of eminence to be nominated by VC, etc.

<sup>9</sup> Comprising of the Chancellor, Pro Chancellor, Agriculture Minister of the State, Vice Chancellor of the University concerned, Vice Chancellor of any other University, etc.

<sup>10</sup> Comprising of the Vice Chancellor, Directors and representatives of Development Departments, Director of Research, Director of Extension Education, crop and subject matter specialists, Progressive farmers, HoDs, dean of faculties, etc.

funding agencies and not routed through Directorate of Research for assessment of need/ relevance. As such, there was no mechanism for assessing viability/ suitability of projects.

Further, against eight mandatory meetings required to be conducted by the RC during 2014-18, the RC had met only thrice<sup>11</sup>. This resulted in inadequate follow up on the recommendations of RC and the researchable issues raised by various line departments<sup>12</sup>. University was not able to address 28 out of 30 issues highlighted by the line departments during various meetings of RC between 2011-12 and 2017-18. Further, 33 out of 67 issues highlighted by the line departments during various meetings of EC and ZREAC remained pending. The pending issues *inter alia* included development of hybrids, climate/ disease resistant varieties of various food crops, genetic characterisation of local breeds, soil testing and mineral mapping, degradation of pastures for fodder, etc. as detailed in **Appendix-3.1.5**.

The University council had identified (2012) 14 researchable areas (**Appendix-3.1.6**), of which, work on 7 important issues<sup>13</sup> viz. (i) establishment of germplasm bank and development of genetically modified/ transgenic crops, (ii) establishment of climate change research and remote sensing unit, (iii) improvement of local breeds of buffalo through embryo transfer technology, (iv) establishment of database on Bakerwali goats, (v) Toxicological studies of currently used pesticides, (vi) genotyping of animals for disease resistance and enhancing meat and milk production and (vii) collection and digitisation of information about natural resources at district level using GIS and remote sensing technique, had not been initiated as of February 2019. Project proposals on six of the issues had not been submitted and deliverables from the projects undertaken between 2012-13 and 2014-15 on three of the issues<sup>14</sup> were not found achieved. The balance projects covering rest of the four issues<sup>15</sup> were partially in operation at various divisions of the University due to various reasons, compilation of results of which were under scrutiny as of April 2019. Due to non-taking up/ partial execution of these projects, the University could not deliver on its mandate of providing adequate technical support to the farmers of the State and develop modern methods of agriculture/ veterinary by way of genetic improvement of food crops/ live stock and other technological interventions.

In reply, the Co-ordinator, School of Bio-technology (SBT) attributed (June 2018) non-initiation of seven projects to non-receipt of funds and non-existence of necessary infrastructure recommended (September 2017) by the University bio-safety committee.

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<sup>11</sup> 15<sup>th</sup> meeting of RC: November 2015; 16<sup>th</sup> meeting of RC: March 2017 and 17<sup>th</sup> meeting of RC: March 2018

<sup>12</sup> State Government Departments engaged in development works in agriculture, horticulture, floriculture, animal husbandry and veterinary

<sup>13</sup> As detailed in the Appendix-3.1.6 from Sl. No. 1 to 7

<sup>14</sup> (i) Development of database for forewarning of pests and diseases; (ii) Study of impact of deficit rains on agriculture and allied sectors and (iii) Establishment of animal disease monitoring and surveillance Lab., as detailed in the Appendix-3.1.6 from Sl. No. 8 to 10

<sup>15</sup> As detailed in the Appendix-3.1.6 from Sl. No 11 to 14

The Director Finance, Agriculture Production Department, Government of J&K stated (February 2019) that the projects are on the cards and would be taken up on receipt of funds. The fact, however, remains that the decision of the RC for creation of Committee was implemented after a lapse of more than seven years. Similarly, project report for establishment of germplasm bank was submitted (March 2018) to Agriculture Production Department after a lapse of more than five years from its identification.

### 3.1.4 Implementation of research programmes

The research projects were undertaken mainly for development of high yielding variety and hybrid seeds, horticulture, plant protection, dryland agriculture and introduction of new technologies for improved practices in the field of agriculture and allied sciences. As of March 2018, there were 98 ongoing projects which included 32 long term projects and 66 short term/ *ad hoc* projects. Deficiencies in implementation of programmes are discussed in subsequent paragraphs:

#### 3.1.4.1 Research on food crops

Sustained increase in agricultural production and productivity is dependent to a large extent on development of new and improved varieties of crops and an efficient system for timely supply of seeds to farmers.

To develop Hybrid/ High Yielding Variety (HYV) nutritionally superior seeds of suitable crop varieties with inbuilt resistance/ tolerance to biotic and abiotic stresses, SKUAST Jammu undertook (1995-2012) 'All India Coordinated Research Projects' (AICRPs) for five food crops<sup>16</sup>. The University spent ₹16.08 crore (ICAR: ₹13.10 crore; State Share: ₹2.98 crore) on the projects during 2008-09 to 2017-18.

Audit noticed that no hybrid seeds of these five food crops (except one single cross hybrid variety of Maize<sup>17</sup>) could, be developed, as of February 2019. The University, overall developed 27<sup>18</sup> HYV of seven food crops between 1999 and 2017, out of which only six varieties<sup>19</sup> had been notified between 2011 and 2015 by State/ Central Government for cultivation under different climatic conditions, 19 varieties<sup>20</sup> released between 2005 and 2017 were pending notification as of December 2018 and seed/ pedigree and method of selection in respect of the balance two varieties of wheat was not available. These HYV seeds of crops released/ developed by the University had, however, no impact on the agricultural status of the State, as none of the varieties were in the seed chain of the State, except for three varieties of oil seeds<sup>21</sup> and one variety of vegetable<sup>22</sup> released between 2005 and 2014. This was due to lower preference of University released varieties in field over those available from Central

<sup>16</sup> Rice, Wheat, Maize, Rapeseed/ Mustard and Chickpea

<sup>17</sup> PHM 12

<sup>18</sup> Rice: 4; Wheat: 5; Maize: 2; Oilseeds: 8; Pulses: 1; Vegetable: 6 and Fruit: 1

<sup>19</sup> State release: 5 varieties (Rice: 1; Maize: 1; Wheat: 1; Oilseed: 1 and Vegetable: 1) and National release: one variety of Rice

<sup>20</sup> Oilseeds: 7; Rice: 2; Wheat: 2; Pulses: 1; Maize: 1; Fruit: 1 and Vegetables: 5

<sup>21</sup> RSPT1; Toria RSPT2; Gobi sarsoon RSPN25

<sup>22</sup> Knol Khol G40



pool and non-promotion/ introduction of new varieties in the farming community due to inadequate production of breeder seed of these varieties as confirmed (June 2018) by the Department of Agriculture (DoA). Audit noticed that breeder seeds of released varieties of Maize<sup>23</sup> and chickpea<sup>24</sup> were not produced at all, whereas meager quantities of rice, wheat and oilseeds totaling 2.70 quintal, 51 quintal and 2 quintal respectively were produced during 2013-14 to 2017-18. Thus, the University had not aligned its research programmes to the need of the State.

On being pointed out, it was stated (June 2018) by the in-charge AICRPs that the DoA was meeting the demand of seed by procuring seed of Nationally released varieties from other States, resulting in non-inclusion of University varieties in seed chain. It was further stated (July 2018) by Head of the Department of Plant Breeding and Genetics that location of Jammu, made it easy for procurement of Nationally released varieties and its distribution by the State agencies. Nodal Officer, Project Monitoring and Evaluation (PME) Cell added (May 2018) that post-release of any variety, promotion through seed projection, depends upon indent and test demand projected by farming community. The replies are a confirmation of lesser preference for varieties produced by the University in farming community, as communicated (May 2015)<sup>25</sup> by the DoA to the University.

#### **3.1.4.2 Seed production**

To supplement the efforts of seed agencies to enhance seed replacement rate and fast spread of high yielding new varieties/ hybrids, a mega seed project on ‘Seed Production in Agricultural Crops and Fisheries’ was approved by ICAR during 10<sup>th</sup> Plan (2005-07) which continued in 11<sup>th</sup>, 12<sup>th</sup> and 13<sup>th</sup> Plan (2007-20). An expenditure of ₹5.37 crore was incurred on seed production under the project since its implementation (April 2006) in the University, as of March 2018.

Targets vis-a-vis achievements in production of breeder seed of major cereals of Rice and Wheat during the years 2014-15 to 2017-18 is tabulated below.

**Table-3.1.2: Targets and achievement in respect of production of breeder seeds (Rice and Wheat)**  
(Figures in quintals)

Year	Target	Achievement	Shortfall (in per cent)
2014-15	87	17	70 (80)
2015-16	119	7	112 (94)
2016-17	93	121	-
2017-18	107	132	-

(Source: Annual Reports of mega seed project)

As could be seen that there was a shortfall of 80 per cent and 94 per cent in production of breeder seed of major cereals of Rice and Wheat during the years 2014-15 and 2015-16, whereas the achievement exceeded the targets during 2016-17 and 2017-18.

<sup>23</sup> PHM 12

<sup>24</sup> SCS 3

<sup>25</sup> Zonal Research and Extension Advisory Council Kharif 2015 meeting

The University also produces foundation and certified seed on the basis of indent placed by the DoA. Audit observed that the University did not produce the required amount of seed indented by the DoA and against a total demand of 2,62,207 quintals of breeder/ foundation seed for varieties during the period 2014-18<sup>26</sup>, it could produce only 5,126.69 quintals (2 per cent) during the period (**Appendix-3.1.7**). Thus, SKUAST, Jammu did not maintain adequate seed production chain for making quality seed available to farmers. Further, out of 5,126.69 quintals of Paddy/ wheat seeds produced during 2014-18, 1,048.70 quintals of seed were sold as consumption grain due to non-lifting of indented varieties by the State Agriculture Production Department, resulting in loss of ₹21.01 lakh. The University had not safeguarded its interests by way of any agreement with the DoA so that it could be compensated for any losses incurred due to non-lifting of indented varieties.

While accepting the audit contention and realising the importance of establishing a strong seed chain mechanism, the Associate Director Research attributed (May 2018) the shortfall in production of various categories of seed to non-availability of breeder seed from the concerned breeders. Non-meeting of indented quantity of seed was further attributed (July 2018) by the University to non-availability of sufficient land.

Thus, the University failed to achieve its objectives in regard to availability of adequate number of breeder seeds. Therefore, there is an urgent need to examine and address the issue so that the quantity and quality of seeds could be enhanced optimally for the effective use by farmers.

### 3.1.4.3 Research on dryland agriculture

In order to cater to the technological requirements of rainfed areas of Jammu region, the University is carrying out research on dryland agriculture at one of its Research stations<sup>27</sup>. The Research Centre is operating on a long term externally funded Project<sup>28</sup> since 1972. An expenditure of ₹6.99 crore (ICAR: ₹5.24 crore; State Share: ₹1.75 crore) was booked under the project during 2008-09 to 2017-18.

Records showed (May 2018) that neither any drought resilient varieties nor any technologies for dryland farming could be developed by the Research Centre due to lack of planning and monitoring at the Directorate level. Recommendations based on concluded experiments conducted as per the technical programme of ICAR were yet to be passed on to the Directorate of Extension for publication and wider dissemination among the farmers community as of February 2019, except for results of three On Farm Trials (OFTs<sup>29</sup>) which were passed on to the Extension wing in April 2018. Thus, the Research Centre had not been able to transfer any technology for the benefit of dryland farmers since its inception.

<sup>26</sup> Excluding the demand of Kharif breeder seeds for the year 2017-18

<sup>27</sup> Rakh Dhiansar established in 1974 (upgraded to Advanced Centre for Rainfed Agriculture in 2015)

<sup>28</sup> All India Coordinated Research Project on Dryland Agriculture (AICRPDA)

<sup>29</sup> Evaluation of bio-pesticidal management strategies for mustard aphid, integrated management of wilt of chick-pea, Mustard aphid management through organic and inorganic plant nutrition

In reply, it was stated (May 2018) by Nodal Officer, PME Cell that development of drought resistant varieties was in progress in lentil and chickpea and was likely to be released in next two to three years. As regards development of rainfed technologies, it was stated that various technologies were at different stages of development and would be available after consolidation and validation through OFTs.

The fact, however, remained that no package of practices was available (February 2019) for increasing the production and productivity of dryland areas, despite the Centre being in operation since long, thereby not meeting the technological requirements of the farmers of the State.

#### **3.1.4.4 Abandoned projects**

Implementation of the project, its progress in terms of technical and physical achievement is entirely dependent on periodical monitoring either through an external expert or mid-course correction made on the basis of constraints faced during implementation.

Audit noticed that 5<sup>30</sup> out of 43 test-checked projects were foreclosed or left mid-way due to lack of timely action for procurement of equipment, frequent change in Principal Investigator (PI)/ non-transfer of projects to Co-PIs, delayed execution and non-release of funds due to non-submission of Utilisation Certificates, etc. Against the estimated cost of ₹166.56 lakh, an expenditure of ₹89.29 lakh was incurred on these projects between 2008 and 2017 and an unspent balance of ₹22.24 lakh on one project had to be refunded to the funding agencies. These cases are tabulated in the *Appendix-3.1.8*.

Had the University closely monitored the projects and made mid-course corrections to overcome the constraints identified, the abandonment of projects could have been avoided.

#### **3.1.4.5 Non-integration of research results in core breeding programme**

(I) The departments of Plant Breeding/ Genetics (PB&G) and Biotechnology are mandated to breed improved varieties in food crops and provide high throughput technological interventions to resolve problems relating to agriculture respectively. For application of biotechnological interventions, there should be close co-ordination between bio-technology scientists and respective crop breeders.

The University undertook eight projects on biological interventions for gene discovery for biotic, abiotic and quality traits in various crops of which, four projects on *niche* crops of the region (Rice and Rajmah) were completed between 2006 and 2016 at a cost of ₹62.04 lakh, against the estimated cost of ₹64.94 lakh (*Appendix-3.1.9*). Audit observed that due to lack of co-ordination between scientist of bio-technology and respective crop breeders, outcomes of these projects in the shape of improved genotypes, promising lines and set of differentially expressed genes had not been integrated by PB&G into its core breeding programme to develop

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<sup>30</sup> Two projects involving basic research and three are of applied nature

new varieties with improved traits. As such, the long term benefits/ expected outcomes of developing new varieties by incorporating desired traits could not be achieved through these interventions as of February 2019.

In reply, it was stated (June 2018) by Co-ordinator, School of Bio-technology that crossing programmes have been initiated for development of mapping populations of draught resistant genotypes and further process of registration of lines with good quality traits would be carried out in near future. It was further stated that release and commercialisation of potential genotypes need proper testing and some of the potential genotypes would be nominated for testing at National level.

The Director Finance, Agriculture Production Department, Government of J&K stated (February 2019) that developing of new varieties is a time consuming process, results of which may not accrue immediately, although, two varieties of Rajmah are in pipeline for release.

(II) With the objectives of establishment of procedure of synchronisation, superovulation, embryo collection, freezing and thawing of embryos in sheep for standardization of protocol for producing elite off-springs through embryo transfer, a collaborative project was taken up in October 2010. The project though completed (March 2015) at a cost of ₹83.98 lakh, the technology for embryo transfer was not further utilised for upgradation of local livestock for which there was a constant demand from the concerned department, so as to decrease reliance on import of meat from outside the State which stood at 895.17 lakh Kgs during the last five years.

The Nodal Officer stated (July 2018) that as a step forward towards in vitro embryo transfer technology, a detailed project on IVF technology would be submitted for funding. However, the fact remains that the DPR was yet to be framed by the concerned scientist as intimated (February 2019) by the Director Finance, Agriculture Production Department, Government of J&K.

### 3.1.5 Patent rights for inventions and discoveries

As per the policy framework document of ICAR for intellectual property management and technology transfer/ commercialisation, Intellectual Property Right (IPR) protection through patents, plant variety protection and other forms has been recognised as an efficient tool for enhancing the quality of agricultural research.

IPR cell constituted (March 2016) by the University with the objectives of creation of competition among scientists to generate competitive agricultural technologies, awareness for protection of plant varieties and faster transfer of technologies was yet to come up with any IPR policy. None of the varieties of different food crops released by the University had been got registered with plant authorities<sup>31</sup> under the Protection of Plant Varieties and Farmers Rights (PPVFR) Act, 2001 as of December 2018. Patents filed (between July 2013 and February 2014) in respect of four inventions<sup>32</sup>

<sup>31</sup> Authority created under Section 3(1) of PPV&FR Act 2001 with the objectives of protection of plant varieties, rights of breeders and to increase the development of new varieties

<sup>32</sup> Reduced fat Fereen Mix, Meat biscuit mix, Meat snacks mix, Shelf stable pickled Kalari

were stated to be under examination in the Patent Office of GoI, as of July 2018. Neither could any patents be filed in respect of two agro-engineering based projects<sup>33</sup> completed (December 2015/ 2016) at a cost of ₹36.14 lakh, nor were the prototypes developed transferred to the line departments for propagation amongst the end users due to delay in evaluation and lack of response from agricultural institutes and departments to whom literature and brochure stated to be distributed (March 2018) by the commercial partner. Thus, none of the technologies/ prototypes developed by the University could be patented so far.

In reply, it was stated (March 2018) by the PI that over the time of development of the product, almost similar type of instruments had been developed and since a publication had been made in respect of the project, the product could not be patented. In respect of other project, it was stated (May 2018) that the results shall be evaluated after which patent right shall be applied and technology would be transferred to beneficiaries. The Director Research stated (October 2019) that the agro-engineering based machine needs further improvement to suit all models of tractors before promotion on commercial scale. The fact, however, remained that the technology having been developed in December 2016 would get obsolete with the passage of time and there was every possibility of development of similar technology by other institutions as in the case of former project.

### **3.1.5.1 Transfer of technology from laboratory to fields**

For gainful utilisation of outcomes of research, it is imperative that there is transfer of technology from laboratory to fields for the benefit of farmers. As per Section 31 of University Act 1982, the Directorate of Extension Education is mandated to undertake agricultural extension activities in the State necessary to inform and demonstrate to the farmers, the findings of the research on improved practices, essential to improve rural living. Technologies generated through research are included in the package of practices published by the Directorate.

Inadequacies noticed in transfer of results of research in respect of concluded projects to the Directorate of Extension/ line departments for further dissemination to end users are discussed below:

- Out of 23 sampled completed projects (including 4 abandoned projects), the end results of research/ recommendations in respect of 11 projects were to be passed on to Directorate of Extension for further dissemination to farmers. However, the end results of research/ recommendations were passed in respect of two projects only.
- University had not published any package of practices in the field of Veterinary sciences, though seven projects (*Appendix-3.1.10*) with a budget of ₹116.25 lakh involving research on animal/ Zoonotic diseases/ Indigenous Technical

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<sup>33</sup> 'Design and development of tractor operated soil compaction measurement device' and 'Development and evaluation of automatic timer based variable speed device for sprinkler system'

Knowledge were concluded between 2011-17. Out of eight technologies<sup>34</sup> stated to be developed by the University, only one technology regarding Embryo Transfer technology in Sheep had been passed on to the line departments (February 2019).

- For phenotypic/ molecular characterisation of local indigenous breeds of Poonchi sheep/ Bakerwali goat and its conservation so as to ensure sustainable use of animal genetic resources and create public awareness regarding its importance, two network projects titled 'Characterisation of Bakerwali goat and conservation and characterisation of Poonchi sheep' funded by ICAR were taken up by the University during 2014-15. Recommendations on conservation/ characterisation of these breeds arising out of the projects completed (November 2016/ March 2017) at a cost of ₹57.09 lakh had not been shared with the Directorate of Sheep Husbandry as of March 2018.

In reply, the Associate Director Extension, Krishi Vigyan Kendras (KVKs) stated (June 2018) that technologies generated through research in case of agricultural engineering, livestock, fisheries and home science disciplines were very less. The Director Finance, Agriculture production Department, Government of J&K further stated (February 2019) that whenever results in these fields are received, it would be passed on to the KVKs for its revalidation.

### 3.1.5.2 Impact evaluation of research

The accreditation board of ICAR during accreditation of the University for a period of five years (November 2016), directed (December 2011) the University to assess the impact of research in quantitative and socio economic terms.

Audit, however, observed (May 2018) that no impact assessment of research had been carried out, except on integrated pest management through two projects<sup>35</sup> (April 2017) by the Directorate of Extension Education. It was further observed that no Cell, though decided (2014) by the University Council<sup>36</sup> to be created for carrying out the outcome analysis of University released crop varieties on suitability, acceptance and impact in increasing the productivity and production existed as of April 2019.

A monitoring and evaluation committee for qualitative assessment of research projects had been formed (February 2017). However, the committee met only once (December 2017) since its inception and had neither evaluated any concluded project nor given any recommendations. As a result, the effects of research and the extent to which the goals and objectives were achieved could not be assessed.

<sup>34</sup> (i) Condensed tannins enriched multi nutrient blocks for animals (ii) Soya based extender and use of various semen additives for cryopreservation of cattle and buffalo semen (iii) Functional feed block for livestock productivity enhancement (iv) Development of cost-effective technologies for management of mastitis in dairy animals (v) Establishment of early diagnostic markers for diagnosis of bovine mastitis (vi) Detections of acaricide resistance in ticks (vii) Embryo transfer technology in sheep and (viii) Assessment of economic loss caused by *przhevalskiana silenus* infestation in goats of Jammu region and development of cost effective treatment regimen

<sup>35</sup> 'Impact of integrated pest management of vegetable on pesticide use in sub-tropical Jammu' and 'Impact evaluation indicators of an integrated pest management programme in vegetable crops in sub-tropics of Jammu and Kashmir'

<sup>36</sup> In 12<sup>th</sup> University Council meeting held (2014) under the Chairmanship of the Chancellor



In reply, Director Research stated (October 2019) that monitoring and evaluation committee is framed every year and also provided the copies of monitoring reports issued to the concerned PI after May 2019. The fact remains that the monitoring was initiated only after audit intervention.

### **3.1.5.3 Under utilisation of research resources**

Effective utilisation and management of resources is imperative to avoid their idling. Three of the test-checked completed projects required setting up of laboratories for furtherance of the objectives of the projects. Audit observed that there was sub-optimal/ under-utilisation of infrastructure/ equipment/ assets created out of research projects in all the three projects, as detailed in subsequent paragraphs:

(I) For promotion of organic farming so as to reduce the dependence on synthetic chemicals causing soil, water and air pollution and creating health related problems in human beings and animals, Bio-control Lab was set up (2014) at a cost of ₹90 lakh under Centrally Sponsored Scheme 'Mission for Integrated Development of Horticulture (MIDH)'. However, mass production and distribution of bio-agents to cater to the needs of farmers could not be taken up due to inadequate provisioning for recurring contingencies to meet cost of inputs, chemical reagents and manpower, resulting in under-utilisation of equipment purchased at a cost of ₹18.16 lakh. The fact of non-production of the bio-agents and sub-optimal utilisation of facilities was also confirmed during joint visit (March 2018) to the laboratory.

The Director Finance, Agriculture Production Department, Government of J&K stated (February 2019) that the production of beneficial microbes has to be strictly in tune with the demand received from various sources as these products cannot be stored for a long period. The reply is against the spirit of Memorandum of Understanding entered (December 2014) with Directorate of Horticulture, envisaging free distribution of fungal and bacterial bio-control agents to the farmers and field functionaries of the Directorate to enrich the plant growth. Besides, operation of lab through financial support from Directorate of Research proposed (February 2019) by the University due to non-feasibility under PPP indicated absence of a firm decision for viable and sustainable operation of the lab to achieve its objective of mass production and free distribution.

(II) In order to develop testing facilities for agricultural implements, farm machinery and equipment, a testing lab was set up (March 2016) at a cost of ₹73.52 lakh against the project cost of ₹130 lakh. Though field testing of farm equipment was being carried out, equipment procured under the project could not be utilised (February 2019) due to non-deployment of proposed manpower for handling the equipment.

The Director Finance, Agriculture Production Department, Government of J&K stated (February 2019) that the proposal for additional manpower is under consideration.



(III) To strengthen the disease reporting system for improving the disease investigation programme and validating the disease surveillance system, a project<sup>37</sup> estimated to cost ₹100 lakh was taken up (January 2012) by the division of veterinary sciences. Due to inadequate funding for working grant, the long term objectives of the project viz. generation of a computer based animal disease data for development of strategies for livestock health coverage practices at regional level could not be achieved (February 2019), though a partially equipped molecular disease diagnostic laboratory was established (March 2015) at an expenditure of ₹19.23 lakh.

Thus, failure of the department to gainfully utilise the assets created not only resulted in under-utilisation of ₹182.75 lakh, but also denial of intended benefits to the end user.

The Director Finance, Agriculture Production Department, Government of J&K stated (February 2019) that due to inadequate funding by the funding agencies, the long term objectives could not be achieved. However, in none of the cases, any financial assistance was provided out of the internal resources of University for operationalisation of the projects and gainful utilisation of assets procured.

### 3.1.6 Monitoring of research projects

A sound monitoring system is required for efficient management of research projects. The Indian Council for Agricultural Research (ICAR), in its Project Monitoring and Evaluation (PME) manual has documented (2011) detailed guidelines for PME wings on priority setting, monitoring and evaluation of projects.

Audit observed that monitoring by the PME wing created (February 2016) with the mandate of monitoring of progress of projects and compilation of database of publication, Intellectual Property Rights, technologies developed, etc. was lax. There was neither any consolidated information with the wing regarding number of projects submitted to funding authorities and the number of projects approved/ rejected, nor any database of results of research and research projects. Further, in absence of monitoring and impact assessment/ evaluation, the fates of the completed projects were not ascertainable. There was no consolidated information with the PME wing regarding number of research papers published out of concluded projects, for assessing their quality.

In reply, the Director Finance, Agriculture Production Department, Government of J&K stated (February 2019) that the list of submitted and approved projects is now being documented and compilation of research papers with impact factors is under process. The Director Research stated (October 2019) that the list of projects submitted and approved in favour of the University including list of publications with National Academy of Agriculture and Science rating for impact evaluation has now been prepared as per the mandate of PME wing.

<sup>37</sup> 'Establishment of Animal Diseases Monitoring and Surveillance (ADMAS) laboratory for the livestock of Jammu region'

### **3.1.6.1 Non-accountal of assets created out of research projects**

As per clause 28 (6) of SKUAST Act, 1982, the Comptroller was to see that the register of buildings, furniture/ equipment and other items are maintained up to date and that stock checking is conducted of all items in all offices and units of the University. This would ensure monitoring of assets acquired/ procured from time to time under various sources of funding.

Audit noticed that assets register of permanent and semi-permanent nature, assets acquired out of grants received from the Government/ ICAR/ other funding agencies was not maintained by the University as of February 2019. The University had also not devised any system (February 2019) to ascertain whether the assets so created out of the grants were being utilised for the intended purpose. Due to non-maintenance of any consolidated asset register, there was no mechanism to ensure the accountal of assets created under *ad hoc* projects in the stock register of the concerned division after the end of project. In respect of 10 completed projects (out of 23 sampled completed projects) test-checked, Audit noticed that 61 equipments costing ₹43.05 lakh procured in 5 divisions<sup>38</sup> under the faculty of Agriculture and Veterinary Science were not transferred to the stock register of the divisions concerned even after closure of the projects. Non-accountal of these assets in the stock register/ central inventory was fraught with the risk of misappropriation/ embezzlement, as the equipments retained by the concerned PIs remained outside the ambit of physical verification of stocks. In absence of any centralised inventory, there was also no monitoring over the duplication/ overlap in purchase of assets.

In reply, it was stated (June 2018) by the Nodal Officer, PME wing that maintenance of assets registers falls under the mandate of division concerned and action against defaulters would be taken on cases pointed out by Audit. The Director Research stated (October 2019) that the instructions have been issued to all PIs to submit assets registers after completion of the projects to the concerned divisions/ research stations. The reply affirms the Audit contention that there was no centralised inventory in place.

### **3.1.7 Conclusion**

The University could not deliver on its mandate of providing adequate technical support to the farmers of the region in the fields of agriculture, veterinary and allied sciences. Selection of the projects was not in tune with the needs of the State. Researchable issues relating to development of improved varieties, cheaper substitutes of hybrids and upgradation of local livestock could not be addressed resulting in continued dependence of the State on imports from outside. Performance of crop varieties released by the University was not encouraging and had insignificant contribution to the seed chain of the State. Monitoring of the projects was inadequate, resulting in partial achievement of envisaged objectives. The University did not

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<sup>38</sup> Faculty of Veterinary (Equipments: 10; Cost: ₹5.28 lakh), Agro forestry: (Equipments: 3; Cost: ₹0.83 lakh), Agricultural Engineering (Equipments: 34; Cost: ₹6.64 lakh), School of Bio-technology (Equipments: 11; Cost: ₹27.04 lakh) and Plant breeding and genetics (Equipments: 3; Cost: ₹3.26 lakh)

analyse the reasons for modest performance in research output and the research activities did not present an encouraging picture.

The audit findings were referred to the Government in October 2018 and the reply was received in February 2019 which has been included in the report appropriately.

### Food, Civil Supplies and Consumer Affairs Department

#### 3.2 Avoidable expenditure on procurement of excess food grains

**Procurement of food grains for distribution among non-ration card holding families affected by the floods of September 2014, in excess of the requirement led to avoidable excess expenditure of ₹6.54 crore. Test-check revealed that un-distributed stock of 11,117.90 quintals was lying in departmental stores or held by private flour mills for around three years and the department suffered a loss of ₹18.63 lakh by selling food grains at rates lesser than their procurement cost.**

Jammu and Kashmir Government accorded (September 2014) sanction for providing free ration for six months to all such families affected or having suffered on account of loss of life, property, livestock, crop, etc. due to the floods/ heavy rains during the month of September 2014. The scale of 210 kg<sup>39</sup> of food grains per family was approved to be provided as free ration for six months. Further, Secretary Food, Civil Supplies and Consumer Affairs (FCS&CA) released (January 2015) State Disaster Relief (SDR) funds of ₹86 crore to two Directors<sup>40</sup> for procurement of food grains to be distributed among additional flood victims possessing no ration cards as verified and declared flood hit families<sup>41</sup> by the concerned Deputy Commissioners.

Scrutiny of records revealed (November 2016) that against the requirement of 3,84,533 quintals<sup>42</sup> of food grains required for distribution of free ration to 1,83,111 identified flood affected non-card holding families in ten districts<sup>43</sup> of Jammu division, 4,22,919 quintals were procured by Director FCS&CA Jammu during November 2014 to April 2015. This has resulted in avoidable excess procurement of 38,386 quintals of food grains valuing ₹6.54 crore<sup>44</sup>. Test-check of records in three provincial stores of Jammu and stores of two districts<sup>45</sup> revealed that un-utilised stock of 11,117.90 quintals of food grains procured for non-ration card holding flood affected families, were lying in the departmental stores (4,374.60 quintals) and private flour mills (6,743.30 quintals of wheat<sup>46</sup>). Further, 3,652.31 quintals were irregularly sold to public on cash payment and 9,403 quintals were distributed to ration card holding families, without any authority. Complete

<sup>39</sup> At the rate of 35 kg per family per month for six months (50 Kg during September 2014 and 32 Kg during subsequent five months)

<sup>40</sup> Director, FCS&CA Jammu; Director, FCS&CA Kashmir

<sup>41</sup> In the assami-wise list prepared and authenticated

<sup>42</sup> At the rate of 210 Kg per family

<sup>43</sup> Jammu: 7,709; Kathua: 2,996; Udhampur: 7,956; Reasi: 25,741; Rajouri: 37,370; Poonch: 30,661; Doda: 20,096; Kishtwar: 15,965; Ramban: 34,617 and Samba: Nil

<sup>44</sup> Calculated at the average procurement rate of ₹1,703.73 per quintal (Rice: ₹2,007.46 per quintal; Wheat: ₹1,400 per quintal)

<sup>45</sup> Ramban and Udhampur

<sup>46</sup> Issued to private flour mills for grinding purposes

details of distribution/ storage of balance stock of 14,212.79 quintals<sup>47</sup> procured in excess of requirement were not available with the Director FCS&CA Jammu. It was also noticed that 6,743.30 quintals of food grains valuing ₹94.41 lakh lying with the private flour mills included 2,877.05 quintals valuing ₹40.28 lakh lying with a single private flour mill<sup>48</sup> for the last more than 39 months. Test-check in audit also revealed that in absence of any specific orders, 3,652.31 quintals of food grains were sold on cash payments which included 2,101.72 quintals sold at rates<sup>49</sup> less than the procurement<sup>50</sup> cost, consequently leading to loss of ₹18.63 lakh.

On being pointed out in audit, Chief Accounts Officer, FCS&CA, Jammu stated (January 2017) that excess quantity of 38,112 quintals was procured to cover the requirement of some ration card families, affected by floods as there was no ration available for these families under normal allocation. It was also stated that the reasons for retention of huge quantities of food grains lying in stores and their non-distribution to the flood affected families have been sought from the concerned officers. It was further stated (January 2019) that the Director, FCS&CA, Jammu took up (June 2018) the matter with Divisional Commissioner, Jammu for distribution of 12,684.20 quintals of food grains to migrants of Border firing in Jammu Division and also sought (January 2019) directions from the Administrative Department for utilisation of undistributed stock. The reply is not tenable, as excess quantity of 38,386 quintals of food grains were procured for distribution to flood hit non-ration card holding families during September 2014 to April 2015 and the decision for utilisation of undistributed stock could not be taken over a period of more than three years. The reply was, however, silent about the fate of stock of 14,212.79 quintals procured in excess of requirement, details whereof were not provided to audit.

The matter was referred to Government/ Department in May 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.3 Extra avoidable expenditure and undue favour to the bidder**

**Failure of Food, Civil Supplies and Consumer Affairs Department to include prescribed clause in the Notice Inviting Tender for enforcement of contract and recovery of loss in the form of liquidated damages from the successful bidder who failed to execute the agreement, resulted in extra avoidable expenditure of ₹12.74 crore and undue favour to the bidder.**

Rule 18-1 (a) of the Jammu and Kashmir Financial Code Volume-I envisages that all tender notices should *inter alia* provide that “as soon as the acceptance of the tender is communicated to the successful tenderer the contract shall be complete and binding on him, although a formal deed incorporating the terms of the contract will be

<sup>47</sup> 38,386 quintals - (11,117.90+3,652.31+9,403) quintals= 14,212.79 quintals

<sup>48</sup> Janta Flour Mill

<sup>49</sup> 1,448.99 quintals rice at the rate of ₹1,000 per quintal; 610.65 quintals of flour at the rate of ₹800 per quintal; 1.95 quintals of wheat at the rate of ₹200 per quintal; 40.13 quintals of wheat at the rate of ₹535 per quintal

<sup>50</sup> Rice at the rate of ₹2,007.46 per quintal and wheat at the rate of ₹1,400 per quintal

executed by the successful tenderer later on. Failure to execute such formal deed shall not, however, prevent the contract from being enforced against him and any loss sustained by the Government as a result of retendering the contract shall be recovered from him”.

The Food, Civil Supplies and Consumer Affairs (FCS&CA) department invited (September 2016) e-tenders for procurement of 42,200 MT sugar and the State Level Purchase Committee (SLPC) after evaluation of financial bids found (14 December 2016) that the lowest bidder<sup>51</sup> (L-1) had offered a rate of ₹41,399 per MT, which was reduced (15 December 2016) to ₹41,350 per MT, after negotiations. The L-1 bidder, however, failed to execute the formal agreement as specified in the Notice Inviting Tenders (NIT) and make the supplies. The contract was terminated belatedly on 01 February 2017 and the earnest money deposit (EMD) of ₹2.50 crore forfeited and credited into Government account only on 20 April 2017. The department re-invited tenders in February 2017 and the contract was awarded at the rate of ₹47,500 per MT to a firm who happened to be third lowest (L-3) in the tenders of September 2016 finalised on 15 December 2016, wherein he had offered the rate of ₹43,850 per MT. Due to retendering, an extra expenditure of ₹12.74 crore<sup>52</sup> was incurred on purchase of 20,886 MTs of sugar during January to March 2017.

Audit observed that the condition regarding enforcement of contract in the event of successful bidder's failure to execute the agreement and recovery of loss from him as specified in Rule 18-1(a) of the Jammu and Kashmir Financial Code was not included in the NIT both at the time of initial tendering and during the re-tendering. However, the NIT provided that in the event of failure to execute the agreement, the security deposits/ EMD of the bidder shall be forfeited and he shall be blacklisted and shall also be liable to pay liquidated damages. The department did not take any action to recover the liquidated damages nor could it enforce the contract or recover the loss sustained as a result of retendering. Thus, the failure of the department to include prescribed clause in the NIT for enforcement of contract and recovery of loss in the form of liquidated damages from the successful bidder who failed to execute the agreement, resulted in extra avoidable expenditure of ₹12.74 crore and undue favour to the bidder.

On being pointed out (March 2018), the Financial Advisor, FCS&CA department stated (April 2018) that the departmental authorities decided to go for fresh tenders to avoid litigation and interruption in supply of sugar. After the matter was referred to Government/ Department in July 2018, it was stated (October 2018) that the proceedings to recover the losses suffered in procuring sugar from the open market or through re-tendering have been initiated and Law department has been approached for legal advice. It was also stated that, if the bidder had signed the agreement or made supplies the department was bound by the rules to recover losses from him. The fact remains that the department had not followed the laid down instructions contained in

<sup>51</sup> Received from M/s Punjab Riceland Private Limited

<sup>52</sup> ₹6,101 (₹47,500 minus ₹41,399) multiplied by 20,886 MTs = ₹12.74 crore

the financial rules by including the prescribed clause in the NIT for enforcement of contract and recovery of losses from the successful bidder who failed to execute the agreement.

### **3.4 Short collection of sale proceeds of food grains**

**Failure of the Food, Civil Supplies and Consumer Affairs Department to apply prescribed rates on the sale of food grains issued to consumers of Non-Priority Household (NPHH) category and Mufti Mohammad Sayeed Food Entitlement Scheme (MMSFES) resulted in short collection of sale proceeds and consequential financial loss of ₹6.85 crore to the State exchequer.**

Jammu and Kashmir Food, Civil Supplies and Consumer Affairs (FCS&CA) Department decided (April 2016) that the wheat, flour and rice to all categories<sup>53</sup> of consumers excepting National Food Security Act (NFSA) food grains shall be provided at the rate of ₹12, ₹13 and ₹15 per kg respectively, with effect from 1<sup>st</sup> July 2016. The rates for wheat, flour and rice in respect of NFSA food grains were to remain at ₹2, ₹3 and ₹3 per kg, respectively. In partial modification to these orders, it was decided (July 2016) that the rates mentioned shall be effective from 1<sup>st</sup> October 2016<sup>54</sup>, instead of 1<sup>st</sup> July 2016.

Audit scrutiny of the records of Director, FCS&CA Kashmir and four Assistant Directors<sup>55</sup> of the department revealed that against the ₹20.31 crore due in respect of 1,38,117.77 quintals of food grains<sup>56</sup> distributed by 12 Assistant Directors of FCS&CA Department to consumers of Non-Priority Household (NPHH) category and Mufti Mohammad Sayeed Food Entitlement Scheme (MMSFES) during October/ November 2016<sup>57</sup>, only ₹13.46 crore were remitted into the Government account, as detailed in the *Appendix-3.4.1*. Non-implementation of revised rates has resulted in short collection of sale proceeds and consequential financial loss of ₹6.85 crore to the State exchequer.

On being pointed out in Audit, the Chief Accounts Officer, FCS&CA, Kashmir stated (November 2017) that the revised rates could not be implemented due to late receipt of Government order and the matter had been taken up with the Administrative Department for condonation, for which approval was awaited (December 2018). The reply is not based on facts as the order for revision of rates to be effective from 1<sup>st</sup> October 2016, was issued in July 2016 and was followed by a letter from the Special Secretary, FCS&CA in September 2016, duly received in the Directorate office.

The matter was referred to Government/ Department in June 2018; despite of reminders issued in December 2018, May 2019 and September 2019, reply thereof was awaited (September 2019).

<sup>53</sup> Non-Priority Household erstwhile Above Poverty Line consumers

<sup>54</sup> Prior to this, the rates of wheat, flour and rice were ₹7.25, ₹8 and ₹10 per kg respectively as per Government order No. 12-CAPD of 2011 dated 19.02.2011

<sup>55</sup> Kathua, Udhampur, Reasi and Kulgam

<sup>56</sup> Rice: 1,20,730.40 quintals; Wheat: 5,804.63 quintals and Flour: 11,582.74 quintals

<sup>57</sup> MMSFES: 4,057.36 quintals; NPHH category: 1,34,060.41 quintals



## Health and Medical Education Department

### 3.5 Blocking of funds and non-establishment of Spinal Injury Centre

**Departmental failure to take timely action for utilisation of amounts received from the Government of India (GoI) for setting up of the Spinal Injury Centres not only resulted in blocking of ₹3.04 crore, but also deprived the poor patients of the benefits of the scheme. There is also a risk that due to non-utilisation of the funds, the amount received by the State Government may have to be surrendered to the GoI.**

Ministry of Social Justice and Empowerment, Department of Empowerment of Persons with Disabilities, Government of India (GoI) launched (2014-15) a scheme 'Setting up of State Spinal Injury Centres', where under Central Government was to provide non-recurring expenditure<sup>58</sup> up to ₹2.89 crore for setting up of spinal injury centre (₹2.33 crore) and 12 beds ward (₹0.56 crore). Besides, the GoI was also to reimburse the non-recurring expenditure upto ₹0.36 crore on year to year basis, for management of 10 beds<sup>59</sup> for treatment of poor patients. Principal, Government Medical College (GMC), Jammu submitted (June 2015) a proposal for setting up the spinal injury centre at Jammu at an estimated cost of ₹2.89 crore to the Ministry of Social Justice and Empowerment, GoI through Social Welfare Department, citing an average of two to three spine injury victims reporting at the hospital causality against which a grant-in-aid of ₹two crore was released (September 2016) by the GoI. However, the target date for completion of the project had not been fixed.

Audit scrutiny (January 2018) of the records of Principal, GMC, Jammu revealed that ₹two crore received from GoI were deposited (September 2016) in a saving bank account and work of setting up of 12 bed spinal injury ward and operation theatre had not been started. The committee constituted (March 2017) for establishment of the centre in GMC, Jammu proposed (May 2017) its creation on the second floor of Chopra Nursing Home with two theatres and associated infrastructure, including spinal ward after some modification in the existing infrastructure. The report was submitted (June 2017) to the Administrative Department, however, the approval was awaited (May 2018). The site for the centre was finally decided in August 2018, but the DPRs for renovation of the site were yet to be framed (September 2018). Machinery/ equipment<sup>60</sup> required for the centre requisitioned through Jammu and Kashmir Medical Supplies Corporation Limited (JKMSCL) were also not procured (December 2018). In the meanwhile, the GoI sought the status of utilisation of the grant-in-aid and directed (October 2017) the State Government to surrender the unspent grant of ₹two crore received which continued (September 2018) to remain

<sup>58</sup> For purchase of medical equipment, medical/ surgical instruments (OT), rehabilitation equipment, OT&PT, orthotics and prosthetics, assistive technology

<sup>59</sup> Out of 12 beds, the Central Government shall support through reimbursement the cost involved for management of 10 beds daily for treatment of poor patients at the rate of ₹1,000 per day or as per actual, whichever is less

<sup>60</sup> 28 different categories of equipment including high end ventilators, anesthesia machine, multipara monitor, C-Arms, portable X-Ray (Digital), etc.



blocked in the bank account for last two years and the intended centre could not be established.

Similarly, Principal GMC, Srinagar submitted (June 2015) a proposal for up-gradation of existing infrastructure at Bone and Joint Hospital, Srinagar at an estimated cost of ₹2.89 crore, against which ₹1.17 crore were released (March 2017) by Ministry of Social Justice and Empowerment, GoI. The renovation of spinal injury ward taken up at an estimated cost of ₹13 lakh had been completed. However, the machinery and equipment costing ₹one crore to be procured through JKMSCL had not been procured (January 2019) and an amount of ₹1.04 crore continued to be blocked for around two years.

Thus, departmental failure to take timely action for utilisation of amounts received from the GoI for setting up of the Spinal Injury Centres not only resulted in blocking of ₹3.04 crore, but also deprived the patients of the benefits of the scheme. There is also a risk that due to non-utilisation of these funds, the amount received by the State Government may have to be surrendered to the GoI.

The matter was referred to the Government/ Department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.6 Non-establishment of Swine flu testing laboratory**

**Injudicious action of Principal, Government Medical College, Jammu to withdraw funds from treasury just to avoid their lapsing at the close of financial year 2014-15 and failure to utilise these funds during last 3 ½ years resulted in parking of ₹3.45 crore in the deposit head, cost escalation and the intended objective of setting up of Swine flu testing laboratory could also not be achieved.**

Rule 2-16 (b) (5) and 2-33 of Jammu and Kashmir Financial Code among other things stipulate that no money should be withdrawn from treasury unless it is required for immediate disbursement or for execution of works, completion of which is likely to take a considerable time. The practice of withdrawing funds with a view to avoiding lapse of budget grant and placing such money in deposits in Public Account or with Bank is forbidden.

After the outbreak of swine flu in Jammu during 2014-15, the Principal, Government Medical College (GMC), Jammu forwarded (February 2015) a detailed proposal for creation of a separate isolation ward and a swine flu H1N1 laboratory for molecular diagnosis of swine flu and other epidemics, at an estimated cost of ₹6.28 crore<sup>61</sup> to the Commissioner Secretary, Health and Medical Education department. The Government approved (March 2015) the proposal and released ₹6.30 crore under State plan with the condition to fulfill all codal formalities required under rules and ensure establishment of the laboratory within the shortest possible time.

<sup>61</sup> Creation of separate isolation ward: ₹2.98 crore; Creation of Swine flu H1N1 laboratory: ₹3.30 crore

Principal GMC, Jammu released (March 2015) an amount of ₹one crore to Executive Engineer (EE), Public Works Department, Roads and Buildings, Tawi Bridge cum Medical College Division, Jammu for construction of isolation ward for utilisation during 2014-15. However, to avoid lapsing of funds at the close of financial year 2014-15, an amount of ₹5.30 crore<sup>62</sup> was also withdrawn (March 2015) from the treasury and parked in civil deposit (Major Head-8443). Out of ₹5.30 crore held in the deposit head, ₹two crore were again advanced (January 2016) to the EE for creation of isolation ward and the balance amount of ₹3.30 crore continued to be held in the deposit head for the last three years. An expenditure of ₹2.85 crore<sup>63</sup> was incurred on creation of isolation ward which was completed in October 2015 and was being used for treatment of suspected/ confirmed H1N1 influenza cases. An unspent balance of ₹0.15 crore was also lying with the EE.

Audit scrutiny revealed that the tenders floated for setting up of laboratory could not be finalised, as only one out of three participating firms qualified in the technical evaluation (July 2015). On the recommendation of the Departmental purchase committee held on 23 September 2015, Principal GMC Jammu entrusted (September 2015) the case for procurement and establishment of laboratory to Jammu and Kashmir Medical Supplies Corporation Limited (JKMSCL). However, JKMSCL could not finalise the tenders and execute the project works over a period of more than three years, as a result of which the funds continued (February 2018) to remain parked idly.

On being pointed out in audit, the Principal GMC, Jammu stated (May 2018) that directions had been sought (March 2018) from the Administrative department regarding some technical and administrative issues, which were awaited. It was also stated (August 2018) that additional funds to the tune of ₹1.05 crore had been sought from the Administrative department due to cost escalation. However, the fact remains that injudicious action to withdraw funds from the treasury just to avoid their lapsing at the close of the financial year and the failure to utilise these funds during last 3½ years, resulted in parking of ₹3.45 crore<sup>64</sup> in the deposit head, cost escalation and the intended objective of setting up of Swine flu testing laboratory could also not be achieved. It was also reported that three patients had died of swine flu during 2017-18 in GMC Jammu.

The matter was referred to Government/ Department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

<sup>62</sup> Machinery and equipment: ₹3.30 crore; Civil works: ₹two crore

<sup>63</sup> Isolation ward: ₹2.61 crore; DG Set: ₹0.21 crore and Cabling system: ₹0.03 crore



<sup>64</sup> Includes unspent balance of ₹0.15 crore lying with the EE

**3.7 Unfruitful expenditure due to non-establishment of Trauma Hospital Khellani**

**Failure of Health and Medical Education Department to make the Trauma Hospital Khellani functional through posting of necessary staff and provision of laboratory/ diagnostic facilities, operation theatre, blood bank and ambulance etc., has rendered the investment of ₹394.59 lakh unfruitful.**

In order to ensure immediate medical treatment for accident victims, a proposal was framed (May 2010) to establish a Trauma Hospital at Khellani on Batote - Kishtwar Road at an estimated cost of ₹399.60 lakh, with target of completion within 24 months. The project involved construction of hospital complex comprising emergency/ IPD/ diagnostic/ operation theatre/ wards, mortuary, approach road/ parking area, development works/ pathways, security post/ gate, provision of silent DG sets, voltage stabilisers, providing of water supply line from Public Health Engineering source to site of work, etc.

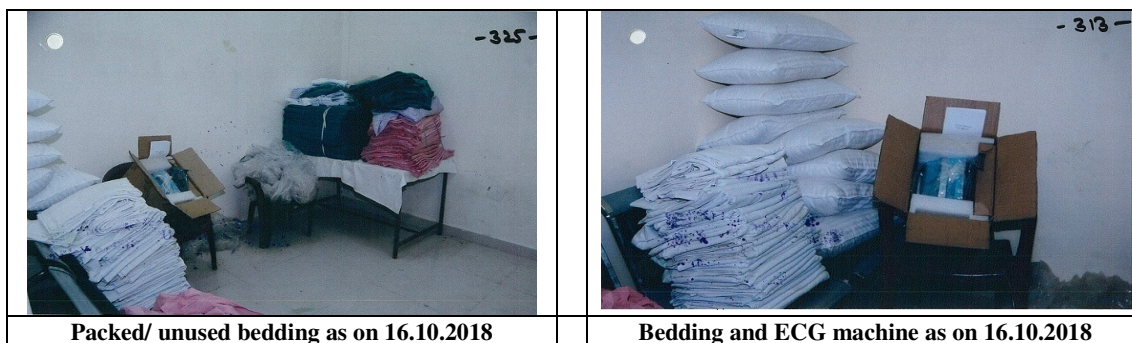
Scrutiny of records (November 2017) of Chief Medical Officer (CMO), Doda and subsequent collection of information (April 2018) showed that the land for the hospital was acquired (January 2010) after payment of land compensation of ₹25 lakh. Further, an amount of ₹393.71 lakh<sup>65</sup> was advanced to Jammu and Kashmir Projects Construction Corporation (JKPCC) during 2009-10 to 2016-17, for construction of building. The main building of the hospital was handed over to Block Medical Officer (BMO) Assar in December 2015. JKPCC incurred an expenditure of ₹360.24 lakh<sup>66</sup> during 2009-18, but the work on entry gate and mortuary block constructed upto roof level was still incomplete (December 2018). An expenditure of ₹9.35 lakh was also incurred during 2016-17 for purchase of equipment, furniture and furnishing<sup>67</sup> but the same were still in packed conditions (December 2018). This was confirmed during physical verification (October 2018) of the site.

	
<p><b>Incompleted mortuary block as on 16.10.2018</b></p>	<p><b>Packed equipments as on 16.10.2018</b></p>

<sup>65</sup> 2009-10: ₹100 lakh; 2010-11: ₹50 lakh; 2011-12: ₹50 lakh; 2012-13: ₹25 lakh; 2013-14: nil; 2014-15: ₹79 lakh; 2015-16: ₹79 lakh; 2016-17: ₹10.71 lakh and 2017-18: Nil

<sup>66</sup> 2009-10: ₹0.07 lakh; 2010-11: ₹35.82 lakh; 2011-12: ₹43.70 lakh; 2012-13: ₹47.04 lakh; 2013-14: ₹69.08 lakh; 2014-15: ₹97.87 lakh; 2015-16: ₹56.61 lakh; 2016-17: ₹1.91 lakh and 2017-18: ₹8.14 lakh

<sup>67</sup> 41 different types of medical equipment including Cardiac Monitor Device, Eliss Forceps, etc. and hospital furniture including beds, chairs, tables, etc.



In order to make Trauma Hospital functional, Director Health Services, Jammu submitted (May 2016) proposal for creation of 112 posts of Doctors/ Paramedical staff to the Government, which had not been approved (December 2018). Despite taking over the main building from JKPC in December 2015, the Trauma Hospital could not be made functional (December 2018) over last three years, due to non-creation of posts and non-establishment of laboratory/ diagnostic facilities, operation theatre, blood bank and ambulance, etc. thereby rendering the investment of ₹394.59 lakh<sup>68</sup> unfruitful.

On being pointed out in audit, the CMO, Doda stated (November 2017/ March 2018) that the Trauma Hospital was not functional; however, one Medical Aid Centre and one New Type Public Health Centre (NTPHC) having sanctioned staff of five<sup>69</sup> were functioning in the building. The fact remains that the available staff was not sufficient to make the trauma hospital functional which required 112 posts of Doctors/ Paramedical staff. Besides, there were 177 accidents<sup>70</sup> in the area during the last three years<sup>71</sup> in which 286 persons got injured and 46 died and the failure to operationalise the Trauma Centre to provide immediate medical treatment to such accident victims has resulted in unfruitful expenditure of ₹394.59 lakh.

After the matter was referred to Government/ Department in May 2018; Director Health Services, Jammu stated (July 2018) that approval of Government for creation of various categories of posts was awaited despite reminders issued in May/ June 2018. Reply of the Government was awaited (September 2019).

### 3.8 Unfruitful expenditure/ blocking of funds on non-functional SNCUs/ SPVs

**Failure of Health and Medical Education Department to procure the medical equipment for SNCU Sarwal over a period of more than two years, post staff for SNCUs Bhandarwah and Gandoh and make two solar power generators functional resulted in unfruitful expenditure of ₹122.18 lakh and blocking of ₹44.82 lakh. The envisaged services for care of newborns could not be ensured despite availability of funds and engagement of additional staff.**

The Special Newborn Care Units (SNCU) were provided in the District Hospitals under National Health Mission (NHM) and in some of the Community Health Centres

<sup>68</sup> Building: ₹360.24 lakh; Land acquisition: ₹25 lakh; Equipment/ furniture: ₹9.35 lakh

<sup>69</sup> Medical Officer: one; Female Multipurpose Health Worker: one; Field worker: one; Casual worker: one; Senior Pharmacist: one

<sup>70</sup> Information provided by SSPs Ramban, Doda and Kishtwar

<sup>71</sup> 2015-16: 46; 2016-17: 55; 2017-18: 76

(CHCs) under 13<sup>th</sup> Finance commission. These were to be established as per facility based Newborn care operational Guidelines, 2011 for planning and implementation issued by Ministry of Health and Family Welfare (MOH&FW), Government of India. Services to be provided at these facilities included care at birth<sup>72</sup>, care of normal newborn<sup>73</sup> and sick newborn<sup>74</sup>.

(I) For establishment of Special Newborn Care Unit (SNCU) at Government Hospital Sarwal, Jammu, the Mission Director, National Health Mission, Jammu and Kashmir released (February 2014/ November 2015) an amount of ₹51 lakh<sup>75</sup> to District Health Society, Jammu. The indicative cost of ₹51 lakh for setting up of the SNCU included renovation/ civil works (₹16 lakh), equipment/ furniture (₹25 lakh), consumables (₹3.50 lakh) and maintenance cost (₹6.50 lakh). Department had not fixed any target date for completion of the project. One Paediatrician, four Medical Officers (MBBS) and five Staff Nurses were also approved during 2014-15 for the SNCU. However, only one Medical Officer and five nurses were posted in November 2014 and October 2016, respectively. Audit scrutiny of the records (January 2018) of Medical Superintendent (MS) of the hospital revealed that an expenditure of ₹6.18 lakh had been incurred (December 2014/ April 2015) on installation of air conditioners (₹0.99 lakh) and execution of civil works (₹5.19 lakh) for modifying the already existing ward into SNCU. Further, an amount of ₹44 lakh was advanced (November 2015) to Managing Director, Jammu and Kashmir Medical Supplies Corporation Limited (JKMSCL) for procurement of 47 different types<sup>76</sup> of equipment, out of which ₹15.50 lakh were returned back in March 2018. The equipments were not received (March 2019) and SNCU was not made functional (March 2019). Despite availability of funds and posting (November 2014) of one Medical Officer for the SNCU, the patient care continued to suffer and led to referral of newborn patients<sup>77</sup> to other hospital<sup>78</sup>. Staff<sup>79</sup> posted for the SNCU were deployed in labor room and Gynae ward of the hospital on roster basis. Thus, the failure to procure the medical equipment over a period of four years and to make the SNCU functional resulted in unfruitful expenditure of ₹6.18 lakh and blocking of ₹44.82 lakh<sup>80</sup>.

On being pointed out (January 2018) in Audit, the Medical Superintendent stated (March 2019) that the SNCU would be made functional as soon as the equipment are received. However, JKMSCL had not supplied the medical equipment (March 2019) and the envisaged services for care of newborns could not be ensured despite

<sup>72</sup> Prevention of infection, provision of warmth, resuscitation, early initiation of breast feeding, weighing of newborn

<sup>73</sup> Breast feeding and feeding support

<sup>74</sup> Managing of low birth weight infants/ sick newborns, follow up of all babies discharged from the units and high risk newborns, immunisation services, referral services

<sup>75</sup> February 2014: ₹25.50 lakh; November 2015: ₹25.50 lakh

<sup>76</sup> Hospital equipment: 31; Laboratory equipment: 4; General equipment: 7; Equipment for disinfection: 5  
<sup>77</sup> 2016-17: 6 cases; 2017-18: 5 cases; 2018-19 ( upto December 2018): 3 cases

<sup>78</sup> Sh. Maharaja Gulab Singh (SMGS) Hospital, Jammu

<sup>79</sup> One medical officer and five staff nurses

<sup>80</sup> Includes unspent balance of ₹16.32 lakh held in saving bank account of Rogi Kalyan Samiti of Government hospital Sarwal and ₹28.50 lakh lying with JKMSCL

availability of funds and engagement of additional staff. It was also stated (October 2019) that JKMSCL has supplied machinery equipment worth ₹21.61 lakh and SNCU was made functional since 7<sup>th</sup> September 2019. However, the fact remains that the amount of ₹44.82 lakh remained blocked for around four years and despite advance payment, the JKMSCL has still not supplied equipment worth ₹6.89 lakh.

The matter was referred to the Government/ Department in June 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

(II) Similarly, for establishment of SNCUs at Community Health Centre (CHC) Bhaderwah and CHC Gandoh, Chief Medical Officer (CMO) Doda released (August 2014) an amount of ₹85 lakh to Block Medical Officers (BMOs) Bhaderwah (₹42.50 lakh) and Gandoh (₹42.50 lakh) under 13<sup>th</sup> Finance Commission. Staff comprising of four Medical Officers (MBBS) to be engaged on contract basis, two ANMs<sup>81</sup> and one Lab Technician were also approved for the SNCU during 2014-15. It was observed (August 2017/ October 2018) that an expenditure of ₹85 lakh was incurred during 2014-15 on modification of patient care wards and purchase of machinery/ equipment for SNCUs. However, the SNCUs were not functional as the staff sanctioned for the units had not been posted (March 2018). Due to the non-functional SNCUs, 80 neonates<sup>82</sup> were referred to Government Hospital Jammu/ Doda during 2014-15 to 2017-18 despite the expenditure of ₹85 lakh incurred on setting up of SNCUs.

Audit scrutiny also revealed that a Solar Photovoltaic (SPV) Power Generator procured (September 2012) through Jammu and Kashmir Energy Development Agency (JKEDA) at a cost ₹36.75 lakh received (December 2013) at CHC Bhaderwah was not functional. The supply order issued by JKEDA, among other things included installation, commissioning, testing and free maintenance of SPV power generators for five years. The plant was, however, not fully installed due to issues relating to cables and the issue was duly reported (August 2015) to the CMO Doda. No installation certificate was issued. The matter regarding non-functioning of the SPV generators was again brought to the notice of the CMO Doda in the months of August and November 2017, but no action was taken. Similarly, SPV Power Generator costing ₹36.75 lakh received (November 2014) and commissioned (August 2015) in CHC Gandoh was non-functional since last one year. Despite the mandated five years free maintenance service provision, the department did not enforce the same and the two SPV power generators remained non-functional (March 2019). Thus, the failure to make the SPV Power Generators operational resulted in unfruitful investment of ₹73.50 lakh.

On being pointed out, BMO Bhaderwah while admitting the facts, stated (August 2017/ March 2018) that the matter regarding posting of staff and non-functioning of SPV Power generator had been taken up with the higher authorities. It was also stated (April 2019) that the SNCU was made functional from 1<sup>st</sup> April 2019.

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<sup>81</sup> Auxiliary Nursing Midwife  
<sup>82</sup> CHC Bhaderwah: 69; CHC Gandoh: 11



Although two Female Multi Purpose Health Workers (FMPHW) and one Lab Technician were posted in CHC Gandoh, no medical officer/ paediatrician had been posted, and the SNCU was non-functional (March 2019). The fact remains that due to lackadaisical attitude of the health authorities, the SNCU Gandoh and two SPV Power generators continued to remain non-functional/ non-operational (March 2019), which resulted in unfruitful expenditure of ₹1.16 crore.

The matter was referred to the Government/ Department in August 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.9 Unfruitful expenditure and interest liability**

**Departmental failure to ensure the availability of land before taking up the construction of hospital buildings and execute works as per cost estimates and ensure their completion over a period of eight years, resulted in unfruitful expenditure of ₹1.16 crore and interest liability of ₹44.21 lakh on the borrowed funds.**

On the request of Health and Medical Education Department, the Executive Engineer (EE), Public Works Department (PWD), Roads and Buildings (R&B) Division-III Jammu and EE, PWD, R&B Division-II Jammu, submitted (October 2008 and January 2009) proposals for construction of Indian System of Medicine (ISM) centre (Unani and Ayurvedic) at Agahar Majoor Akhnoor and ISM Dispensary Rabita of District Jammu under NABARD<sup>83</sup> loan assistance<sup>84</sup>, at an estimated cost of ₹45.07 lakh<sup>85</sup> and ₹54.95 lakh, respectively. The estimates in respect of ISM centre Agahar Majoor was revised to ₹65.15 lakh in January 2009. The ISM centre Agahar Majoor was to be completed in three years and the ISM Dispensary Rabita in one year. Copies of the Administrative approval were not made available to audit on the plea that relevant records of these projects had been submerged and destroyed in 2014 floods.

Audit scrutiny (September 2016/ May 2018) revealed that construction work on ISM Dispensary Rabita taken up in February 2010 was stopped after incurring an expenditure of ₹52.89 lakh<sup>86</sup>. An expenditure of ₹17.82 lakh was incurred<sup>87</sup> on items not covered in the original DPR<sup>88</sup> for which a revised DPR for ₹89.50 lakh was framed which had not been approved (September 2019) and the building could not be completed for want of funds. Similarly, construction of ISM centre Agahar Majoor was allotted in February 2010 and an amount of ₹62.71 lakh<sup>89</sup> was released to PWD, R&B Division-III Jammu during 2009-10 to 2012-13. However, the land for construction work was handed over in 2012-13 and the construction work started only from December 2013 which was still incomplete (December 2018). Despite incurring

<sup>83</sup> National Bank for Agriculture and Rural Development

<sup>84</sup> Loan: 90 per cent, State Share: 10 per cent

<sup>85</sup> Revised to ₹65.15 lakh in January 2009

<sup>86</sup> 2009-10: ₹15.71 lakh; 2010-11: ₹12.21 lakh; 2011-12: ₹16.88 lakh; 2012-13: ₹8.09 lakh

<sup>87</sup> Compound wall, breast wall and leveling of land

<sup>88</sup> Detailed Project Report

<sup>89</sup> 2009-10: ₹18.62 lakh; 2010-11: ₹14.10 lakh; 2011-12: ₹9.35 lakh; 2012-13: ₹20.64 lakh



an expenditure of ₹1.16 crore<sup>90</sup>, the ISM centre Agahar Majoor and ISM Dispensary Rabita continued to function from rented buildings and the department had to pay the rent of ₹1.28 lakh during April 2011 to September 2019.

On being pointed out, Director ISM stated (June 2017) that it took considerable time to make land available for said dispensaries and there were some difficulties regarding road connectivity to one of the building sites. It was further stated (May, September and December 2018) that certain works<sup>91</sup> were still incomplete for which PWD had demanded additional funds and the buildings were not handed over to the department so far (December 2018). Reply is not tenable as considerable delay in making the land available for construction of hospital buildings after the release of funds reflected improper planning and mis-management of borrowed funds, for which State was liable to pay interest.

Departmental failure to ensure the availability of land before taking up the construction of hospital buildings and execute works as per cost estimates and ensure their completion over a period of eight years, resulted in unfruitful expenditure of ₹1.16 crore and interest liability of ₹44.21 lakh<sup>92</sup> on the borrowed funds. These dispensaries continued to function from small rented buildings without modern facilities.

The matter was referred to Government/ department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

## Home Department

### 3.10 Extra avoidable expenditure and undue favour to contractor

**Irregular action of the Police Department to recommend the use of imported material at the time of financial evaluation of bids, without listing the required specifications and rejecting the lowest bidder who was duly qualified in Technical evaluation, resulted in extra avoidable expenditure of ₹2.24 crore and undue favour to a contractor.**

Jammu and Kashmir Police Headquarters Srinagar invited (6 August 2014) e-tenders for bullet proofing of 100 Mahindra Bolero vehicles from reputed registered and original manufacturers or fabricators of bullet proof vehicles. The e-NIT among other things provided that the bidder should quote separately for indigenous and imported Bullet Resistant (BR) steel and BR glass and also specify their brand name. It was also desired that the BR steel and BR glasses must be capable of withstanding the fire of SLR 7.62 mm and AK-47 rifle from a distance of 10 metres. Bids submitted by

<sup>90</sup> ISM centre Agahar Majoor: ₹62.71 lakh (State Share: ₹6.27 lakh and NABARD loan: ₹56.44 lakh); ISM Dispensary Rabita: ₹52.89 lakh (State Share: ₹5.29 lakh and NABARD Loan: ₹47.60 lakh)

<sup>91</sup> ISM Dispensary Agahar Majoor: Aluminum glazed shutters of first floor, sanitary fittings including septic tank and soakage pit; ISM Dispensary Rabita: Electric fittings and Medical officers residential quarter

<sup>92</sup> Simple interest at the rate of 6.5 per cent on NABARD loan assistance of ₹104.04 lakh (ISM centre Agahar Majoor: ₹56.44 lakh and ISM Dispensary Rabita: ₹47.60 lakh) during 2009-10 to 2017-18

four bidders were evaluated on paper by the Technical evaluation committee on 4 October 2014 and all of them were declared qualified for the job.

Audit scrutiny (February 2015) of records revealed that the State Level Purchase Committee (SLPC), while evaluating the financial bids recommended (16 October 2014) the use of imported BR steel, imported BR glass and poly carbonate material<sup>93</sup> in the flooring for the Mahindra Boleros. SLPC did not consider the bid of M/s PEC Limited, a Central Public Sector Undertaking, who was L1 and had offered ₹7,68,679 per vehicle<sup>94</sup> and instead approved the second lowest bidder (L2) who offered ₹11,48,388 per vehicle<sup>95</sup>. The SLPC did not consider the L1 bidder on the plea that it had offered indigenous BR glass make of an Indian firm (M/s Jeet and Jeet Glass and Chemical Private Limited, Jaipur), against the imported BR glass and that the Indian firm was also black listed by Madhya Pradesh Government on 11 September 2013 for a period of one year. The decision taken by the SLPC at the time of financial evaluation of bids to recommend the use of imported glass without listing the required specifications and reject the indigenous glass of same quality was irregular. The L1 had agreed to provide both indigenous and imported BR glass and the firm was duly qualified in the technical evaluation. Besides, the black listing order<sup>96</sup> of Madhya Pradesh Government due to delay in completion of contract was valid till 30 September 2014 and was not operative at the time of financial evaluation of bids done by the SLPC on 16 October 2014. In view of huge rate difference of ₹3,79,709<sup>97</sup> per vehicle, the decision to reject the L1 merely on the basis of having quoted Indian manufacturer of the imported BR Glass was not prudent, when SLPC had not even listed the specifications of the imported glass. The supply order for bullet proofing of 90 vehicles was issued on 23 October 2014 to L2. It was noticed in audit that for bullet proofing of 89 vehicles, an amount of ₹9.08 crore had been paid to the contractor during March 2015 to March 2016.

On being pointed out in audit, the Chief Accounts Officer, Police Headquarters, stated (December 2016/ August 2018) that due to the problem of delamination and development of other defects in bullet resistant glasses of indigenous make, the SLPC recommended use of imported glass. It was also stated that the L1 firm was not considered as it had quoted for indigenous glass and the manufacturer of the material was black listed and its glass make was not imported, even though the firm had quoted that it was associated with a German company.

Reply is not tenable, as despite rejection of L1 firm in October 2014, the department placed supply order for providing and fixing of bullet proof glasses in another case to the same firm in January 2015. Besides, the NIT provided that both indigenous and imported glass/ steel must be capable of withstanding the fire of SLR 7.62 mm and

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<sup>93</sup> Without run flat system

<sup>94</sup> Unit rate: ₹6,45,000; VAT: ₹32,250; Entry tax: ₹91,429

<sup>95</sup> Unit rate: ₹8,30,000; VAT: ₹1,03,750; Service tax: ₹1,02,588; Entry tax: ₹1,12,050

<sup>96</sup> No. 1<sup>st</sup> supply/12-13/89/2013-24 (856) dated 11 September 2013

<sup>97</sup> Difference between the rate offered by L2: ₹11,48,388 and L1: ₹7,68,679

AK-47 rifle from a distance of 10 metres and there was nothing on record to show that the L1 had failed on the above accounts.

Thus, the irregular action of the departmental SLPC, to recommend the use of imported material at the time of financial evaluation of bids, when the prices were already known, without listing the required specifications and rejecting the L1 bidder who was duly qualified in Technical evaluation, was in gross violation of the two bid purchase system and resulted in extra avoidable expenditure of ₹2.24 crore<sup>98</sup>, besides undue favour to the L2 bidder.

The matter was referred to the Government/ Department in August 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### 3.11 Overpayment of pay arrears and inadmissible allowances

**Failure to observe the prescribed rules and standing instructions resulted in overpayment of pay arrears of ₹33.10 lakh and inadmissible allowances of ₹12.88 lakh.**

I. Article 78 read with article 194 of Jammu and Kashmir Civil Service Regulations (CSR) and the clarifications issued (May 1993) by the Finance Department stipulate that extraordinary leave (EOL) without allowances, which is authorized leave of absence, does not ordinarily count either for pension or for increment except when the competent authority is satisfied that the leave has been taken on account of ill health or for prosecution of higher scientific and technical studies or on account of causes beyond the control of the Government servant.

Audit check of records (August 2017/ October 2017) of Senior Superintendent of Police (SSP), Kulgam and SSP, Srinagar showed that unauthorised absence of seven<sup>99</sup> employees was treated as leave without pay, and did not ordinarily count for pension or increment. However, these employees were allowed annual increments for such periods which resulted in wrong regulation of pay and consequent overpayment of pay arrears of ₹33.10 lakh<sup>100</sup> as detailed in *Appendix-3.11.1*. On being pointed out, the SSP Kulgam intimated (August 2017) that the cases were being scrutinised and recovery of the excess amount would be made. It was further stated (September 2018) that the pay of one official had been re-fixed and for re-fixation/ recovery in respect of remaining five officials transferred from the office, request had been communicated to their new places of posting<sup>101</sup>. An amount of ₹12.19 lakh had been recovered from seven officials (July 2019).

II. In terms of the Government instructions issued (September 1993) by Home Department, the Director General Police was advised that the Ration Money

<sup>98</sup> Total payment of ₹9,08,27,021 made so far reduced by the value of bullet proofing of 89 vehicles at the rate of ₹7,68,679 per vehicle offered by the L1 (₹6, 84,12,431): ₹2,24,14,590

<sup>99</sup> Kulgam: 6 and Srinagar: 1

<sup>100</sup> Kulgam: ₹28.93 lakh and Srinagar: ₹4.17 lakh

<sup>101</sup> District Anantnag, Baramulla, Awantipora and Srinagar

Allowance (RMA) shall not be paid to the personnel of Counter Intelligence Kashmir (CIK) during the period they are provided free board and lodging facilities.

Audit scrutiny (April 2015) of records of the SSP Criminal Investigation Department (CID), CIK Srinagar revealed that in contravention of standing instructions, 140 police personnel who were provided free board and lodging facilities<sup>102</sup> were paid RMA, which resulted in inadmissible payment of ₹12.88 lakh during September 2009 to February 2015. On being pointed out in audit, the SSP, CID CIK Srinagar stated (January 2016/ April 2019) that payment of inadmissible RMA had been stopped after 2015 and an amount of ₹8.14 lakh was recovered (March 2019).

Thus, the failure to observe the prescribed rules and standing instructions resulted in overpayment of pay arrears of ₹33.10 lakh and inadmissible allowance of ₹12.88 lakh of which an amount of ₹20.33 lakh has been recovered (July 2019). Since the overpayment pointed out was based as a test check, the department needs to ascertain the position in all the DDO's and take suitable action.

The matter was referred to the Government/ department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

## **Irrigation and Flood Control Department**

### **3.12 Incomplete Projects in Irrigation and Flood Control Department**

**Out of 274 ongoing schemes test-checked in audit, only 23 schemes have been completed during 2015-18 and the 251 incomplete schemes included 209 schemes which were targeted to be completed by March 2018. The remaining 42 schemes were due for completion after March 2018. There was delay of more than five years in completion of 30 schemes, in 137 schemes the delay in completion ranged between 2 to 5 years and in 39 schemes delay was upto two years. Audit came across instances of diversion/ blocking of funds, idle and unfruitful/ unproductive expenditure of ₹39.92 crore.**

#### **3.12.1 Introduction**

The Irrigation and Flood Control Department is responsible for execution of various irrigation schemes to create more Irrigation Potential (IP) by providing irrigation facilities to the farmers through the available natural resources by undertaking works under Major and Medium Irrigation (MMI) and Minor Irrigation (MI) sector. The Department executes various irrigation schemes sanctioned under Accelerated Irrigation Benefits Programme (AIBP), Border Area Development Programme (BADP), River Management Activities and works related to Border Areas (RMABA) and NABARD<sup>103</sup> loan. AIBP was made one of the four components of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) during 2015-16, with focus on completion of ongoing MMI projects. The MI schemes were made a part of the separate component of PMKSY- *Har Khet ko Pani*. Department is also responsible for

<sup>102</sup> At Hotel International Sonawar, Srinagar

<sup>103</sup> National Bank for Agriculture and Rural Development

execution of protection works on the banks of various rivers and *nallahs* through Centrally Sponsored Scheme Flood Management Programme (FMP) under Flood Control sector.

The organisational chart of the department is given in *Appendix-3.12.1*. The Executive Engineers of the divisions are responsible for framing the Detailed Project Reports (DPRs) of various schemes which are submitted for accord of Technical Sanction/ Administrative Approval to the Superintending Engineers, Chief Engineer and administrative department, as per their delegated powers.

The present audit covering period from 2015-16 to 2017-18 was conducted to assess compliance with applicable rules/ guidelines and the efficiency and effectiveness of the Department in implementation of the projects. Audit analysis was conducted on the basis of information obtained from three Chief Engineers<sup>104</sup> and scrutiny of records in 25 divisions<sup>105</sup> of eight<sup>106</sup> sampled districts (36 per cent) out of 22 districts in the State. Selection of districts was done on the basis of number of incomplete projects and their expenditure as of March 2017. Position of total projects under execution during 2015-18 and the sample selected for audit analysis is detailed as under:

**Table-3.12.1: Details of projects taken up for execution during 2015-18 and those test-checked in audit**

Total number of projects/ schemes		Number of incomplete projects as of April 2015	New projects taken up during April 2015 to March 2018	Total	Completed projects ending March 2018		Incomplete projects as of March 2018	
					Number	Per cent	Number	Per cent
In the State	MMI	5	Nil	5	1	20	4	80
	MI	707	80	787	384	49	403	51
	<b>Total</b>	<b>712</b>	<b>80</b>	<b>792</b>	<b>385</b>	<b>49</b>	<b>407</b>	<b>51</b>
In test-checked Divisions	MMI	2	Nil	2	Nil	0	2	100
	MI	202	70	272	23	8	249	92
	<b>Total</b>	<b>204</b>	<b>70</b>	<b>274</b>	<b>23</b>	<b>8</b>	<b>251</b>	<b>92</b>

(Source: Information provided by three CEs and the EEs of test-checked divisions)

Out of 274<sup>107</sup> executed schemes in eight sampled districts, 23<sup>108</sup> schemes have been completed during 2015-18, which included three schemes completed timely and 20 schemes completed after delay ranging between 2 and 12 years. Out of 251 incomplete schemes as on March 2018, in these eight districts (which comprised 62 per cent of 407 incomplete projects in the State), 209 schemes were due for completion during 2015-18 and 42 schemes were due for completion after March 2018. The result of the audit is discussed below:

<sup>104</sup> Chief Engineer, Irrigation and Flood Control, Jammu; Chief Engineer, Irrigation and Flood Control, Kashmir; Chief Engineer, Ravi Tawi Irrigation Complex (RTIC) Jammu

<sup>105</sup> Civil Divisions: 17; Mechanical Divisions: Four; Flood Control Divisions: Four

<sup>106</sup> Jammu, Kathua, Udhampur, Rajouri, Anantnag, Baramulla, Budgam and Kupwara

<sup>107</sup> AIBP: 174; PMKSY: 63; NABARD: 15; BADP: 7; FMP: 14 and RMABA: 1

<sup>108</sup> AIBP: 19; PMKSY: Nil; NABARD: 01; BADP:01; FMP: 02 and RMABA: Nil

### **3.12.2 Planning**

The schemes were selected for execution by the Department on the basis of local needs by the inhabitants of the area as well as by the public representatives and were accordingly projected in the annual plans.

#### **3.12.2.1 Selection of schemes with high development cost**

Para (A) (2) of AIBP guidelines (December 2006) envisage that Surface MI schemes which are approved by the State Technical Advisory Committee are eligible for funding under the programme, provided that the development cost of the schemes per hectare is less than ₹one lakh. The monetary limit was revised (October 2013) to ₹2.50 lakh for schemes taken up subsequently.

Audit observed that the development cost in respect of 28 schemes as detailed in **Appendix-3.12.2** sanctioned prior to the year 2013-14 which were due for completion during 2010-16 was in excess of permissible limit of ₹one lakh and ranged between ₹one and ₹3.01 lakh per hectare. An expenditure of ₹74.73 crore had been incurred on these schemes, ending March 2018.

In reply, it was stated (February, April and June/ 2018) that the schemes were duly approved by the Technical Advisory Committee and thereafter the funds were released for execution of works. The reply is not tenable and can be seen in the light of the fact that ineligible schemes were selected and approved in violation of AIBP guidelines.

#### **3.12.2.2 Non-completion of schemes due to improper survey**

Para 2 of Section 1 of Norms fixed (July 2012) by the Ministry of Water Resources, GoI for preparation of DPRs of surface minor irrigation schemes under AIBP clearly stipulates that a detailed survey and investigation be carried out in command and the head works. Section XI (para 41 to 44) of the Guidelines for preparation of DPRs of Irrigation and Multipurpose Projects issued (2010) by the Ministry of Water Resources, Government of India specified the procedure for land acquisition and resettlement of oustees.

Audit scrutiny in two<sup>109</sup> (out of 25) divisions revealed that three<sup>110</sup>(out of 274) schemes (Khahmoh storage tank, Kangroosa storage reservoir and Lift Irrigation Scheme<sup>111</sup> (LIS) Kongamdara-Ahmadpora) estimated to cost ₹45.91 crore were taken up for execution under AIBP during 2013-14 without conducting proper survey and ensuring availability of encumbrance free land/ source. These schemes due to be completed during 2014-15 and 2015-16, remained incomplete even after incurring an

<sup>109</sup> I&FC Division Baramulla; Irrigation & FC Division, Sopore

<sup>110</sup> (i) Khahmoh storage tank (Estimated cost: ₹18.42 crore; Expenditure: ₹0.05 crore), (ii) Kangroosa storage reservoir (Estimated cost: ₹21.36 crore; Expenditure: ₹0.07 crore); (iii) LIS Kongamdara-Ahmadpora (Estimated cost : ₹6.13 crore; Expenditure: ₹0.97 crore)

<sup>111</sup> Lift irrigation is a method of irrigation in which water is not transported by natural flow (gravity) but is lifted with pumps



expenditure of ₹1.09 crore<sup>112</sup>, ending March 2019 and their physical progress<sup>113</sup> ranged between 01-16 *per cent*. Proposed site of Khahmoh storage tank was not feasible for construction of storage tank as the area was at higher elevation and was often sliding. Whole habitation on the downward side was at continuous risk. Besides, no work could be executed (March 2019) on Kangroosa storage reservoir, as there existed a two storey building at the proposed site prior to the approval of the scheme and adequate space was not available (March 2019) for construction of tank. Further, there was dispute over source of the LIS Kongamdara-Ahmadpora which was known to the Department after the start of work in 2013-14 and was not settled (March 2019).

On being pointed out, Chief Engineer (I&FC) Kashmir stated (October 2018/ April 2019) that the two of these schemes on which an expenditure of ₹0.12 crore was incurred have been recommended to GoI for delinking from the group of approved schemes and efforts are on to resolve the dispute in respect of LIS Kongamdara-Ahmadpora. The departmental replies strengthened the audit contention that adequate survey was not conducted while framing DPRs, due to which the inhabitants of the area were denied envisaged irrigation facilities. It was also stated (October 2019) that the two schemes have been delinked by GoI.

It was further noticed in audit that an expenditure of ₹2.03 crore had been incurred during 2011-12 to 2014-15 on procurement of material<sup>114</sup> for the scheme 'Construction of Check dam and allied works for 'Hansa Khul', in ID Udhampur. However, the material was diverted to other AIBP/ District plan schemes<sup>115</sup> and the original scheme had not been taken up due to land dispute and out of ₹2.03 crore, an amount of ₹0.37 crore was only recouped. The balance of ₹1.66 crore had not yet been recouped (March 2019).

The EE, ID Udhampur, stated (February 2018) that the funds in the shape of material were diverted to other schemes in view of demand raised by a local MLA<sup>116</sup> in the District Development Board Meeting. Reply is not tenable as the material worth ₹1.66 crore had not yet been recouped and the original approved scheme has also not been taken up so far (March 2019).

### 3.12.3 Financial Management

The position of funds released under for implementation of various programmes and the expenditure incurred during 2015-18 as provided by the respective Chief Engineers is detailed below:

<sup>112</sup> Central share: ₹1.00 crore; State share: ₹0.09 crore

<sup>113</sup> (i) Khahmoh storage tank (one *per cent*); (ii) Kangroosa storage reservoir (one *per cent*); (iii) LIS Kongamdara-Ahmadpora (16 *per cent*)

<sup>114</sup> Cement: 63,158 bags; Steel: 4 MTs

<sup>115</sup> (i) Construction of anti-erosion of river Tawi from Chenani to Dibber and its distributaries; (ii) Construction of protection works in Block Chenani, Tikri, Panchari

<sup>116</sup> Member Legislative Assembly



**Table-3.12.2: Statement showing position of funds**

(₹in crore)

Name of the programme	Central/ State share of funds	Opening balance (GoI)	Funds released during April 2015 to March 2018		Total availability	Expenditure incurred during April 2015 to March 2018			Total expenditure as per cent of availability	Unspent balance (GoI)
			GoI	State share		GoI	State share	Total		
AIBP	90:10	46.47	159.26	32.59	238.32	175.17	32.58	207.75	87	30.56
PMKSY	90:10	0.00	21.19	4.36	25.55	17.78	4.01	21.79	85	3.41
FMP	70:30 <sup>117</sup>	5.15	126.68	123.80	255.63	130.23	123.79	254.02	99	1.60
RMABA	100:0	1.82	2.99	Nil	4.81	4.81	Nil	4.81	100	Nil
<b>Total</b>		<b>53.44</b>	<b>310.12</b>	<b>160.75</b>	<b>524.31</b>	<b>327.99</b>	<b>160.38</b>	<b>488.37</b>	<b>93</b>	<b>35.57</b>
BADP	100:0	Not available	15.10		15.10	12.39		12.39	82	Not available
NABARD (loan)	95:5		30.60		30.60	28.38		28.38	93	
<b>Total</b>			<b>45.70</b>		<b>45.70</b>	<b>40.77</b>		<b>40.77</b>	<b>89</b>	
<b>Grand Total</b>					<b>570.01</b>			<b>529.14</b>	<b>93</b>	

(Source: Information provided by three CEs)

As can be seen from the above details, against the total fund availability of ₹570.01 crore<sup>118</sup> during 2015-18, expenditure incurred was ₹529.14 crore (93 per cent).

### 3.12.3.1 Diversion of funds

The releases of funds under various schemes were subject to the condition that funds should be utilised for the approved components/ works and no deviation shall be made. Audit check of records in 13 divisions<sup>119</sup>, out of 25 selected divisions revealed that ₹2.22 crore were spent on items/ activities<sup>120</sup> which were not part of the approved schemes/ programmes.

The EEs of the seven divisions stated (February/ April/ May 2018) that due to non-availability of separate grants on account of wages, OE, POL, etc. the expenditure was met out of other funds. The six EEs<sup>121</sup> did not reply.

### 3.12.4 Delay in completion of schemes

Out of 251 incomplete schemes in the test-checked divisions as on March 2018, 209 schemes on which an expenditure of ₹872.87 crore<sup>122</sup> had been incurred were due for completion during 2015-18 and the delay in their completion is detailed in table below. These 209 schemes included 199 schemes for which the targeted completion period was in the range of 1-3 years and in 10 schemes the targeted completion period was 4-8 years.

<sup>117</sup> 90:10 upto July 2013 and thereafter at the rate of 70:30

<sup>118</sup> Does not included opening balance in respect of BADP and NABARD

<sup>119</sup> FCD Akhnoor: ₹0.02 crore; ID Kathua: ₹0.23 crore; ID Akhnoor: ₹0.06 crore; I&FCD Nowshera: ₹0.07 crore; I&FCD Kupwara: ₹0.28 crore; I&FCD Handwara: ₹0.37 crore; I&FCD Baramulla: ₹0.06 crore; I&FCD Sopore: ₹0.28 crore; ID Budgam: ₹0.18 crore; Hydraulic Circle, Uri: ₹0.17 crore; Ferozpur Basin Irrigation (FBI) Division Tangmarg: ₹0.06 crore; ID Anantnag: ₹0.16 crore and FCD Anantnag: ₹0.28 crore

<sup>120</sup> Hire charges, payment of wages, purchase of POL, etc.

<sup>121</sup> I&FCD Kupwara, I&FCD Baramulla, I&FCD Sopore, Hydraulic Division Uri, Ferozpur Basin Irrigation Division Tangmarg and ID Anantnag

<sup>122</sup> Includes ₹22.56 crore in respect of three schemes which were shown physically completed, though financially not completed

Table-3.12.3: Statement showing delay in completion of schemes with reference to progress reports

(₹ in crore)

Period of delay	Physical progress							
	Upto 25 per cent		26-50 per cent		51-99 per cent		100 per cent	
	Number of schemes	Expenditure incurred	Number of schemes	Expenditure incurred	Number of schemes	Expenditure incurred	Number of schemes	Expenditure incurred
Upto 2 years	32	79.00	02	9.02	05	103.04	0	0
2 to 5 years	49	54.11	21	40.04	67	190.82	2	2.74
More than 5 years	02	4.17	02	18.12	26	351.99	1	19.82
<b>Total</b>	<b>83</b>	<b>137.28</b>	<b>25</b>	<b>67.18</b>	<b>98</b>	<b>645.85</b>	<b>3</b>	<b>22.56</b>

(Source: Information provided by the EEs of test checked divisions)

Out of 209 schemes due for completion during 2015-18, only three schemes had been shown physically completed though financially not completed, as of March 2018. Incomplete schemes included 108 schemes (52 per cent) where the physical progress was less than 50 per cent. There was significant delay of more than 5 years in 30 schemes, despite expenditure of ₹374.28 crore. In 4 schemes, despite delay of 5 years, the progress was less than 50 per cent after an expenditure of ₹22.29 crore.

The delay was mainly due to insufficient funds (166 schemes), land/ local disputes (16 schemes) and other reasons including less discharge, non-finalisation of drawings/ designs, leakage of check dam, etc. (24 schemes) as discussed below.

Audit scrutiny revealed that 166 schemes (estimated cost: ₹1176 crore) taken up during 2007-17 and scheduled to be completed during 2009-18, remained incomplete even after incurring expenditure of ₹444.03 crore as of March 2018 due to insufficient release of funds. The balance cost of ₹731.97 crore required for completion of these schemes was 62 per cent of their estimated cost, as detailed in table below.

Table-3.12.4: Statement showing delay in completion of schemes due to insufficient funds

(₹ in crore)

Year of start	Targeted year of completion	Incomplete schemes ending March 2018			
		Number	Estimated cost	Expenditure ending March 2018	Balance cost required as on 1 <sup>st</sup> April 2018
2007-08	2009-10	05	30.08	27.25	2.83
2008-09	2009-11	07	75.18	64.72	10.46
2009-10	2011-12	02	11.42	7.05	4.37
2010-11	2013-14	01	39.30	21.91	17.39
2011-12	2013-16	53	333.33	196.61	136.72
2012-13	2014-15	01	11.70	11.60	0.10
2013-14	2014-18	63	421.69	72.29	349.40
2014-15	2015-17	04	25.89	14.31	11.58
2015-16	2017-18	29	31.70	6.60	25.10
2016-17	2017-18	01	195.71	21.69	174.02
<b>Total</b>		<b>166</b>	<b>1,176.00</b>	<b>444.03</b>	<b>731.97</b>

(Source: Departmental records)

Similarly, 16 schemes (estimated cost: ₹216.06 crore) taken up during 2007-13 and scheduled to be completed during 2009-18, remained incomplete even after incurring the expenditure of ₹157.45 crore as of March 2018 due to land/ local disputes, as detailed below. These schemes were taken up without conducting proper survey and ensuring availability of encumbrance free land/ source.

**Table-3.12.5: Statement showing delay in completion of schemes due to land/ local disputes**

(₹ in crore)

Year of start	Targeted year of completion	Incomplete schemes ending March 2018		
		Number	Estimated cost	Expenditure ending March 2018
2007-08	2009-10	03	27.33	24.22
2008-09	2009-11	03	42.93	33.19
2009-10	2012-18	02	71.00	59.47
2011-12	2012-15	07	14.99	11.09
2012-13	2017-18	01	59.81	29.48
<b>Total</b>		<b>16</b>	<b>216.06</b>	<b>157.45</b>

(Source: Departmental records)

Further, 24 schemes (estimated cost: ₹412.38 crore) scheduled to be completed during 2005-18, remained incomplete even after incurring an expenditure of ₹248.84 crore as of March 2018 due to various reasons including less discharge, leakage in check dam, non-finalisation of drawings/ designs, submergence of schemes, change of site of pump house, etc., as detailed below.

**Table-3.12.6: Statement showing delay in completion of schemes due to other reasons**

(₹ in crore)

Sl. No	Reason for incompleteness	Targeted year of completion	No. of schemes	Estimated cost	Expenditure incurred ending March 2018
1	Inadequate discharge	2005-06	1	1.99	0.45
2	No specific reasons	2008-16	10	249.13	212.64
3	Check dam leaking	2009-10	1	0.72	0.67
4	Non-finalisation of drawings	2010-11	1	4.44	3.72
5	Submergence of schemes due to proposed construction of check dam by JKPDC	2013-18	4	16.86	7.72
6	Abandonment of work	2011-12	1	17.50	17.84
7	Severe damages due to floods	2013-14	1	0.89	0.89
8	Change of site of pump house	2013-14	1	1.80	0.71
9	Work yet to be started	2013-14	1	53.99	2.20
10	Sliding Zone	2014-15	1	18.42	0.05
11	Non-availability of land	2015-16	1	21.36	0.07
12	Non availability of appropriate/approved designs	2015-16	1	25.28	1.88
	<b>Total</b>		<b>24</b>	<b>412.38</b>	<b>248.84</b>

(Source: Departmental records)

Due to non-completion of these schemes, envisaged irrigation facilities in the respective areas could not be provided to the inhabitants.



**Damaged portion of Poonda Khul At RD-1900 M**

**Recommendation:** *The Government/ Department may consider to prioritise the completion of incomplete projects in a time bound manner. Besides, timely availability of resources for completion of schemes should be ensured.*

#### **3.12.4.1 Blocking of funds**

For execution of electromechanical works in respect of various Lift Irrigation Schemes (LISs), funds were placed at the disposal of Executive Engineer (EE), Mechanical Irrigation Construction Division (MICD), Jammu by various civil irrigation divisions. Audit scrutiny revealed that an amount of ₹27.44 crore pertaining to 13 LISs was placed at the disposal of MICD, Jammu by three divisions<sup>123</sup> during March 2009 to March 2016, for execution of electromechanical works. Out of this, an amount of ₹9.04 crore (33 per cent) was lying unutilised and kept under 8443-deposits, ending March 2018, due to non-execution of civil works, land dispute, release of inadequate funds resulting in blocking of funds for periods ranging between 2 and 9 years. These 13 schemes were targeted to be completed during 2009-10 to 2015-16. An additional amount of ₹5.49 crore was also released during 2018-19 for execution of electromechanical works of these schemes. However, electromechanical works in respect of only two schemes<sup>124</sup> had been completed and the remaining 11 schemes<sup>125</sup> were still incomplete/ ongoing (March 2019) despite lapse of 2 to 9 years from their targeted date of completion. The unspent balance in the deposit head as of March 2019 was ₹14.53 crore. Due to non-completion of these schemes the UIP of 9,362 hectares could not be tapped.

<sup>123</sup> ID Kathua, I&FCD Nowshera and ID Akhnoor

<sup>124</sup> LIS Kalsian and LIS Nagger Gosain

<sup>125</sup> (i) LIS Mandla (ii) LIS Lower Rajwalta (iii) LIS Tallain Nallah (iv) Check Dam Bhini River (v) LIS Langer (vi) LIS Beri Pattan (vii) LIS Chowki Choura (viii) LIS Kot-II (ix) LIS Sidhra Dhana (x) LIS Ambaran-II (xi) LIS Samuah Chaprial.

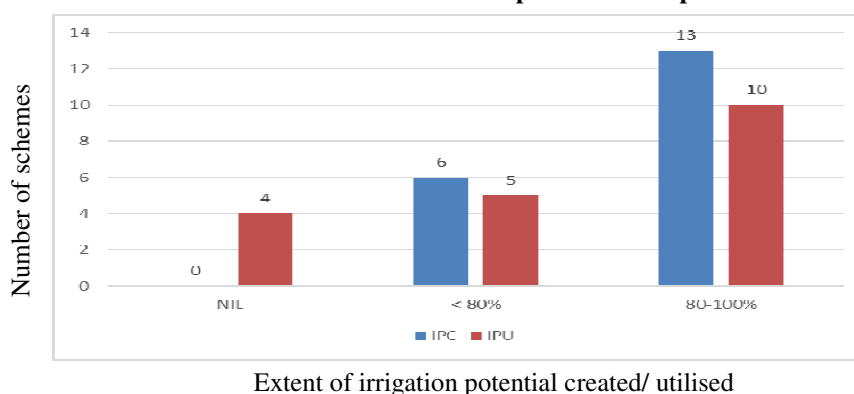
### 3.12.5 Irrigation potential created and utilised

Audit scrutiny in 17<sup>126</sup> (out of 25<sup>127</sup>) divisions of eight sampled districts as detailed in **Appendix-3.12.3** revealed that against the Ultimate Irrigation Potential<sup>128</sup> (UIP) of 1,89,371 hectare, the Irrigation Potential Created<sup>129</sup> (IPC) as of March 2018 was 1,09,658 hectare (58 *per cent*) and Irrigation Potential Utilised<sup>130</sup> (IPU) was 96,247 hectare (88 *per cent*). There was shortfall of 42 *per cent* in creation of irrigation potential with reference to UIP and 12 *per cent* in utilisation of irrigation potential against the IPC. As a result thereof, the envisaged irrigation facilities in the intended areas could not be provided. Shortfall in creation of irrigation potential was mainly due to delay in completion of irrigation schemes.

Audit analysis of the irrigation potential (1,09,658 hectare) created (IPC) and irrigation potential (96,247 hectare) utilised (IPU) in 177 irrigation schemes<sup>131</sup> (ongoing: 158; completed: 19) in the sampled 17 divisions revealed that:

- Out of 19<sup>132</sup> completed schemes, the IPC in respect of 6 schemes where an expenditure of ₹18.84 crore was incurred was less than 80 *per cent*. In 13 schemes where an expenditure of ₹15 crore had been incurred, the IPC ranged between 80 and 100 *per cent* and these schemes included 4 schemes wherein the targeted IPC was achieved fully. In four completed projects, the IPU was nil as these were completed in 2017-18 only and in five completed projects, the IPU was less than 80 *per cent* of their IPC. The IPU in 10 completed projects ranged between 80 and 100 *per cent*.

**Chart-3.12.1: IPC and IPU in respect of 19 completed schemes**



<sup>126</sup> 17 Divisions: ID Rajouri; ID Akhnoor; I&FCD Nowshera; ID Kathua; ID Udhampur; ID-I Jammu; ID-II Jammu; RTIC Jammu; Tube well Irrigation Division, Jammu; ID Anantnag; I&FCD Kupwara; I&FCD Baramulla; I&FCD Sopore; Ferozpur Basin Irrigation Division, Tangmarg; Hydraulic Division, Uri; ID Budgam and I&FCD Handwara. Balance eight divisions are either executing the electromechanical works or Flood Control Works

<sup>127</sup> Includes four flood control divisions (Jammu, Akhnoor, Kathua, Anantnag) executing flood control works and four MID/ MICD divisions (Jammu, Akhnoor, Nowshera, Srinagar) executing electromechanical works

<sup>128</sup> Ultimate Irrigation Potential is the gross area that can be irrigated from a scheme in a design agriculture year (1<sup>st</sup> July to 30<sup>th</sup> June)

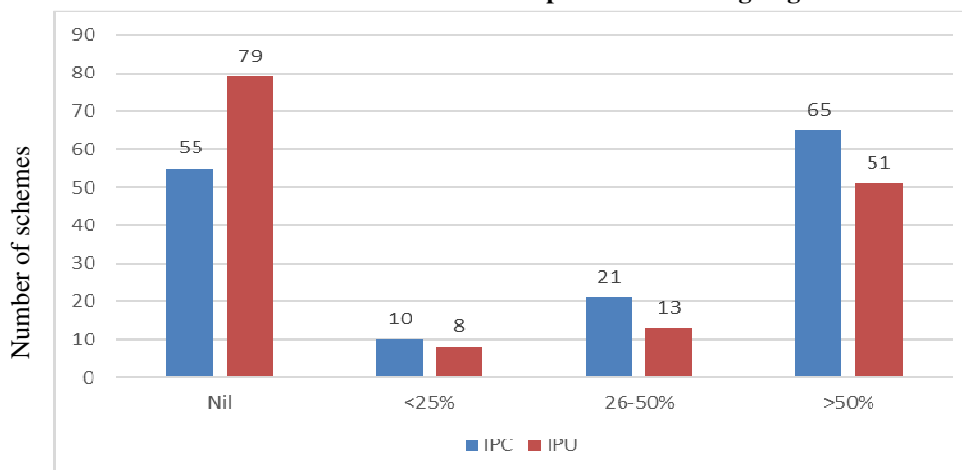
<sup>129</sup> Irrigation Potential Created is the total area that can be irrigated from a scheme on its full utilisation.

<sup>130</sup> Irrigation Potential Utilised is the total gross area actually irrigated by a scheme during the agriculture year

<sup>131</sup> AIBP schemes: 172; NABARD: 4; BADP: 1

<sup>132</sup> Does not included four flood control/ maintenance schemes under NABARD, FMP and BADP

- Out of 158 ongoing irrigation schemes<sup>133</sup>, IPC in 55 schemes was nil even after incurring an expenditure of ₹151.13 crore, ending March 2018. The envisaged IPC of 41,553 hectare in respect of these 55 schemes (35 per cent) could not be created despite incurring 32 per cent expenditure, against the estimated cost of ₹475.74 crore.

Chart-3.12.2: IPC and IPU in respect of 151<sup>134</sup> ongoing schemes

Extent of irrigation potential created/ utilised

- In 10 ongoing schemes, IPC was upto 25 per cent of IP target even after incurring an expenditure of ₹19.49 crore, as of March 2018, against the estimated cost of ₹42.17 crore. Similarly, in 21 ongoing schemes, IPC ranged between 26 to 50 per cent of the target after incurring an expenditure of ₹62.71 crore against the estimated cost of ₹97.57 crore, ending March 2018. IPC in three ongoing schemes (expenditure ₹4.20 crore) was achieved in full and in 62 ongoing schemes (expenditure ₹439.80 crore), it ranged between 53 to 99 per cent.
- In 79 ongoing schemes (50 per cent), the IPU was nil and in eight ongoing projects, it was upto 25 per cent only. In 13 ongoing projects, the IPU ranged between 26 to 50 per cent and in 51 ongoing projects, the IPU was more than 50 per cent.
- No data of IPC and IPU was furnished in respect of seven schemes of ID, Anantnag.
- In ID, Kathua, 30 schemes were taken up for execution at an estimated cost of ₹32.74 crore under PMKSY during the year 2015-16. However, against the targeted IPC of 2,865 hectare, only six per cent IP was created after incurring an expenditure of ₹6.60 crore (20 per cent), ending March 2018.

<sup>133</sup> The comment is in respect of 158 irrigation schemes only as out of 251 incomplete schemes, 42 schemes were not due for completion; 17 schemes pertained to flood sector, data in respect of 3 irrigation schemes was not available, 1 irrigation scheme pertained to shifting of utilities and 30 schemes under PMKSY due for completion in 2017-18 have been commented separately

<sup>134</sup> Information regarding IPC and IPU in respect of seven schemes was not provided to audit



**Recommendation:** *The Government/ Department may consider to ensure optimum utilisation of the irrigation potential already created.*

### **3.12.6 Non-handing/ taking over of completed Lift Irrigation Schemes**

Construction of a Lift Irrigation Scheme (LIS) involves execution of civil works by the concerned Civil Irrigation Division and electromechanical works by the Mechanical Irrigation Construction division (MICD). After completion of civil and electromechanical works the completed LIS has to be handed over to Mechanical Irrigation Division (MID) by the MICD for post operation and maintenance.

Audit scrutiny of the records in ID, Akhnoor and MICD, Jammu revealed that 12 Lift Irrigation Schemes (LISs) taken up for execution by ID, Akhnoor for execution of civil works and by MICD, Jammu for execution of electromechanical works of the LISs during the period 2007-08 to 2011-12 at an estimated cost of ₹9.08 crore were completed (2010-11 to 2016-17), commissioned and tested successfully between May 2011 and April 2017 after incurring an expenditure of ₹9.06 crore. These schemes were not made functional during last more than one to seven years from the date of testing of schemes, as MICD, Jammu belatedly took up (February 2016) the issue regarding their handing over with MID, Akhnoor/ Nowshera for post completion operation and maintenance. Further, there was delay on the part of MID, Akhnoor/ Nowshera in taking over of these schemes who stated (February 2018) that these schemes would be taken over after conducting thorough inspection of the infrastructure and assessment of their satisfactory performance. Failure of the department to make the schemes functional immediately after their testing and commissioning had resulted in denial of irrigation facilities on Culturable Command Area (CCA) of 713 hectare; besides non-accrual of envisaged economic benefit of ₹11.54 crore to 3,587 souls of 13 villages on account of value of agriculture produce, as projected in the DPRs.

The EE, MID Akhnoor/ Nowshera stated (May/ October 2018) that seven<sup>135</sup> out of 12 schemes were taken over in April 2018 by the MID, Akhnoor/ Nowshera and remaining schemes shall be taken over after proper verification and testing of their machinery and equipment. The fact remains that seven schemes were taken over only in April 2018, after a period ranging between one to six years from their commissioning and five schemes are yet to be taken over by the respective division (March 2019). It was further stated (April 2019) that out of seven schemes taken over, six schemes were functioning properly; however, pumping at LIS Fundwal has been stopped because of damage to the building. The required outcome in terms of creation/ utilisation of irrigation potential in respect of these schemes was not achieved, as against the creation of irrigation potential of 102 hectares in respect of seven completed schemes, irrigation potential of 13.25 hectare (13 *per cent*) was only utilised (March 2019).

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<sup>135</sup> Lift Irrigation Schemes: Fundwal, Bhanara, Kah, Meeni, Bal, Saroh and Aizal Malal



### 3.12.7 Schemes shown completed without completion of the envisaged *khul*<sup>136</sup> length

Audit scrutiny of records in I&FC Division, Udhampur revealed that as per financial/ physical progress reports of the division, eight AIBP schemes<sup>137</sup> estimated to cost ₹3.81 crore were shown completed during 2014-15 after incurring an expenditure of ₹3.81 crore. However, against the target of constructing *khul* length of 10,660 meter through these schemes, only 7,685 meter (72 per cent) *khul* length was completed (March 2018). The irrigation facility in the envisaged area could not be achieved. Further, against the irrigation potential of 145 hectares created in respect of these schemes, irrigation potential of only 43 hectares (30 per cent) was utilised (September 2019) because of creation of less *khul* length as the division failed to complete the targeted *khul* length within the estimated cost.

It was also noticed that the Irrigation Potential of 44 hectare created in respect of Deoli *khul* and Pattangarh *khul* was not utilised at all. The audit finding was confirmed (August 2017) through Joint inspection of Pattangarh *khul* (Udhampur District), where against the envisaged *khul* length of 1,500 meters, only 510 meter (34 per cent) *khul* length had been constructed which could not be connected to the source.



The EE of the Irrigation division Udhampur stated (February 2018) that allotted funds were fully utilised and due to increase in cost of labour/ material on the schemes and land dispute in respect of Pattangarh *khul*, balance works could not be undertaken. However, no additional funds were demanded/ allotted as of September 2019 for completion of the balance portion of the *Khuls*. As a result of non-completion of *khuls*, only 30 per cent of the irrigation potential created could be put to use and the envisaged results could not be achieved (September 2019).



<sup>136</sup> Water channel

<sup>137</sup> Mathan *khul*, Mang *khul*, Damak *khul*, Pattangarh *khul*, Nallah Gardian *khul*, Saroori *khul*, Deoli *khul* and Khuban Slay *khul*

**3.12.8 Unproductive and idle investment**

**3.12.8.1 Unproductive investment on creation of receiving/ sub-stations**

Audit scrutiny in two Irrigation division<sup>138</sup> (out of 25 sampled divisions) revealed that two Lift Irrigation Schemes (LISs) Ambaran-II and Beri Pattan taken up for execution during 2007-08 and 2011-12 respectively which were to be completed in two and four years were nowhere near completion (March 2018). Physical status of different items of work in respect of these schemes is indicated in *Appendix-3.12.4*. For creation of two receiving/ sub-stations in respect of these schemes, MICD, Jammu advanced ₹5.88 crore during February 2012 and October 2013, to two Executing divisions<sup>139</sup> of Power Development Department against which an expenditure of ₹5.80 crore<sup>140</sup> was incurred as of March 2018. Receiving/ sub-stations in respect of Beri Pattan and Ambaran-II were completed in August 2015 and May 2014; however, the civil and mechanical works in respect of these schemes were not completed, as of March 2019. Thus, creation of electric receiving/ sub-stations without ensuring the completion of civil and mechanical works over a period ranging between 6 and 10 years, resulted in unproductive investment of ₹5.80 crore.

	
<p align="center"><b>Receiving Station at Beri Pattan as on 29.07.2017</b></p>	<p align="center"><b>Electric Sub-Station Ambaran-II as on 28.02.2018</b></p>

The EEs of the I&FC Division Nowshera and ID Akhnoor stated (April 2018 and February 2018) that the completion of projects was delayed due to non-availability of sufficient funds. The reply is not tenable, as there was lack of co-ordination in execution of the works. The electric works were executed in isolation of civil and mechanical works, which continued to remain incomplete. As against the estimated cost of ₹51.08 crore for execution of all the works of LIS Beri Pattan, only ₹17.71 crore had been released and spent as of September 2019. Further, against the estimated cost of ₹5.85 crore for execution of electromechanical works of LIS Ambaran-II, only ₹2.20 crore were projected in the DPR and the scheme could not be completed due to non-availability of funds.

<sup>138</sup> ID&FD Nowshera; ID Akhnoor

<sup>139</sup> Sub-transmission division Kalakote: ₹4.90 crore; Sub-transmission Division-I Jammu: ₹0.98 crore

<sup>140</sup> LIS Beri Pattan: ₹4.82 crore; LIS Ambaran-II: ₹0.98 crore

### 3.12.8.2 Idle investment on purchase of pumping machinery and allied material

Audit scrutiny showed that the pumping machinery and other allied material worth ₹11.05 crore procured (October 2003 to May 2017) for execution of electromechanical works of 42<sup>141</sup> lift irrigation schemes was lying unutilised/ unused (March 2018) in the four<sup>142</sup> divisional stores for periods ranging between 1 and 14 years resulting in idle investment of ₹11.05 crore. Idle machinery and equipment included material worth ₹6.70 crore as detailed in **Appendix-3.12.5** purchased in respect of 19 LISs<sup>143</sup> which were scheduled to be completed during 2009-10 to 2015-16, and out of which only one LIS had been completed during 2016-17 and the remaining 18 schemes were incomplete despite lapse of two to eight years from their due dates of completion.

	
<p align="center"><b>Unissued material lying in the divisional store of MICD, Jammu as on 13.04.2018</b></p>	<p align="center"><b>Unissued material in the MID Store, Baramulla as on 06.07.2018</b></p>

On being pointed out in audit, the EE, MICD, Jammu stated (January 2018) that procured material could not be installed due to non-completion of civil works, change in design of scope of work, court cases, etc. as the fact remains that due to non-completion of work, installation of machinery could not be completed in time resultantly not only available warranty period of 18 months had expired in respect of material procured for 40 schemes but also there is risk in progressive deterioration in quality of the stock stored.

**Recommendation:** *The Government/ Department may consider to devise a mechanism for synchronisation of various works involving multiple executing agencies and the purchase of required material.*

### 3.12.9 Shortage of stores due to lack of internal control and monitoring

Rule 8.13 of Jammu and Kashmir Financial Code Volume-I *inter alia* provides for maintenance of a suitable account and inventory and preparation of correct returns in respect of stores so as to prevent the losses, as well as check the actual balances with

<sup>141</sup> Including 19 schemes executed in 8 sampled division (ID Akhnoor, I&FCD Rajouri, I&FCD Nowshera, ID Kathua, I&FCD Sopore, I&FCD Baramulla, I&FCD Handwara, Hydraulic Division Uri)

<sup>142</sup> MICD, Jammu; MID, Anantnag, MID Baramulla and MID Srinagar

<sup>143</sup> Details regarding schedule of completion of remaining 23 LISs for which material worth ₹4.35 crore had been purchased was not available with the respective Mechanical divisions



the book balances. Rule 8.28 provides that physical verification of all stores must be done by a responsible Government officer, at least once a year.

Audit analysed the physical verification reports in 25 sampled divisions of eight districts. It was noticed in Irrigation Division, Akhnoor that although officers were nominated in April 2013 and April 2014 respectively, physical verification for the year 2012-13 was not conducted. The physical verification for the year 2013-14 was conducted partially outside the divisional store only and not inside the stores. As such, the shortages/ excesses if any, remained unnoticed and there was a risk of misappropriation and pilferage of stores. The physical verification officer nominated in April 2015 found shortages in the stores and a five member committee headed by EE, Irrigation Division-I, Jammu in January 2016 established shortages worth ₹1.51 crore. Thus, the failure of the Divisional authorities to exercise proper internal controls and get the physical verification of stores conducted with due diligence led to shortages remaining undetected.

The EE, ID Akhnoor stated (October 2018), that the matter had been referred (February 2016) to the State Vigilance Organisation, Jammu and Kashmir. The final outcome, however, is awaited (December 2018).

#### **3.12.10 Monitoring**

Para 5 of AIBP scheme guidelines (2013) has certain laid down provisions for monitoring the implementation of schemes taken up under the programme which included use of Geographical Information System (GIS) maps, allocation of Unique Identification Code (UIC) to each scheme, constitution of State Level/ Project Level Monitoring Committees and monitoring through agencies independent of construction agencies. However, GIS mapping was not used and monitoring committees were also not constituted (May/ June 2018). As such, the implementation of schemes were not monitored by the agencies independent of construction agencies. Besides, no Performance evaluation of the AIBP schemes was conducted in accordance with the Programme guidelines-2013 and the Water Users Associations for post construction maintenance were also not formed. The concurrent evaluation of FMP projects has not been conducted.

#### **3.12.11 Conclusion**

Out of 274 ongoing schemes test-checked in audit, only 23 schemes have been completed which included three schemes completed timely and 20 schemes completed after delay ranging between 2 and 12 years. Remaining 251 incomplete schemes included 209 schemes which were targeted to be completed by March 2018 and 42 schemes were due for completion after March 2018. There was delay of more than five years in completion of 30 schemes and in 137 schemes, the delay ranged between 2 to 5 years. There was shortfall of 42 *per cent* in creation of irrigation potential with reference to ultimate irrigation potential. The shortfall in utilisation of irrigation potential created was 12 *per cent*. Audit came across instances of diversion/ blocking of funds, idle, unfruitful and unproductive expenditure of ₹39.92 crore.

The matter was referred to the Government/ department in August 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### 3.13 Blocking of funds due to non-construction of barrage at Jhajjar Kotli

**Improper planning of Irrigation and Flood Control Department to advance funds to Jammu and Kashmir Projects Construction Corporation before seeking objections/ clarifications and publishing the scheme for construction of barrage over Jhajjar Nallah at Jhajjar Kotli on the proposed site coming in the alignment of Jammu-Srinagar National Highway resulted in blocking of ₹1.80 crore for over six to seven years.**

Sections 13 and 14 of the Jammu & Kashmir Irrigation Act, 1978 stipulate that while preparing the irrigation schemes, the estimated cost, realignment of any water course or existing water course, the site of the outlet, the particulars of the owners/ occupiers/ beneficiaries to be benefitted and other person who may be affected is to be set out in the draft scheme. Besides, every irrigation scheme, after its preparation, is to be published so as to invite objections and suggestions within 30 days. After consideration of such objections and suggestions, the scheme shall be approved either as it was originally published or in such modified form as may be considered fit and published.

Audit scrutiny (October 2017) of the records of Executive Engineer Irrigation Division-I Jammu, revealed that a project for construction of Weir/ Barrage at Jhajjar Kotli, Jammu was handed over (March 2011) by Chief Engineer Irrigation and Flood Control (I&FC) Department, Jammu to Managing Director, Jammu and Kashmir Projects Construction Corporation (JKPCC) for its execution at an estimated cost of ₹7.62 crore. Without publishing the scheme for seeking the objections/ suggestions under section 14 of the Act, an amount of ₹1.80 crore was advanced to JKPCC in March 2011 (₹one crore) and March 2012 (₹80 lakh). However, JKPCC could not start the work owing to objections raised (May 2012) by the National Highway Authority of India, as the proposed site came under the alignment of the Jammu-Srinagar National Highway at Jhajjar Kotli. A new site for the barrage was identified and JKPCC submitted (January 2015) a revised proposal with an increased project cost of ₹24.73 crore due to change in certain technical parameters<sup>144</sup>. The revised proposal, however, was not found feasible and the project was shelved and JKPCC was asked (May 2015) to refund the unspent balance of ₹1.80 crore. Even after shelving the project in May 2015, additional funds to the tune of ₹0.88 lakh were released to Executive Engineer Irrigation Division-I Jammu, in October 2015 (₹0.75 lakh) and July 2016 (₹0.13 lakh) for this project, which had to be surrendered. Although JKPCC was again reminded (February 2017) to refund the unspent balance of ₹1.80 crore, it continued (December 2018) to retain the same without any reason.

<sup>144</sup> Width of barrage increased from 26 meters to 42 meters and the number of gates increased from three to four

Thus, the improper planning of Irrigation and Flood Control Department to advance funds to JKPC, before seeking objections/ clarifications and publishing the scheme for construction of barrage on the proposed site coming in the alignment of Jammu-Srinagar National Highway resulted in blocking of ₹1.80 crore for over six to seven years.

On being pointed out in audit, Executive Engineer Irrigation Division-I Jammu stated (October 2017 and July/ October 2018) that no reasons were on record as to why the scheme was not published, as required under the Act.

The matter was referred to the Government/ Department in May 2018. In reply, Chief Engineer, Irrigation and Flood Control Department, Jammu stated (September 2018), that the Administrative Department was requested to take up the matter with JKPC for refund of the amount. However, the fact remains that no further progress could be achieved in this regard and the amount continued to remain with JKPC. Reply of Government was awaited (September 2019).

### **Law, Justice and Parliamentary Affairs Department**

#### **3.14 Diversion and blocking of funds meant for ADR Centre Udhampur**

**Injudicious action of the department to advance funds to the executing division without ensuring the availability of land required for construction of Alternate Dispute Resolution (ADR) centre building, resulted in diversion of material of ₹0.44 crore and blocking of ₹0.89 crore in deposit heads.**

Alternate Dispute Resolution (ADR) is a way of resolving disputes between two or more parties outside court room and includes early neutral evaluation, negotiation, mediation and arbitration. Out of 22 Administrative districts in the State, ADR centres are functional in eight districts<sup>145</sup> while in the remaining 14<sup>146</sup> districts, they were not functional as of March 2019. Audit scrutiny of the records of Executive Engineer (EE) Public Works Department (PWD) Roads and Building (R&B) Division Udhampur revealed that on the authority of Registrar Rules (Co-ordinator), High Court of Jammu and Kashmir, a technical report for construction of Mediation Centre/ Alternate Dispute Resolution building in District court complex Udhampur at an estimated cost of ₹0.96 crore was framed (February 2011), which was subsequently revised (October 2011) to ₹1.33 crore. The project was funded under 13<sup>th</sup> Finance Commission and was to be completed in two years after the first release of funds. However, the Administrative approval for the project was awaited (January 2019).

Audit scrutiny revealed that EE, PWD (R&B) Division, Udhampur allotted (September 2012) the work to a contractor<sup>147</sup> at a cost of ₹0.92 crore, to be completed by the end of July 2013. However, the contractor could not commence the work as a portion of the land earmarked for the Centre housed sheds for the lawyers. The

<sup>145</sup> Anantnag, Baramulla, Shopian, Srinagar, Pulwama, Leh, Jammu, Kathua

<sup>146</sup> ADR centre building completed but not inaugurated in four districts (Bandipora, Kupwara, Budgam, Poonch); ADR centre under construction in two districts (Kulgam, Samba); ADR centre tenders finalised in one district (in Doda at Bhaderwah); land for ADR centre not identified in six districts (Ganderbal, Rajouri, Ramban, Reasi, Kishtwar, Kargil); sufficient land for construction not available in one district (Udhampur)

<sup>147</sup> M/S Open Survey World Proprietor

department assumed (October 2011) availability of sufficient land for construction, though lawyers were not willing to vacate the sheds (January 2018). Since the work could not commence, an amount of ₹0.44 crore received for the work during 2012-13 was spent on procurement of material<sup>148</sup> and was diverted to other works<sup>149</sup>. An amount of ₹0.89 crore<sup>150</sup> was further released to the division during 2014-15 and 2015-16, which could also not be utilised and had to be transferred to the civil deposits. The action of the department is violative of Rule 2-33 of Jammu and Kashmir Financial Code, which does not permit the practice of withdrawing funds with a view to avoiding lapse of budget grant and placing such money in civil deposits. Thus, injudicious action of the department to advance funds to the executing division without ensuring the availability of land for construction of the Centre, resulted in diversion of material of ₹0.44 crore and blocking of ₹0.89 crore in deposit heads for a period exceeding five years.

On being pointed out (October 2016), the EE, PWD (R&B) Division, Udhampur stated (October 2016) that the work could not be started as the site for the construction of the Centre had not been made available by the department. The Principal and District Session Judge, Udhampur while submitting the status report of ADR Centre confirmed (January 2018) non-availability of site. The Under Secretary Jammu and Kashmir State Legal Services Authority, however, stated (April 2019) that the land for construction of ADR centre has been vacated and the drawing forwarded to Hon'ble Mediation and Conciliation Committee of J&K High Court for accord of approval. The fact, however, remained that the ADR centre building could not be constructed despite lapse of more than eight years from the date of submission of proposal and the public could not avail the benefits of dispute resolution in a timely and cost effective manner. The material procured for ₹0.44 crore was diverted to other works and ₹0.89 crore continued to remain blocked in deposit head.

The matter was referred to the Government/ Department in June 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

## Power Development Department

### 3.15 Non-recovery of supervision charges

**Failure of the Executive Engineer, Sub-Transmission Division, Doda to project the amount of supervision charges in the DPRs correctly and make recovery in accordance with the extant rules resulted in non-recovery of supervision charges of ₹49.51 lakh. On being pointed out by audit, ₹17.47 lakh were recovered and the balance ₹32.04 lakh are still recoverable.**

Rule 4 and 5 of Appendix-3 of the Jammu & Kashmir Public Works Account Code (JKPWAC) envisages that the works executed on behalf of any agency, the charges of which are not financed out of the Consolidated Fund of the State are liable to be

<sup>148</sup> Cement: 8,534 bags and Tar Steel: 10.213 MT

<sup>149</sup> Different schemes including Health and National Rural Health Mission Schemes

<sup>150</sup> 2014-15: ₹0.45 crore; 2015-16: ₹0.44 crore



charged supervision charges at the rates<sup>151</sup> prescribed therein. Further, Para 406 of JKPWAC envisages that the percentages liable should be adjusted month by month, as the works expenditure is incurred.

Scrutiny of records (March 2017 and February 2018) of the Executive Engineer (EE), Sub-Transmission Division, Doda revealed that the Division, against a release of ₹5.38 crore during March 2012 to March 2015 had executed five works on behalf of two private firms, as indicated in *Appendix-3.15.1*. The Division incurred an expenditure of ₹5.21 crore during the period on the execution of these works but had not recovered the supervision charges of ₹49.51 lakh, as of August 2018.

On being pointed out in audit, the EE stated (March 2017/ February 2018) that the matter regarding recovery of supervision charges from the firms had been taken up (September 2017) with the higher authorities. However, the fact remains that the failure to comply with extant rules resulted in non-recovery of supervision charges of ₹49.51 lakh and four out of five works have already been completed.

The matter was referred to the Government/ Department in July 2018 and in response, the Director Finance Power Development Department intimated (September 2018) that supervision charges were not reflected in the DPRs of the works due to error and an amount of ₹17.47 lakh had now been recovered from the available deposits of the firms. Besides, the earlier DPRs of the works have been revised by incorporating the supervision charges and the funding agency, Jammu and Kashmir Power Development Corporation (JKPDC) has been requested to release balance amount as per revised DPR for recovery of remaining amount. However, the fact remains that failure of the Executive Engineer, Sub-Transmission Division, Doda to project the amount of supervision charges in the DPRs correctly and make recovery in accordance with the extant rules resulted in non-recovery of supervision charges and an amount of ₹32.04 lakh could not be recovered so far.

### **Public Health Engineering Department**

#### **3.16 Ground Water Regulation and Management**

**Ground Water Management in the State was limited to issuance of Registration Certificate (RC) to industrial/ infrastructure projects involved in extraction and exploitation of ground water. State was yet (March 2018) to formulate action plan for implementation of the measures to achieve the objectives of ground water recharging by maximizing retention and minimizing loss, as envisaged in the “State Water Policy”. Irregular grant of 46 RCs to industrial/ infrastructure projects and unauthorised extraction of ground water by 78 users without any RC of the Competent authority in respect of 92 bore/ tube wells led to non-recovery of fee of ₹128.80 lakh. Non-assessment of water usage charges of 32 users resulted in non-raising of minimum demand of ₹12.92 crore. Water usage charges of ₹47.08 lakh though assessed in respect of 11 users, had not been realised (March 2018).**

##### **3.16.1 Introduction**

The Jammu and Kashmir State has 3,32,559.23 million hectares metre per annum of available ground water resources, out of which only 22 *per cent* has been developed

<sup>151</sup> For works costing ₹Five lakh and above at the rate of 9.5 *per cent*

so far. Due to less abstraction of ground water, the State is in safe zone and none of the districts is in critical/ over-exploited category. In order to ensure judicious, equitable and sustainable management, allocation and utilisation of water resources, the State Government enacted Jammu and Kashmir Water Resources Regulation and Management (JKWRRM) Act, 2010 which came into force with effect from 25<sup>th</sup> October 2010. In accordance with section 139 of the above Act, State Government, established (15<sup>th</sup> October 2012) State Water Resources Regulatory Authority (SWRRA) for discharge of functions assigned under the Act.

There is no separate Department in the State, nor a separate cell within the Department to oversee management of ground water; in absence thereof, same is being carried out by Public Health Engineering (PHE) Department. Organisational chart of the PHE Department is depicted in **Appendix-3.16.1**. The ground water Management in the State is limited to issuance of registration certificate (RC) to industrial/ infrastructure projects involved in extraction and exploitation of ground water and these functions are carried out through Chief Engineers (CEs), Superintending Engineers (SEs), Executive Engineers (EEs) and Assistant Executive Engineers (AEEs) of PHE Department, within their respective jurisdictional areas.

The Audit of Ground water Management and Regulation in the State covering the period from 2013-14 to 2017-18 was conducted during April to September 2018 by test-check of records of two<sup>152</sup> (out of eight<sup>153</sup>) PHE divisions having territorial jurisdiction of total 47 industrial/ infrastructure projects which had obtained 'No Objection Certificate' (NOC) from the Department during the period from 2013-14 to 2017-18 and information obtained from the offices of Director Industries Jammu and Kashmir, Deputy Commissioner Distilleries (Excise Department) Jammu, State Pollution Control Board and two Chief Engineers (CEs) PHE Jammu and Kashmir. Audit also conducted site visits of 16<sup>154</sup> Industrial/ infrastructure projects holding 25 RCs (out of 47 RCs issued<sup>155</sup>) selected on random sampling basis, for ascertaining the compliance of the conditions specified in the RC/ NOC. Since no RC/ NOC was issued for domestic purposes, audit scope was limited to commercial extraction of ground water.

### 3.16.2 Planning

In terms of the section 122 of the JKWRRM Act, 2010, the SWRRA was to advise the Government about measures for replenishment of ground water through rain water harvesting. Further, State Government adopted (25<sup>th</sup> October 2017), "State Water Policy and Plan" which envisaged identification of measures for ground water

<sup>152</sup> Divisions having maximum concentration of industrial units (i) Executive Engineer PHE, Samba (ii) Executive Engineer Ground water Drilling Division, Jammu

<sup>153</sup> Executive Engineers: (i) PHE City-I division Jammu, (ii) PHE City-II division Jammu, (iii) PHE division Samba, (iv) PHE division Udhampur, (v) PHE Rural division Jammu, (vi) Ground water drilling division Jammu, (vii) Ground water drilling division Kashmir and (viii) PHE division Bijbehara, having territorial jurisdiction over 47 industrial/ infrastructure projects which had obtained NOC from department for extraction of ground water

<sup>154</sup> Industrial projects: 9 holding 18 RCs; infrastructure projects: 7 holding 7 RCs

<sup>155</sup> RCs issued by the Department as of March 2018

recharging by maximising retention and minimising loss. The measures identified for achieving the objective were integrated water shed development programme involving extensive soil conservation programme, catchment area treatment, preservation of forest and wet lands, increasing the forest cover, construction of check dams and other ground water recharge measures. It was also envisaged in the policy that other non-conventional measures such as artificial recharge of ground water and traditional water conservation practices like rain water harvesting including promotion of roof top rain water harvesting shall be proactively promoted.

Audit scrutiny revealed that the State was yet (December 2018) to formulate action plan for implementation of the measures identified for achievement of the objectives envisaged in the 'State Water Policy'. Non-implementation of the measures identified in the State Water Policy and Plan may result in depletion of ground water levels and the ground water reserves of State may slip from safe<sup>156</sup> to semi-critical<sup>157</sup>/ critical<sup>158</sup>/ overexploited<sup>159</sup> category and in such case restrictions on use of ground water for commercial purposes will have a negative impact on the industry/ infrastructure sector in the State. Audit noticed unauthorised and unmeasured extraction of ground water without any replenishment by the industrial units for commercial purposes, as highlighted in sub-para 3.16.5 of this Report.

### **3.16.3 Fluctuation in post-monsoon/ post-winter ground water levels**

Study of behavior of Ground Water Levels (GWLs) as well as Hydrochemistry is one of the objectives<sup>160</sup> of Central Ground Water Board (CGWB). For this purpose, CGWB in Jammu and Kashmir collects data of ground water levels four times in a year from pre-identified Monitoring Wells located at different locations in the State. The CGWB also collects ground water samples once a year (pre-monsoon) for the purpose of chemical analysis. The CGWB prepares annual report in the form of 'Ground Water Year Book' which contains compiled data in respect of ground water levels and the reports on chemical analysis for dissemination among the stake holders. The quality of ground water based on the chemical analysis of CGWB has been highlighted in sub-para 3.16.11 of this report.

In Jammu division, the ground water levels tend to increase post-monsoon whereas in Kashmir division, the ground water levels increase post-winter. Fluctuations in post-monsoon and post-winter ground water levels in wells of two divisions (Jammu/ Kashmir) and seasonal and annual rainfall in the State during the period 2013 to 2016<sup>161</sup> as detailed in *Appendix-3.16.2* are briefly indicated below:

<sup>156</sup> When stage of ground water development is  $\leq 90$  per cent and there is no significant long term water level declining trend during pre-monsoon and post-monsoon

<sup>157</sup> When stage of ground water development is  $> 70$  per cent and  $\leq 100$  per cent and there is significant long term water level declining trend either during pre-monsoon or post-monsoon

<sup>158</sup> When stage of ground water development is  $> 90$  per cent and  $\leq 100$  per cent and there is significant long term water level declining trend during pre-monsoon and post-monsoon

<sup>159</sup> When stage of ground water development is  $> 100$  per cent and there is significant long term water level declining trend either during pre-monsoon or post-monsoon or during both pre-monsoon and post-monsoon

<sup>160</sup> Source: Year Book (2013-14) of Jammu and Kashmir issued by Central Ground Water Board

<sup>161</sup> Data for 2017 and 2018 has not been compiled by CGWB

**Table-3.16.1: Fluctuation in post-monsoon and post-winter Ground Water Levels (GWLs) of wells**

Division	2013			2014			2015			2016		
	Number of wells showing									Rise in GWL	Fall in GWL	Total
	Rise in GWL	Fall in GWL	Total	Rise in GWL	Fall in GWL	Total	Rise in GWL	Fall in GWL	Total			
Jammu (Post-monsoon)	187	10	197	171	32	203	131	79	210	189	34	223
Kashmir (Post-winter)	23	04	27	28	0	28	18	04	22	11	10	21

(Total indicates number of wells monitored during the year)

Analysis of the data on seasonal fluctuation of water levels in Jammu division revealed that there was post-monsoon fall of 5 per cent, 16 per cent and 38 per cent in ground water levels during 2013, 2014 and 2015 despite increase of 22 per cent, 18 per cent and 15 per cent in normal rainfall during monsoons for these years. Similarly, in Kashmir division, there was post-winter fall of 15 per cent and 18 per cent in ground water levels during 2013 and 2015 despite increase of 21 per cent and one per cent in normal rainfall during winters for these years. Fall in ground water levels indicated that the rain water harvesting methods have not been adopted and rainwater was allowed to run off.

During 2016, there was decrease of 10 per cent and 63 per cent in normal rainfall during monsoon and winter seasons which possibly had an impact on the ground water levels as the fall in ground water levels in the wells of Jammu and Kashmir divisions was 15 per cent and 48 per cent, respectively.

It was the responsibility of the concerned Department/ authority of the State Government overseeing the management of ground water to take cognizance of these reports to ascertain the reasons for fall in the post-monsoon ground water levels and initiate corrective measures in this regard. However, no action has been taken in this regard (December 2018).

#### **3.16.4 Irregular grant of Registration Certificates (RCs)**

Section 96 of JKWRRM Act 2010, among other things envisage that, no person shall carry out exploration or exploitation of ground water, unless he is authorised to do so by a licence, issued under section 97 of the Act. Further, Rule 47 of JKWRRM rules, 2011 envisages that every application for grant of licence shall be accompanied by a fee of ₹five lakh for installation of a power generation unit and ₹one lakh for other units requiring usage of water. In terms of section 98 of the Act, the licensing authority while issuing licence under section 97, shall specify the quantity of ground water to be used by the licensee for exploration and exploitation.

Audit scrutiny of the records of Chief Engineer, PHE Jammu revealed that 46 industrial units/ Infrastructure projects had been granted RC in respect of Bore well for extraction of ground water under commercial category from January 2014 to March 2018. All these users were granted RC under section 114 of JKWRRM Act, 2010 read with Rule 60 of JKWRRM rules, 2011 which relates to registration of

existing users in notified areas<sup>162</sup> instead of Section 96 of JKWRRM Act 2010 which was the relevant section for issuance of RC to extract ground water for commercial purposes. Since, none of the areas in the State had been declared notified under section 111 of JKWRRM Act, 2010, RC granted to these 46 industrial units and infrastructure projects under section 114 of the Act was irregular.

Further, against the application fee of ₹one lakh for grant of RC as envisaged under Rule 47 of JKWRRM Rules, 2011, fee of ₹0.20 lakh only had been collected under Rule 58 read with section 114 of the Act from 46 applicants who had applied for RC for extraction of ground water for commercial use, which resulted in short recovery of fee of ₹36.80 lakh. It was also noticed in audit that, while issuing (January/ April 2014) licence to two<sup>163</sup> units, the licencing authority in Jammu division had not specified the quantity of ground water for extraction in accordance with section 98 of the Act.

On being pointed out, Chief Engineer PHE Jammu stated (May 2018) that the Act is silent on the registration of existing bore wells in non-notified areas and as such, section 114 was applied. The reply furnished by the Department is not tenable as non-application of relevant sections of the Act, for registration of bore wells in respect of these industrial/ infrastructure projects was irregular and has led to short recovery of fee ₹36.80 lakh.

#### **3.16.4.1 Delay in grant of RCs**

Four<sup>164</sup> industrial units had applied for grant of RC for extraction and exploitation of ground water in respect of their existing bore wells during January to March 2013 and had also deposited the application fee of ₹0.20 lakh instead of ₹one lakh as provided under Rule 47 of J&K JKWRRM Rules 2011 in each case as demanded by the Licence issuing Authority. However, despite lapse of more than five years, RCs had not been granted and these units may have continued to extract the ground water unauthorisedly, resulting in non-recovery of usage charges. On being pointed out (May 2018) in audit, CE, PHE Jammu stated (August 2018/ October 2019) that the documents required for registration were incomplete and the respective SEs/ EEs have been instructed (May/ June 2018) in this regard to complete the formalities, but disposal of which was awaited (September 2019). It was also stated that the usage charges in respect of non-registered bore wells shall be recovered as per flat rates from the date of their installation. However, the fact remains that the shortcomings were not communicated (December 2018) to the applicants for more than five years and the Department initiated action only after being pointed out by audit.

<sup>162</sup> Area which is notified by Government for control or regulate the extraction or use of ground water in any form

<sup>163</sup> (i) ACR Foods Private Limited, Commercial site No. 10-11, Sector No-2 Channi Himmat Colony, Jammu, (ii) Atman College of Education, opposite Greater Kailash Marble Market Jammu

<sup>164</sup> (i) Hindustan Petroleum Corporation Ltd. opposite Hotel Asia Jammu (13 March 2013); (ii) Banyan International School Babliana Jammu (18 February 2013), (iii) Pahalwan Di Hatti, workshop, 155/1 Sanjay Nagar Jammu (29 January 2013); (iv) Satish Jain S/o Lt. Sh. Chaman Shah Jain, H. No. 579 opposite Jammu Air Port (26 March 2013)



### 3.16.5 Illegal extraction/ exploitation of ground water by Industrial units

As per section 110 of the J&K Water Resources (Regulation and Management) Act 2010, the licensing authority or any other officer authorised by it shall have powers to take all steps and do all such acts as are necessary for the prevention of excessive, illegal or improper use, diversion or wastage of water including removal of any unauthorised plant, equipment, machinery or work. Besides, provisions of the Code of Criminal Procedure shall also apply to any such search or seizure.

As per the information provided by the State Excise and Industries Departments, 78<sup>165</sup> Industrial units had installed 92 bore/ tube wells and were extracting ground water for utilisation in manufacturing and other commercial activities without obtaining RC from respective licence issuing authorities, as required under JKWRRM Act, 2010. PHE Department had not initiated any action to identify the commercial establishments involved in illegal extraction of ground water and enforcement of the provisions of the Act. Departmental inaction has not only resulted in continued illegal extraction of ground water but also non-recovery of licence fee of ₹92 lakh<sup>166</sup> in these cases. Besides, water usage charges due in respect of these units could also not be recovered.

On being pointed out (July 2018) in audit, CE, PHE, Kashmir stated (July 2018) that the respective EEs have been directed to regularise the extraction of ground water by these units and assess/ recover the usage charges, alongwith arrears. However, the fact remains that the licensing authorities or the authorised officers had not acted (December 2018) in accordance with the powers and functions vested under the Act against the industrial and infrastructure units involved in illegal/ unauthorised extraction of ground water for commercial purposes.

Joint verification (September 2018) by the Audit and representative of Excise Department conducted in respect of nine industrial units (Breweries/ Liquor bottling plants) confirmed that ground water was being extracted by eight units through ten bore/ tube wells (indicated in photos below) without RC issued by the licencing authority, while one industrial unit had ceased to operate.



<sup>165</sup> Jammu: 47; Kashmir: 31

<sup>166</sup> 92 bore wells/ tube wells at the rate of ₹one lakh each

		
<b>Trikuta Bottlers as on 19.09.2018</b>	<b>Dewan Modern Breweries as on 19.09.2018</b>	<b>Dewan Modern Breweries as on 19.09.2018</b>
		
<b>Dewan Modern Breweries as on 19.09.2018</b>	<b>Basantar Breweries as on 19.09.2018</b>	<b>Srhgam Bottlers as on 19.09.2018</b>



### **3.16.6 Non-Compliance of the conditions of RC**

Joint verification by Audit and representatives of PHE Department in respect of 23<sup>167</sup> out of 25 RC holders revealed non-compliance of the condition specified in the RCs issued by the PHE department, as detailed below:

#### **3.16.6.1 Non-installation of water meters**

Under section 124 of the JKWRRM Act 2010, the Prescribed Authority shall install or cause to be installed flow meters within the premises of user of water supply or at the location of every user or licensee or at such other place where the prescribed authority deems fit for purposes of measuring the water supplied to such user or licensee. The

<sup>167</sup> One industrial unit (IFCA Bottling Co. Limited) which had obtained two RCs for two tube wells was not operational



Divisional Heads (Executive Engineers) were responsible for ensuring installation of water meters and compliance of the conditions specified in the RCs. As per the conditions specified, the licensees were required to install water meters in order to maintain a check on the quantum of ground water extracted. In 23 sites visited, it was noticed that 11<sup>168</sup> licensees had not installed water meters. As a result, there was no check on the quantum of ground water extracted by these licensees and possibility of extraction of ground water in excess of authorised quantity and consequent misuse cannot be ruled out. It was noticed that water usage charges in respect of three<sup>169</sup> (out of 11) licencees were assessed by the Department on the basis of quantity of water authorized to be extracted in the RC. However, in respect of remaining 8 licencees neither the assessment of water usage charges was made nor any demand was raised.

<b>Tube wells without water meters in four test instances</b>	
	
<b>(i) Kissan Flour Mills Jammu as on 04.05.2018</b>	<b>(ii) Kandhari Beverages Samba as on 18.05.2018</b>
	
<b>(iii) Dewan Modern Breweries Ltd Jammu as on 24.09.2018</b>	<b>(iv) Bal Krishen Jain Barnai as on 20.09.2018</b>

In reply, Chief Engineer PHE Department Jammu stated (August 2018) that Superintending Engineer Hydraulic Circle Jammu/ Mechanical Urban Circle Jammu have been asked to direct the Executive Engineer concerned for immediate compliance.

<sup>168</sup> District Jammu: (i) Rajesh Aggarwal, (ii) Neelam Sharma, (iii) Amarjeet Singh, (iv) Kissan Flour Mills, (v) Utsav Banquet Hall, (vi) Executive Engineer Chenab Valley Power Project, (vii) Bal Krishen Jain, (viii) Dewan Modern Breweries; District Samba: (ix) Kandhari Beverages Pvt. Ltd. (in respect of two wells); District Anantnag: (x) Azaan Beverages  
<sup>169</sup> (i) Rajesh Aggarwal, (ii) Neelam Sharma, (iii) Bal Krishen Jain

### **3.16.6.2 Non-maintenance of log books**

In terms of the sub-section 110 (c) of JKWRRM Act 2010, the licensing authority shall have to take into account the quantity of water allocated and used for ensuring that the water used is in accordance with the quantity allocated or permitted in terms of a licence, permit or any other authorisation under the Act. Further, to ensure that quantity of water extracted is in accordance with the quantity authorised as per RC, the licencees were to maintain logs of ground water extracted on daily basis.

Audit noticed that out of 12 licensees<sup>170</sup> who had installed water meters, three<sup>171</sup> licensees had not maintained any log book to monitor the extraction of ground water against the authorised quantities. Further, water meters installed by two licensees<sup>172</sup> were not in working condition. Audit noticed that one licensee<sup>173</sup> who had been granted RC on 26<sup>th</sup> September 2014 started maintaining log book only from 1<sup>st</sup> January 2018. Due to non-maintenance of log books, audit could not ascertain as to whether the quantity of ground water extracted by these units was in conformity with the quantity authorised in their RCs.

In reply, Chief Engineer, PHE Department Jammu stated (August 2018) that Superintending Engineer Hydraulic Circle Jammu/ Mechanical Urban Circle Jammu have been asked to direct the Executive Engineer concerned for immediate compliance.

### **3.16.7 Non-compliance of the guidelines on ground water abstraction**

Central Ground Water Authority (CGWA) on the directions of National Green Tribunal (NGT) issued (November 2015) revised guidelines/ criteria for evaluation of proposals/ requests for ground water abstraction effective from 16 November 2015. The objective of the guidelines was to focus on a specific part of ground water management by way of ensuring sustainability of ground water both in terms of quantity and quality.

Audit scrutiny revealed that the effective steps for implementation of these guidelines were not taken in the Department. The State regulatory authority had not issued (March 2018) any guideline/ criteria in this regard. Joint verification by audit alongwith the representative of the PHE Department during April to September 2018 revealed non-compliance of the guidelines, as detailed below:

#### **3.16.7.1 Recycle/ reuse of ground water**

(I) As per para 3.1.1 of the guidelines of CGWA, the RC for ground water abstraction in respect of Major<sup>174</sup> and Medium<sup>175</sup> Industries was to be considered

<sup>170</sup> From the selected sample of 23 RCs selected for joint verification

<sup>171</sup> District Jammu: (i) Kokuyo Camlin Ltd. (ii) M/s Trans Asia Hotels Pvt. Ltd. (iii) Dewan Modern Breweries Ltd.

<sup>172</sup> District Jammu: (i) M/s Trans Asia Hotels Pvt. Ltd. (ii) Dewan Modern Breweries Ltd.

<sup>173</sup> District Jammu: (i) M/s Best Price Modern Whole Sale (Walmart India Pvt. Ltd.)

<sup>174</sup> Major Enterprises in manufacturing sector are such enterprises having investment on plant and machinery more than ₹10 crore

<sup>175</sup> Medium Enterprises in manufacturing sector are such enterprises having investment on plant and machinery more than ₹5 crore but not exceeding ₹10 crore

subject to recycle and reuse of at least 40 *per cent* of the waste water and adoption of artificial recharge of ground water.

Out of 16 industrial/ infrastructure units holding 25 RCs selected for joint spot visit, only 4 fall in the category of major and medium scale units. Out of four<sup>176</sup> large scale/ major industrial units selected for site inspection, two<sup>177</sup> had not even installed Effluent Treatment Plant (ETP); as a result, the system for recycling and reuse of waste water was not in place (July 2018) in these Industrial units.

**(II)** As per para 3.1.1 (b) of the guidelines, ground water extraction for water intensive industries in safe category areas has to be limited to 200 *per cent* of the ground water recharged by the unit. Audit noticed that while authorising the quantity of ground water extraction for 18 bore/ tube wells of 9<sup>178</sup> water intensive industrial units (including eight sampled units), the licencing authorities had not taken into account the criteria for limiting the quantity of ground water to 200 *per cent* of ground water recharge in their RCs issued during June 2016 to December 2017. Audit noticed that two industrial units<sup>179</sup> who had installed water meters in their premises and had also maintained the log books were drawing the ground water within the limits prescribed in their RCs. However, the quantity of ground water recharged could not be verified in absence of any provisions in the RCs.

**(III)** As per para 3.1.2 of the guidelines, in case of infrastructure projects, run-off<sup>180</sup> from entire project area is to be utilised for artificial recharge of ground water or for storage for utilisation or both unless risk of contamination exists or area is water logged. Joint inspection<sup>181</sup> of seven<sup>182</sup> infrastructure related projects revealed that only one<sup>183</sup> licensee (project) had installed water harvesting plant in its premises and the remaining six had not taken (July 2018) any such measures.

<sup>176</sup> (i) Hindustan Coca Cola Private Limited, 47-50 A, Industrial Area Extension Gangyal Jammu (ii) Jai Beverages Private Limited, Phase-I, SIDCO Industrial Complex Bari Brahamana Samba (iii) Kokuyo Camlin, Phase-II, Industrial Area Gangyal (iv) Kandhari Beverages Private Limited, Phase-III, IGC District Samba

<sup>177</sup> (i) Kokuyo Camlin (registered on 26 December 2014); (ii) Kandhari Beverages (registered on 15 December 2017)

<sup>178</sup> (i) Kashmir Valley Water Pvt. Ltd Suketar Dhansal Jammu: 1; (ii) Jai Beverages Pvt. Ltd Phase-I, SIDCO Industrial Complex Bari Brahamana Samba: 5; (iii) Hindustan Coca Cola Beverages Ltd. 47-50 A, Industrial Area Extension Gangyal Jammu: 3; (iv) Bal Krishen Jain Plot No -1, Tower Lane Barnai Jammu: 1; (v) Krishna Beverages Rakh Barul Bari Brahamana: 1; (vi) Kandhari Beverages Pvt. Ltd Phase-III, IGC District Samba: 2; (vii) Dewan Modern Breweries Bohri Talab Tillo Jammu: 2; (viii) IFCA Bottling Company Pvt. Ltd New Extension Area Gangyal Jammu: 2; (ix) Azaan Beverages Pvt. Ltd. Sagam Kokernag Anantnag: 1

<sup>179</sup> Possessing eight RCs

<sup>180</sup> Part of the water cycle that flows over land as surface water instead of being absorbed into ground water or evaporating

<sup>181</sup> By Audit and representatives of PHE Department during March to September 2018

<sup>182</sup> The sample of 25 RCs issued comprise of 18 RCs granted in favour of 9 industrial units and 7 RCs granted in favour of 7 infrastructure projects (Rajesh Agarwal, Neelam Sharma, Best Price, Amarjeet Singh, Utsav Banquet, Executive Engineer Chenab Valley Power Project, Trans Asia Hotels Pvt. Ltd.) selected for spot visit and ascertaining the compliance of the conditions specified in RCs

<sup>183</sup> Best Price Modern Whole Sale (Walmart India Pvt Ltd.)

### 3.16.7.2 Installation of Piezometers

As per para-6 (o) of the CGWA Guidelines, Piezometers<sup>184</sup> were required to be installed at a minimum of 50 metre distance from the pumping well and licensee was required to maintain record of the underground water levels on monthly basis. Joint inspection by audit and officials of PHE department carried out in respect of 15<sup>185</sup> industrial/ infrastructure projects out of selected sample of 16<sup>186</sup> industrial/ infrastructure projects revealed that only one<sup>187</sup> industrial unit had installed Piezometer within the plant premises. Non-installation of Piezometer by the remaining 14 industrial/ infrastructure projects indicated that the ground water level was not being monitored (July 2018) by the licensees.



Piezometer installed by Hindustan Coca Cola Ltd. within factory premises as on 24.05.2018

### 3.16.8 Non-realisation of usage charges from registered consumers

Section 130 of the JKWRRM Act, 2010 envisage that the prescribed authority shall recover water user charges as per the rates fixed by the authority from every user or licensee, including those involved in exploration of ground water. Section 132 of the JKWRRM Act 2010 stipulates that if any user or licensee fails to pay water usage charges due from him, the Assistant Executive Engineer may, after giving not less than 15 days clear notice in writing to such user or licensee to clear the outstanding charges and without prejudice to recover such charges, cut off the supply to such user

<sup>184</sup> Piezometer is a bore well/ tube well used only for measuring the water level by lowering the tape/ sounder or automatic water measuring level equipment. It is also used to take water sample for water quality testing whenever needed

<sup>185</sup> (i) Rajesh Agarwal, F-3 Shakti Nagar (ii) Neelam Sharma, JMC-6 W. No 41 Friends Colony Patta Ploura Jammu (iii) Best Price, Tope Sherkhani Akhnoor Road Jammu (iv) Amarjeet Singh, Plot No 74 Transport Nagar Jammu (v) Utsav Banquet, Opposite Greater Kailash Bye Pass Jammu (vi) Chief Engineer Chenab Valley Power Project, Rail Head complex Jammu (vii) Trans Asia Hotels Pvt. Ltd. Nehru market Jammu (viii) Hindustan Coca Cola, 47-50 A Industrial area extension Gangyal Jammu (ix) Jai Beverages Pvt. Ltd., Phase-I SIDCO Industrial complex Bari Brahmana Samba (x) Kandhari Beverages Pvt. Ltd. Phase-III IGC District Samba (xi) Kissan Flour Mills, Bye pass Dilli Jammu (xii) Azaan Beverages Pvt. Ltd., Sagam Kokernag Anantnag (xiii) Dewan Modern Breweries Pvt. Ltd. Bohri Talab Tillo Jammu (xiv) Bal Krishen Jain, Plot No. 1 Tower Lane Bari Barnai Jammu (xv) Kokuyo Camlin Ltd., Phase-II Industrial Area Gangyal

<sup>186</sup> One industrial unit (M/s IFCA Bottling Co. Pvt. Ltd. New Extension Area Gangyal Jammu), having issued two RCs was not operational and as a result the joint inspection could not be conducted

<sup>187</sup> Hindustan Coca Cola Beverages Pvt. Ltd. 47-50 A, Industrial Area Extension Gangyal Jammu



or licensee until such charges, together with any expenses incurred on cutting off and reconnecting the supply are paid.

Test-check of records revealed that water usage charges had not been assessed in respect of 34 out of 47 registered users in the State. Due to non-assessment of water usage charges, minimum demand<sup>188</sup> of ₹12.92 crore had not been raised against 32 users. Water Usage charges could not be worked out in respect of two users as the quantity of ground water authorisation had not been mentioned in their RC. It was also noticed that water usage charges of ₹47.08 lakh though assessed in respect of 11 registered consumers had not been realised (March 2018). Audit noticed that out of 25 sampled RC holders, minimum demand of ₹12.37 crore as worked out by audit in respect of 22 licensees had not been raised and the demand of ₹0.22 crore though raised against three licensees was outstanding (March 2018). Position regarding non-realisation of usage charges is indicated in table below:

**Table-3.16.2: Non-realisation of usage charges from registered consumers**

(Amount in ₹)

No. of registered users		Demand for water usage charges			Water usage charges recovered	No. of users against whom outstanding	Water usage charges outstanding ending March 2018
		Raised	Not raised	Total			
Assessed	13	51,45,705 <sup>189</sup>	Not applicable	51,45,705	4,37,634	11	47,08,071
Not assessed	34	Not applicable	12,92,38,830 <sup>190</sup>	12,92,38,830	Nil	32	12,92,38,830
<b>Total</b>	<b>47</b>			<b>13,43,84,535</b>	<b>4,37,634</b>	<b>43</b>	<b>13,39,46,901</b>

(Source: Departmental records)

As can be seen from above details, the Department was able to recover only water usage charges of ₹4.37 lakh which constituted 0.33 per cent of the total recoverable amount of ₹1,343.85 lakh.

Since the Department has not even assessed water usage charges in respect of 34 licensees, the imposition of penal provision under Section 132 of the JKWRRM Act 2010 could not be invoked. Further, in case of 11 licensees which have not paid the water usage charges despite completion of assessment/ raising of demand, penal action if any taken under Section 132 of the JKWRRM Act 2010 was not provided to audit.

On being pointed out in audit, CE, Kashmir stated (July 2018) that the Department was not aware about the realisation of usage charges in respect of ground water extracted for commercial purposes. It was also stated that directions have been issued to the concerned EE for realisation of usage charges.

### 3.16.9 Aquifer mapping under National Project on Aquifer Management

Scheme on 'Ground Water Management and Regulation' during 12<sup>th</sup> plan period (2012-2017) was designed for National Project on Aquifer Management (NAQUIM) with an overall objective of proper assessment and management of ground water resources, so as to ensure their sustainability.

<sup>188</sup> Worked out on the basis of quantity of ground water extraction authorised in the RC at prescribed rates by the regulatory authority

<sup>189</sup> Worked by the Department

<sup>190</sup> Worked out by audit in respect of 32 users. Water usage charges in respect of two users could not be assessed as the quantity of ground water authorised for extraction was not mentioned in their RC

Aquifer maps and ground water management plans had been prepared and formulated (August 2017) by CGWB in respect of 12 districts<sup>191</sup> of the State, covering an area of 9506 Sq km. However, these reports had not been shared (March 2019) with the State Level Ground Water Co-ordination Committee (SGWCC) responsible for implementation of National aquifer mapping programme at State level. The meeting dates fixed for sharing of reports on 25/ 27 April 2018 were cancelled and no meeting was held since then. As a result thereof, the aquifer management plans formulated could not be implemented (September 2019).

### **3.16.10 Consent to operate without NOC for ground water abstraction**

Out of 22,474 industrial units registered during 2013-14 to 2017-18 with Jammu and Kashmir State Pollution Control Board (JKSPCB), 75 units were water intensive. However, JKSPCB, while granting these units the 'Consent to Operate' had not imposed any condition regarding no objection certificate (NOC) for ground water abstraction. Audit noticed that 73 out of these 75 water intensive units had not obtained RC/ NOC from the competent authority and were extracting ground water without any authorisation.

On being pointed out, Member Secretary JKSPCB stated (July 2018) that the Board, besides sharing the details of industrial units involved in extraction of ground water with the concerned authorities would also initiate process to incorporate a condition in 'Consent to Operate' for obtaining NOC from concerned authorities.

### **3.16.11 Quality of Ground water**

As per the annual reports of CGWB for the years 2013-14 to 2016-17<sup>192</sup>, the details of ground water samples in which presence of chemical/ metal levels were found beyond the acceptable limits prescribed by Bureau of Indian Standards (BIS) New Delhi, were as under:

**Table-3.16.3: Presence of various chemical/ metal levels in water samples in the State of Jammu and Kashmir as per CGWB Report**

	Acceptable level in milligrams per litre (mg/l)	2013-14	2014-15	2015-16	2016-17	Total
Samples examined		228	228	232	247	935
		<b>Number of samples in which presence of chemical/ metal levels were beyond acceptable limits</b>				
Chloride	250 mg/l	01	01	00	00	02
Flouride	1.0 mg/l	01	01	03	00	05
Nitrate	45 mg/l	30	30	22	24	106
Iron	0.3 mg/l	23	23	47	46	139

(Source: Annual Reports of CGWB)

Nitrate and Iron concentration beyond the prescribed limits had been found in 106 (11 per cent) and 139 (15 per cent) of the samples respectively, out of 935 samples examined by CGWB during 2013-14 to 2016-17.

<sup>191</sup> Six districts (Anantnag, Srinagar, Budgam, Baramulla, Pulwama, Kupwara) of Kashmir Division: 5200 Sq km; Six districts (Jammu, Samba, Kathua, Kishtwar, Rajouri, Udhampur) of Jammu Division: 4306 Sq km

<sup>192</sup> Information for 2017-18 not compiled by CGWB so far

The presence of Nitrate in the ground water in excess of permissible limits ranged between 46 mg/ l (Kothey Saini) and 216 mg/ l (Hamirpur) during the years 2013 and 2014, 49 mg/ l (Chatha) and 287 mg/ l (Gho- Rakawalan) during 2015, 47.5 mg/ l (Jourian) and 205 mg/ l (Gangu Chak) in respect of Jammu Division and between 57 mg/ l (Dolipura) and 188 mg/ l (Aripathan) during the years 2013 and 2014 in respect of Kashmir Division.

The concentration of Iron in the ground water beyond permissible limits ranged between 1.0 mg/l (Banpari) and 8.05 mg/l (Arnia-I) during the years 2013 and 2014, 1.01 mg/l (Salabra) and 10.62 mg/l (Muthi) during 2015, 1.05 mg/l (Chatha) and 7.65 mg/l (Baradow) during 2016 in respect of Jammu Division and between 2.22 mg/l (Gandhari Bath) and 14.00 mg/l (Pampore Silk Centre) during 2013 and 2014 in respect of Kashmir Division.

In absence of any data regarding supply/ usage of water from these wells, there is a risk that the water having presence of chemicals beyond permissible limits may be used for the human/ livestock consumption as well which can pose health risks<sup>193</sup>. On being pointed out in audit, CE, PHE Jammu stated (September 2018) that details would be obtained from CGWB and action taken, accordingly. It was also stated that the information sought from CGWB in respect of sources which were found objectionable was awaited (December 2018).

### 3.16.12 Monitoring

Inspection of units/ projects involved in ground water extraction and exploitation forms an important part of monitoring. The powers and functions of the licensing authority and authorised officer have been prescribed under Section 110 of the JKWRRM Act 2010. Periodical inspection would ensure compliance of the conditions specified in the RCs and limit the usage of ground water by the consumers within authorised limits. Audit noticed that neither inspection teams had been established nor any inspection was conducted at the CE/ EE level during the period 2013-14 to 2017-18.

Further, in terms of para-6 (c) of the guidelines CGWA (November 2015), the State ground water authorities, to manage and control ground water regimes, were required to submit quarterly progress report to CGWA. Audit observed that State ground water authority had not submitted (March 2018) even a single quarterly progress report to CGWA, since the implementation of the guidelines.

### 3.16.13 Conclusion

The State, being in safe zone, none of the districts was in critical/ over-exploited category. The ground water management in the State was limited to issuance of RCs to industrial/ infrastructure projects involved in extraction and exploitation of ground water. The State was yet (March 2018) to formulate action plan for implementation of the measures to achieve the objectives of ground water recharging by maximising

<sup>193</sup> Excess Nitrate can be harmful to young infants or young livestock and excess Iron can lead to hemochromatosis which can cause damage to liver, heart and pancreas



retention and minimising loss, as envisaged in the 'State Water Policy'. Irregular grant of RCs to industrial/ infrastructure projects and unauthorised extraction of ground water by users without any RCs led to non-recovery of fee. There were instances of delay in issuance of RCs, non-assessment and non-recovery of water usage charges. Audit also came across instances of non-compliance of the conditions specified in the RCs which included non-installation/non-functional water meters, non-maintenance of log books of water extraction, non-monitoring of water extracted with reference to quantities authorised in the RCs, non-compliance of the revised guidelines for ground water abstraction by way of recycle/ reuse of ground water, non-installation of Piezometer, etc. Monitoring was deficient, as neither any inspection teams had been established nor inspection conducted. State ground water authority had also not submitted (March 2018) the quarterly progress reports to CGWA.

The matter was referred to Government/ Department in October 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.17 Unproductive expenditure due to attachment of staff**

**Attachment of staff in Public Health Engineering (PHE) Division-I, Jammu without any assignment, resulted in unproductive expenditure of ₹3.68 crore on payment of their salaries.**

Government of Jammu and Kashmir, General Administration Department directed (July/ October 2008) all the Administrative Secretaries and Heads of the Departments, to detach all the attached employees and send them back to their respective Departments/ Organisations. In view of continued attachment of staff in some Departments, General Administration Department reiterated the directions in July/ October 2016.

Audit scrutiny (April 2017) of the records of Executive Engineer (EE) Public Health Engineering (PHE) Division-I Jammu, revealed that against the sanctioned strength of 40 posts of Executive Engineers, Assistant Executive Engineers, Assistant Engineers, Junior Engineers and Operators, 75 persons<sup>194</sup> were in position as on January 2016 and 35 persons<sup>195</sup> were in excess of the sanctioned strength. Scrutiny of records also revealed that in violation to the directions (July/ October 2016) of General Administration Department for immediate detachment of staff, 20 employees<sup>196</sup> remained attached with the Division without any assigned duties even after July 2016 for periods ranging from one month to twenty two months<sup>197</sup> and ₹3.68 crore was paid to them during the period August 2016 to May 2018, as detailed in **Appendix-3.17.1**. It was also noticed that despite the directions issued in July/ October 2016, orders for

<sup>194</sup> Includes nine persons (Two Executive Engineers, one Assistant Executive Engineers, five Assistant Engineers and one Junior Engineer) attached with the division

<sup>195</sup> Two Executive Engineers, five Assistant Executive Engineers, two Assistant Engineers, 23 Junior Engineers, one Draftsman and two Operators

<sup>196</sup> Executive Engineers: Two; Assistant Executive Engineers: 14 and Assistant Engineers: Four

<sup>197</sup> As of May 2018

attachment of 12 employees were issued thereafter during September 2016 to August 2017 and seven employees continued to be attached with the Division, as of May 2018. The orders specified that the attachment of these employees was for pay purposes only, which indicated that they were not assigned any duties.

On being pointed out in audit (April 2017), the EE, PHE Division-I, Jammu stated (April 2017) that the staff was attached on the instructions of the higher authorities for pay drawal purposes and were not assigned any duties. Chief Engineer stated (August 2018) that attachment orders were made by Administrative department from time to time and in pursuance of the Government directions for their detachment (July 2018) the details of attached staff has been forwarded to Administrative department for necessary action. It was further stated (December 2018) that the attached officers attended duties of complaint cell and were relieved on 24 December 2018. The fact remains that the complaint cell was established only in June 2018, which confirms that the attached staff was not assigned any job till May 2018. Thus, continued attachment of staff and payment of salaries without any assigned duties has led to unproductive expenditure of ₹3.68 crore during the period August 2016 to May 2018. Besides, two employees continued to be attached with the Divisions as of March 2019.

The matter was referred to the Government/ Department in May 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### Public Works (Roads & Buildings) Department

#### 3.18 Blocking and diversion of funds

**Failure of the Executive Engineer, Public Works (Roads and Buildings) Division Kishtwar, to select proper site for construction of the foot suspension bridge over a period of seven years resulted in blocking of ₹1.57 crore and diversion of ₹0.04 crore.**

Executive Engineer (EE), Public Works (Roads and Buildings) Department (PWD) Division Kishtwar framed (July 2009) a detailed project report (DPR) for construction of 73 metre span foot suspension bridge over Bhoot *Nallah* at Kokandran Padder with funding from National Bank for Agriculture and Rural Development (NABARD) loan and State share in the ratio of 90:10. The project estimated to cost of ₹1.64 crore, was to be completed in two years reckoned from the date of allotment. However, the Administrative approval for the proposal was awaited (January 2019).

Test-check in audit revealed that ₹1.61 crore<sup>198</sup> released during 2010-11 to 2014-15 for execution of the project, were drawn<sup>199</sup> from treasury on proforma bills of various

<sup>198</sup> NABARD: ₹147.69 lakh and State share: ₹13 lakh

<sup>199</sup> August 2010: ₹ 20,000; October 2010: ₹11,45,775; March 2011: ₹16,66,225; March 2012: ₹57,00,000; March 2014: ₹66,37,000; March 2015: ₹9,00,000

agencies<sup>200</sup> for procurement of construction material. However, only ₹0.04 crore<sup>201</sup> were released to these agencies and ₹1.57 crore<sup>202</sup> were credited to civil deposits. In terms of Rule 2-16 (b) (5) and 2-33 of Jammu and Kashmir Financial Code, the practice of withdrawing funds with a view to avoiding lapse of budget grant and placing such money in deposits in Public Account or with Bank is forbidden. Despite confirmation of availability of land in the DPR, the construction work allotted (February 2011) to a contractor could not be started as the people of Kukandran Village rejected the site chosen for the bridge, which was away from the village. Alternate site near the village could not be identified and it was therefore proposed (December 2015) to shift the site to Sanyas and construct a 60 metre span bridge over same *nallah* for the benefit of public of Sanyas. However, the revised proposal to shift the site was not approved (March 2018) and the amount continued to be blocked in the deposit heads (September 2018). The material procured for ₹0.04 crore was diverted to other ongoing works of the division. Thus, departmental failure to select a proper site for construction of the foot suspension bridge over a period of seven years resulted in blocking of ₹1.57 crore and diversion of ₹0.04 crore.

On being pointed out in audit, the EE replied (September 2016) that the funds were withdrawn for purchase of material, which could not be procured and the amount was therefore kept in the deposit head. It was also stated (March 2018) that the work could not be taken up due to site dispute and the proposal for de-sanction of the project submitted to higher authorities had not been approved (March 2019). However, the fact remains that the site for construction of bridge has not been identified over a period of seven years and the borrowed funds from NABARD irregularly drawn from the treasury have been retained in the deposit heads without any fruitful results.

The matter was referred to the Government/ Department in June 2018: despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.19 Diversion of funds and irregular expenditure**

**Failure of the Executive Engineer, Public Works (Roads and Buildings) Division, Udhampur to obtain prior clearance for use of forest land in a road project and incurring the expenditure on procurement of material without any immediate use, just to avoid lapsing of funds resulted in diversion of ₹299.89 lakh. Project works proposed to be completed in three years were not started despite lapse of more than five years. An irregular expenditure of ₹5.66 lakh was also incurred on items which were not related to the project works.**

The Jammu and Kashmir Forest Conservation (JKFC) Act, 1997 and the Rules framed there under *inter alia* provide that the Administrative Department (Forest) shall be competent authority to accord permission after obtaining approval of the

<sup>200</sup> Small Scale Industries Development Corporation: ₹65,31,900; Steel Authority of India limited: ₹19,80,100; State Procurement Department: ₹75,12,000; Hindustan Paints/ Petrol pump: ₹45,000

<sup>201</sup> For procurement of fuel: ₹25,000; Purchase of level AL-20: ₹20,000; cost of cement: ₹3,28,680

<sup>202</sup> October 2010: ₹11,45,775; March 2011: ₹16,66,225; March 2012: ₹57,00,000; March 2014: ₹62,83,320; March 2015: ₹9,00,000

Minister Incharge on the recommendations of the Advisory Committee constituted under the ibid Act for the construction of Border/ R&B/ Irrigation roads when passing through the demarcated or un-demarcated forest land. A Detailed Project Report (DPR) for construction of 2.5 km Road from Jakhani Udhampur to village Lower Bali via Sharda Mata Temple Phase-I, framed (March 2012) by the Executive Engineer (EE), Public Works Department (PWD) Roads and Buildings (R&B), Division Udhampur was sanctioned (June 2012) at a cost of ₹339.50 lakh during 2012-13. The project was to be funded in the ratio of 90:10 between National Bank for Agriculture and Rural Development (NABARD) loan of ₹305.55 lakh and State share of ₹33.95 lakh and was proposed to be completed within a period of three years. However, the Administrative approval of the project was not accorded (January 2019). While framing the DPR, the EE, PWD, R&B Division, Udhampur certified (March 2012) that there would be no problem in acquisition of land.

Scrutiny of records (October 2016) of EE, PWD, R&B Division, Udhampur with additional information obtained (March 2018) revealed that the construction work allotted (January 2013) to a contractor could not be started despite lapse of more than five years. There was involvement of forest land for which prior clearance of Forest Department had not been obtained. Against the amount of ₹305.55 lakh<sup>203</sup> released during 2012-14 for execution of this project, an expenditure of ₹299.89 lakh has been incurred (November 2012 to March 2014) on procurement of 51,776 bags of cement and 147.267 MT bitumen, so as to avoid the lapsing of funds under the scheme. The material procured was diverted for other works<sup>204</sup>. The Division also incurred an irregular expenditure of ₹5.66 lakh on items<sup>205</sup> which were not related to the project works. Indent for use of Forest land in the construction of road was placed (May 2013) with the Forest Department after a gap of four months from the date of allotment of work to the contractor; however, it was not considered (September 2013) by the Forest Advisory Committee due to non-clearance of previous outstanding liabilities<sup>206</sup>. Further, an amount of ₹16.66 lakh was advanced (August 2014) as compensation of forest land, but the amount was returned (December 2015) by the Forest department, as sanction under the JK Forest (Conservation) Act had not been granted.

The EE, PWD, R&B Division, Udhampur while admitting the fact (October 2016, November 2017 and March/ May 2018) stated that construction would be started immediately after receipt of clearance from Forest Department, which had not been accorded as of December 2018.

Thus, the departmental failure to obtain prior clearance for use of forest land and incurring expenditure on procurement of material without any immediate use, just to avoid lapsing of funds resulted in diversion of ₹299.89 lakh. Besides, incorrect

<sup>203</sup> 2012-13: ₹91.67 lakh; 2013-14: ₹213.88 lakh

<sup>204</sup> District/ State plan schemes, works of Education/ Health departments and works executed under NABARD/ SDRF, etc.

<sup>205</sup> POL charges, carriage, annual maintenance contract of photocopies: ₹4.59 lakh; Works relating to construction of Thalora to Pingle road: ₹1.07 lakh

<sup>206</sup> Of ₹7.85 crore on cases prior to 2007

position regarding availability of land was conveyed while framing the DPR due to which the project works targeted to be completed in three years were not started despite lapse of more than five years. An irregular expenditure of ₹5.66 lakh was also incurred on items which were not related to the project works.

The matter was referred to Government/ Department in June 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.20 Unfruitful expenditure, diversion and blocking of funds**

**Injudicious action of Executive Engineer PWD, (R&B) division Kishtwar to withdraw funds from the treasury just to avoid their lapsing at the close of financial year and failure to obtain prior clearance for use of forest land in a road project resulted in unfruitful expenditure of ₹9.43 lakh, diversion of ₹8.63 lakh and blocking of ₹161.75 lakh borrowed from NABARD.**

The Jammu and Kashmir Forest Conservation (JKFC) Act, 1997 and the Rules framed there under *inter alia* provide that the Administrative Department (Forest) shall be competent authority to accord permission after obtaining approval of the Minister Incharge on the recommendations of the Advisory Committee constituted under the *ibid* Act for the construction of Border/ R&B/ Irrigation roads when passing through the demarcated or un-demarcated forest land. Further, Rule 2-16 (b) (5) and 2-33 of Jammu and Kashmir Financial Code, among other things, stipulates that no money is to be withdrawn from the treasury unless it is required for immediate disbursement. The practice of withdrawing funds with a view to avoiding lapse of budget grant and placing such money in deposits in Public Account or Bank is forbidden.

Executive Engineer (EE) Public Works Department (PWD), Roads and Buildings (R&B) division Kishtwar took up (2012-13) the construction of phase-I of the 4 Km<sup>207</sup> road from Thamlan to Paddle via village Wani Trigam at a cost of ₹433.82 lakh<sup>208</sup>, under NABARD<sup>209</sup> assistance. The project was to be completed within three years. However, Administrative Approval of the project from the competent authority was still awaited (January 2019).

Audit scrutiny (September 2016) of the records of the EE, PWD (R&B) Division, Kishtwar revealed that the construction of the road was started (September 2013) without obtaining prior clearance from the Forest Department. Despite non-availability of land for the project, ₹179.81 lakh<sup>210</sup> were withdrawn from the treasury during 2013-14 to 2014-15 for procurement of bitumen, which was subsequently credited to the deposit head<sup>211</sup>. After a gap of five months from the date of start of work, indent for seeking clearance of Forest Department was submitted in February 2014 and the approval from the Forest Department was still awaited

<sup>207</sup> Out of total length of 8 Km

<sup>208</sup> State share: ₹43.38 lakh; NABARD loan: ₹390.44 lakh

<sup>209</sup> National Bank for Agriculture and Rural Development

<sup>210</sup> State share: Nil; NABARD loan: ₹179.81 lakh

<sup>211</sup> Major Head: 8443

(January 2019). A portion of the road work<sup>212</sup> was allotted (March 2013) to a contractor at a cost of ₹7.17 lakh and an expenditure of ₹9.43 lakh had been incurred (May 2018) on execution of earthwork on 0.70 Km. Besides, ₹8.63 lakh was diverted (May 2018) on procurement of POL in the Division which was not part of the project works. The balance amount of ₹161.75 lakh continued to be parked in the deposit head for last four years.

On being pointed out, the EE, PWD, R&B division Kishtwar stated (May 2018) that the matter had been taken up with the Forest Department for seeking their clearance. The fact remains that the injudicious action of EE, PWD (R&B), Kishtwar to withdraw funds from the treasury to avoid their lapsing at the close of financial year and failure to obtain prior clearance for use of forest land resulted in unfruitful expenditure of ₹9.43 lakh (on execution of earthwork), blocking of ₹161.75 lakh and diversion of ₹8.63 lakh (procurement of POL).

The matter was referred to the Government/ Department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### 3.21 Unfruitful expenditure/ blocking of funds on incomplete road to village Trashi

**Injudicious action of Executive Engineer, Public Works Department, Road and Buildings Division, Chatroo not to acquire the land before taking up the execution of road work and failure to complete the project over a period of eight years resulted in unfruitful expenditure of ₹2.77 crore and blocking of ₹0.69 crore.**

Construction and upgradation of a four Kilometer (Km) link road from takeoff point (Km 2<sup>nd</sup>) of Chatroo- Singhpora road to village Trashi was sanctioned (October 2010) under Rural Infrastructure Development Fund (RIDF)-XVI at a cost of ₹3.95 crore. The project to be funded with National Bank for Agriculture and Rural Development (NABARD) assistance (₹3.55 crore) and State share (₹0.40 crore) was to be completed within three years. The Administrative approval for the project was awaited (January 2019).

Audit scrutiny (October 2016) of the records of the Executive Engineer (EE), Public Works Department (PWD) Road and Buildings (R&B) Division, Chatroo and subsequent information obtained (June 2018) revealed that out of NABARD assistance of ₹3.55 crore released for this project, an expenditure of ₹3.46 crore<sup>213</sup> was incurred during 2010-18, including ₹68.65 lakh advanced for procurement of stores. Out of the advance of ₹68.65 lakh, material worth ₹52.45 lakh received in the division could not be utilised for the project work and ₹16.20 lakh advanced<sup>214</sup> for procurement of material had not been received (May 2018). State Government did not

<sup>212</sup> Thamlan to Wazdora (Trigam)

<sup>213</sup> 2010-11: ₹68.26 lakh; 2011-12: ₹53.18 lakh; 2012-13: ₹45 lakh; 2013-14: ₹25 lakh; 2015-16: ₹140 lakh; 2017-18: ₹14.84 lakh

<sup>214</sup> To Store Procurement Department



release its matching share of ₹0.40 crore, as on March 2019. As against the total road length of 4 Kms, earthwork<sup>215</sup> was done on 2.20 Kms, metalling<sup>216</sup> on 0.80 Kms, shingling<sup>217</sup> on 0.20 Kms and no black topping had been carried out (January 2019). Department did not provide copies of the contract/ agreement despite of being requested. Although black topping was part of the DPR but contract of the same was not allotted (January 2019). Further, work could not be executed due to land dispute and non-availability of funds for land/ house compensation (January 2019).

On being pointed out in audit, the EE, PWD R&B Division, Chatroo attributed it to non-availability of funds for land compensation and a portion of road at Km 3<sup>rd</sup> getting washed away in the year 2014 due to which work was held up from the year 2014. It was also stated (September 2018) that during current year, restoration work under special repairs was taken up and 50 *per cent* had been completed. Further, to avoid loss, the material worth ₹52.45 lakh purchased for the scheme had been utilised on other works out of which ₹28 lakh had been recouped (April 2019) and kept in deposit head (8443). It was also stated (April 2019) that ₹five lakh have been advanced for land acquisition and notices issued to contractors for taking up of work beyond 3<sup>rd</sup> Km. The fact, however, remains that injudicious action of EE, PWD R&B Division, Chatroo not to acquire the land before taking up the execution of road work and failure to complete the project over a period of eight years resulted in unfruitful expenditure of ₹2.77 crore and blocking of ₹0.69 crore. The objective of connecting Trashi village with main road of Chatroo Tehsil could not be achieved as the villagers were still using their own bridle path beyond the point upto which road has been completed.

The matter was referred to the Government/ Department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### **3.22 Unfruitful expenditure on computerised weighbridges**

**Failure of Public Works (Roads and Buildings) Department and Mechanical Engineering Department to commission five computerised weighbridges installed at Toll post Nagri Parole and hand them over to the Excise Department resulted in unfruitful expenditure of ₹1.25 crore and blocking of ₹0.03 crore over a period of more than seven years.**

Chief Engineer, Public Works, Roads and Buildings (R&B) Department Jammu forwarded (March 2010) a request for taking up the work of providing and installing five weighbridges at toll plaza Nagri Parole, Kathua to Chief Engineer, Mechanical Engineering Department (MED) Jammu. These weighbridges were to be used by the Excise Department. Executive Engineer, R&B Division Kathua released an amount of

<sup>215</sup> Kacha road without pavement

<sup>216</sup> Using stone of 53-22.40 mm size

<sup>217</sup> Using stone of 63 to 45 mm size

₹1.28 crore<sup>218</sup> to Executive Engineer, MED Division Jammu for execution of the work.

Audit scrutiny (April 2017) of the records of Executive Engineer, MED Division Jammu revealed that the contract for design, fabrication, supply (₹95.62 lakh), installation, testing and commissioning (₹32.38 lakh) of five pit type weighbridges was allotted to a contractor in September 2010 with date of completion on 4<sup>th</sup> November 2010, further extended to 31 January 2011. The contractor was paid an amount of ₹1.25 crore<sup>219</sup> and the balance amount of ₹0.03 crore continued to remain with the Executive Engineer, MED Jammu. Chief Engineer MED Jammu requested (May 2011) the Excise Commissioner that the weighbridges were complete in all respects and may be taken over by the Excise department. Besides, the Executive Engineer (R&B) Kathua and Chief Engineer (R&B) Jammu were also approached to take over these weighbridges. Despite lapse of more than seven years, the weighbridges were not commissioned (September 2018) and were neither taken over by the Public Works (R&B) Department nor by the Excise Department. In terms of the supply order, the equipment supplied/ installed carried guarantee for its successful and satisfactory working for a period of 12 months from the date of commissioning. The batteries supplied for functioning of the weighbridges and the electronic system had already outlived their lives. Thus, the failure of the Mechanical Engineering Department and the Public Works (R&B) Department to commission the five computerised weighbridges and hand them over to the Excise Department resulted in unfruitful expenditure of ₹1.25 crore on five pit type weighbridges and blocking of funds of ₹0.03 crore over a period of more than seven years.

On being pointed out in audit, Deputy Excise Commissioner, Toll Post Lakhanpur stated (February 2018) that the Chief Engineer MED Jammu and Executive Engineer R&B Kathua had been asked (October 2017) to hand over the weighbridges complete in all respects and in working condition to the department. Executive Engineer MED Division Jammu stated (July 2018) that the Chief Engineer PW (R&B) and the Excise department had been requested to take over the installed/ completed weigh bridges but failed to get any concrete response from both the departments for the last seven years. However, the Excise Commissioner stated (January 2019) that the handing over got delayed mainly due to pending civil works and non-commissioning of equipments.

After the matter was referred to Government/ Department in May 2018, the Excise Commissioner stated (January 2019) the pending civil works have been completed now and the five weighbridges have been taken over by the Excise department on 24 December 2018. However, the fact remains that due to lack of co-ordination between the executing departments and failure to sort out the issues, the weighbridges could not be commissioned over a period of more than seven years. Besides, the decision to commission five weighbridges in addition to the existing three at toll plaza Nagri Parole in anticipation of heavy flow of traffic was imprudent, as there was a

<sup>218</sup> May 2010: ₹75 lakh; November 2012: ₹53 lakh

<sup>219</sup> February 2011: ₹76 lakh; February 2013: ₹49.15 lakh

declining trend in movement of traffic and revenue collections<sup>220</sup> which was attributed by the Excise department to preference of vehicle owners for another toll post at Lakhapur which offered better facilities and less clearance time. Reply of the Government was awaited (September 2019).

### **3.23 Unproductive expenditure due to attachment of staff**

**Attachment of staff in the office of Chief Engineer, Public Works Department, Jammu without any assignment, resulted in unproductive expenditure of ₹14.64 crore on payment of their salaries.**

Government of Jammu and Kashmir, General Administration Department directed (July/ October 2008) all the Administrative Secretaries and Heads of the departments to detach all the attached employees and send them back to their original place of postings wherefrom they were withdrawn before such attachment. In view of the continued attachment of staff in some Departments, General Administration Department reiterated the directions in July/ October 2016.

Scrutiny of the records (July 2016/ May 2018) of the office of the Chief Engineer, Public Works Department (PWD), Roads and Buildings (R&B), Jammu revealed that against the sanctioned strength of 49 posts, 68 were effective as on 1<sup>st</sup> January 2018. Audit noticed that in violation of the directions of General Administration Department for immediate detachment of staff, 173 technical staff personnel<sup>221</sup> were attached in the office of the Chief Engineer, PWD (R&B) Jammu for different periods ranging from one month to fifty two months. Department had not assigned (February 2018) any work to these officials during the period of their attachment from August 2012 to February 2018 and the expenditure of ₹14.64 crore incurred on payment of their salaries was rendered unproductive.

On being pointed out, Chief Accounts Officer stated (July 2016) that the officers were attached by the orders of Administrative Department for pay purposes only<sup>222</sup>. It was further stated (June 2018) that no work could be assigned to these officers in that office as there was no definite period of attachment. It was also stated (September/ December 2018) that the objective of attachment of the officers/ officials was not mentioned in their orders received from the Administrative Department. The fact remains that the period of attachment was extended even upto 52 months and the payment of salaries without any assigned duties had led to unproductive expenditure of ₹14.64 crore, as of February 2018. Besides, three employees continued to be attached, for the last one year (March 2019).

<sup>220</sup> 2010-11: ₹5.96 crore; 2011-12: ₹7.20 crore; 2012-13: ₹8.00 crore; 2013-14: ₹3.97 crore; 2014-15: ₹2.50 crore; 2015-16: ₹3.01 crore; 2016-17: ₹3.44 crore; 2017-18: ₹2.58 crore

<sup>221</sup> Two Chief Engineers, 10 Superintendent Engineers, 69 Executive Engineers, 52 Assistant Executive Engineers, 27 Assistant Engineers, Eight Junior Engineers, Three Head Draftsmen, Two Draftsmen

<sup>222</sup> The staff is being paid salaries regularly without assigning any job to them

The matter was referred to the Government/ Department in August 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

### Revenue Department

#### 3.24 Over payment of pay and allowances

**Departmental failure to regulate the increment of employees appointed on fixed salary mode, in accordance with prescribed rules/ instructions issued by the Government resulted in over-payment of ₹64.21 lakh on account of inadmissible pay, allowances and NPS contribution during July 2014 to March 2018.**

Rule 10 of the Jammu & Kashmir Civil Service (Revised Pay) Rules, 2009 stipulates that 1<sup>st</sup> July of every year shall be the date of annual increment and employees completing six months and above in the revised pay structure, as on 1<sup>st</sup> July, were eligible to be granted the increment. The Jammu and Kashmir Government issued (October 2011) modalities for recruitment to certain non-gazetted categories of posts on fixed salary mode, whereby the recruits were to be paid fixed monthly salary for an initial period of five years of their service. Annual increment, dearness allowance, house rent allowance and city compensatory allowance to these employees were to start only after completion of five years of service. These modalities for fixed salary mode of recruitment were withdrawn from 21 May 2014.

Audit scrutiny of the records (January 2018, March 2018, May 2018 and June 2018) of five Drawing and Disbursing Officers<sup>223</sup> (DDOs) of Revenue Department revealed that the increment of 181 Patwaris<sup>224</sup> appointed under fixed salary mode of recruitment on a monthly fixed salary of ₹4,100, was regulated from 1<sup>st</sup> July 2014, instead of 1<sup>st</sup> July 2015. Departmental failure to regulate the increment of these employees in accordance with prescribed rules/ instructions issued by the Government resulted in over-payment of ₹64.21 lakh<sup>225</sup> on account of inadmissible pay, allowances and NPS<sup>226</sup> contribution during July 2014 to March 2018 as depicted in *Appendix-3.24.1*.

On being pointed out in audit, all the DDOs stated (April/ May 2019) that recovery of excess pay and allowances had been initiated and an amount of ₹47.95 lakh recovered. Although one DDO<sup>227</sup> recovered overpaid pay and allowances from one similar official who joined that office after the audit; however, no recovery was affected by another DDO<sup>228</sup> from three officials who had either left the job or were transferred to other offices. Since the overpayment pointed out was based as a test-check in only five DDOs, the department needs to ascertain the position in remaining DDOs and take suitable action.

<sup>223</sup> Three Regional Directors of Survey and Land Records (RDSLR): Maraz Anantnag, Kamraz Baramulla and Srinagar; Two Tehsildars: Anantnag and Kulgam

<sup>224</sup> RDSLR Maraz Anantnag: 38; RDSLR Kamarz Baramulla: 70; RDSLR Srinagar: 43; Tehsildar Anantnag: 7 and Tehsildar Kulgam: 23

<sup>225</sup> RDSLR Maraz Anantnag: ₹12.82 lakh; RDSLR Baramulla: ₹24.93 lakh; RDSLR Srinagar: ₹15.70 lakh; Tehsildar Anantnag: ₹2.36 lakh and Tehsildar Kulgam: ₹8.40 lakh


<sup>226</sup> New Pension Scheme

<sup>227</sup> Tehsildar Anantnag

<sup>228</sup> Regional Director, Survey and Land Records Baramulla

The matter was referred to Government/ Department in July 2018; despite of reminders issued in December 2018, May 2019 and September 2019, their reply was awaited (September 2019).

Srinagar/Jammu  
The 28<sup>th</sup> January 2020

  
(SUSHIL KUMAR THAKUR)  
Accountant General (Audit)  
Jammu & Kashmir and Ladakh

Countersigned

New Delhi  
The 7<sup>th</sup> February 2020

  
(RAJIV MEHRISHI)  
Comptroller and Auditor General of India

# **Appendices**





## Appendix – 1.1.1

(Reference Paragraph: 1.4; Page: 2)

Statement showing the funds transferred directly to the various State Implementing Agencies under Programmes/ Schemes outside the State Budget during 2017-18

(₹ in lakh)

Sl. No	Name of the GoI Scheme	Implementing agencies in the State	Government of India Releases
			2017-18
1.	Member of Parliament Local Area Development Scheme (MPLADS)	District Deputy Commissioners	4,500.00
2.	Buddhist and Tibetan Institutions and Memorials	Institute of Buddhist Studies	2,315.58
3.	Assistance of IHMS/FCIS/ IITTM/ NIWS etc.	Institute and Hotel Management and Catering Technology	358.30
4.	Solar Power -Off grid	Ladakh Renewable Energy Development Agency	90.33
5.	Scheme for Prevention of Alcoholism and Substance (Drugs) Abuse.	Council for Rehabilitation of Widows, Orphans, Handicapped and Old Persons (Victims of Militancy)-(RCMV)	300.00
6.	Capacity Building for Service Providers	Institute and Hotel Management and Catering Technology Srinagar/ Food Craft Institute (Society) Jammu	188.40
7.	Support to National Institute of Technology (NIT)	Consumer Affairs and Public Distribution Department	13,090.00
8.	Free Coaching and Allied Schemes for Minorities	M/s. National Institute for Technical Trainings (NITT)-(NIITJK)/ Human Welfare Organization/ Hilal Institute/ Citizens Institute of Education and Trainings Sopore/ Ascent Group	105.64
9.	Free Coaching for SC and OBC students and students with disabilities	Bandipora College of Information Technology	106.27
10.	e-Court Phase-II	Registrar General, High Court of Jammu and Kashmir	17,679.54
11.	National Programme for Youth and Adolescent Development	Jawahar Institute of Mountaineering and Winter Sports	85.95
12.	Scheme for Differently Aabled Persons	Bandipora College of Information Technology, Composite Regional Centre, Srinagar/ Kashmir Research Institute of Education & Solar Technology	208.08

Sl. No	Name of the GoI Scheme	Implementing agencies in the State	Government of India Releases
			2017-18
13.	Biotechnology Research and Development	SKUAST Jammu/ Kashmir, SKIMS. Islamic University of Science and Technology	1,147.65
14.	DISHA Programme for Women in Science	Indian Institute of Intrigative Medicines, Shri Mata Vaishno Devi University, SKUAST Jammu/ Kashmir, University of Kashmir	79.52
15.	Health Sector Disaster Preparedness and Management including EMR	Government Medical College, Jammu	140.00
16.	National Plan for Diary Development	Jammu & Kashmir State Implementing Agency	100.00
17.	National Rural Livelihood Mission	Jammu and Kashmir Rural Livelihoods Society (JKRLS)	659.74
18.	One Stop Centre	Deputy Commissioner/ OSC, District Programme Officer	87.52
19.	Research Education Training and Outreach	University of Kashmir, The Kashmir Environmental and Social Organization	50.50
20.	Seekho aur Kamao-Skill Development Initiatives	M/s. National Institute for Technical Trainings (NITT)-(NIITJK)/ Society for Development and Training/ Tendril Institute of Information Technology/ Softek Institute of Information Technology/ Human Welfare Organization/ Evergreen Institute of Computer and Technical Education	1,324.22
21.	Amended Technology Upgradation Fund Scheme (ATUFS)	Jammu and Kashmir Bank Ltd.	357.12
22.	Central Assistance for Pakul Dul HEP under J&K PMDP Grant to Chenab Valley Power.	Chenab Valley Power Projects (P) Limited	20,000.00
23.	Industrial Infrastructure Upgradation Scheme (IIUS)	State Industrial Development Corporation (SIDCO), Jammu and Kashmir	820.50
24.	Infrastructure Development and Capacity Building	Jammu and Kashmir State Industrial Development Corporation (SIDCO)	491.12

Sl. No	Name of the GoI Scheme	Implementing agencies in the State	Government of India Releases
			2017-18
25.	Innovation, Technology Development and Deployment	Sher-e-Kashmir University of Agricultural Sciences and Technology J&K (SKUAST-J&K), University of Kashmir, Jammu University, Shri Mata Vaishno Devi University Technology Business Incubation Centre	361.89
26.	Kala Sanskriti Vikas Yojna	Various Cultural and Welfare Societies in Jammu and Kashmir	434.61
27.	Khelo India National Programme for Development of Sports	Islamic University of Science & Technology (IUST), Awantipora, Pulwama, Kashmir and Director Youth Services & Sports Jammu and Kashmir	531.34
28.	Land Records Modernization Programme	Jammu and Kashmir Land Records Management Agency (JaKLaRMA)	477.00
29.	Management Support to Rural Development Programs and Strengthening of District Planning Process	Institute of Management and Public Administration (IMPA)/ Regional Extension Training Centre Budgam	100.40
30.	Nai Manzil- The Integrated Education And Livelihood Initiative	Comtech Institute of Technology/ National Education Society and Social Welfare Organization/ Society for Development and Training/ National Institute for Technical Trainings	479.85
31.	National AIDS and STD Control Programme	J&K State AIDS Prevention & Control Society-[JKSAPCS]	777.04
32.	National Handloom Development Programme	Jammu and Kashmir State Handloom Development Corporation Ltd, Hariom Pashmina Handloom Industrial Cooperative society, Jan Kalyan Handloom Weaving Industrial Cooperative Society Ltd., The Esquire Raffals Pashmina Handloom WICS Ltd., M/s Badam Pashmina and Raffal Handloom WICS Ltd., M/s Jhelum Valley Destitute Weavers Industrial Cooperative Society Ltd., M/s Showqeen Pashmina Raffal and Cotton Handloom WICS Ltd.	295.90
33.	National Mission on Food Processing	Indo Kashmir/ Kachroo Integrated Cold Chain/ Saffron Spices and Foods/ Wazan Foods, Safe and Fresh Foods/ Shafat Oil Mills and Spices/ Mir Agro Industries, etc.	20.29

Sl. No	Name of the GoI Scheme	Implementing agencies in the State	Government of India Releases
			2017-18
34.	Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD)	J&K State Cable Car Corporation Limited	1,152.11
35.	Small Hydro Power-Grid Interactive	Renewable Energy Development Agency Kargil/ Jammu and Kashmir State Power Development Corporation Limited	1,433.35
36.	Setting Up of New IIMs	Indian Institute of Management Jammu	1,645.00
37.	Scheme for Fund for Regeneration of Traditional Industries (SFURTI)	Jammu and Kashmir Khadi And Village Industries Board	430.50
38.	Science and Technology Institutional and Human Capacity Building	University of Kashmir/ Shri Mata Vaishno Devi University/ Indian Institute of Integrative Medicine/ Sher-e-Kashmir University of Agricultural Sciences and Technology of J&K	1,517.28
39.	Research Training and Studies and Other Road Safety Schemes	Transport Commissioner, J&K/ Jammu and Kashmir State Road Transport Corporation	349.25
40.	Research and Development	Sher-e-Kashmir University of Agricultural Sciences and Technology of Jammu and Kashmir, University of Kashmir, Jammu University, Department of Ecology Environment and Remote Sensing, National Institute of Technology Srinagar	119.42
41.	Integrated Development of Tourist Circuits around specific themes (Swadesh Darshan)	Jammu and Kashmir Tourism Development Corporation Limited/ J&K State Cable Car Corporation Limited	11,550.08
42.	Upgrading Skills and Training in Traditional Arts/ Crafts for Development (USTTAD)	Bandipora College of Information Technology	82.20
43.	Pradhan Mantri Matru Vandana Yojana	Social Welfare Department, Jammu and Kashmir	2,900.45
44.	Rashtriya Gokul Mission	Jammu & Kashmir State Implementing Agency	196.75

Sl. No	Name of the GoI Scheme	Implementing agencies in the State	Government of India Releases
			2017-18
45.	Beti Bachao Beti Padhao	Dy. Commissioner BBB Samba, Pulwama, District Development Commissioner Shopian, District Magistrate Jammu, Udhampur, Rajouri, Anantnag, etc.	262.91
46.	Sugar subsidy Payable under PDS	Central Institute of Buddhist Studies	1,681.64
47.	Sub-Mission on Agriculture Mechanisation	Sher-e-Kashmir University of Agricultural Sciences and Technology of Jammu and Kashmir/ The Jammu & Kashmir State Agro Industries Development Corporation Limited	521.20
48.	Setting Up of New IITs	Indian Institute of Technology, Jammu	13,928.00
49.	Establishment Expenditure-AYUSH	Jammu University, SKUAST Kashmir, Bhaderwah Development Authority, National Research Institute for Sodarigpa	136.65
50.	Family Welfare Schemes	University of Kashmir	84.92
51.	Voter Education	Chief Electoral Officer, Jammu and Kashmir	328.75
52.	Works under Road Wings	Various Individuals and Private Construction Companies	2,681.19
53.	Wind Power-Off grid	Ladakh Renewable Energy Development Agency	85.72
54.	Grants to States E&I from CRF	M.G Contractors Private Limited	763.66
55.	Others Schemes	Others schemes	875.80
<b>Total</b>			<b>1,10,491.13</b>

(Source: Finance Account 2017-18)



**Appendix – 2.1.1**

**(Reference Paragraph: 2.1.8.4; Page: 26)**

**Statement showing details of incomplete works for which no funds were released during last two years**

(₹ in lakh)

Sl. No	Name of Water Supply Schemes	Name of Division	Year of Start	Estimated cost		Expenditure up to		Gist of reply provided by Department		
				Original	Revised	Year	Amount			
1.	Kanheri	Akhnoor	2013-14	40.00	40.00	2014-15	28.75	The reasons for abandonment will be sought and communicated.		
2.	Trich	Awantipora	2007-08	184.00	184.00	2012-13	161.10	Non-release of funds		
3.	Bathan Zantrag		2003-04	219.00	219.00	2015-16	114.22	Depletion of source		
4.	Shah Mohalla Chopan Basti		2011-12	149.00	149.00	2015-16	86.97	Source not yielded discharge		
5.	Marwal		2007-08	191.00	330.00	2013-14	204.70	Not fit for drinking		
6.	Amirabad Chandrigam		1999-2000	125.00	263.05	2012-13	125.27	Cost overrun		
7.	Banderpora Bomai		Sopore	2011-12	59.97	59.97	2014-15	10.19	Matter has been taken with the higher authorities for release of funds for early completion.	
8.	Dardoora Zaloora	2010-11		61.13	61.13	2013-14	3.28			
9.	Haritar	2008-09		38.00	38.00	2015-16	5.67			
10.	IR Sharkwara	2010-11		200.00	200.00	2015-16	6.55			
11.	Phalipora Chandergir	2009-10		358.83	358.83	2014-15	344.60			
12.	Rakh Shilvat	2010-11		35.95	35.95	2013-14	17.29			
13.	Well at Odina	2010-11		21.50	21.50	2015-16	47.00			
14.	Bohripora	2012-13		8.65	8.65	2014-15	2.00			
15.	Mohdfal (GB)	Bijbehara		2013-14	29.29	29.29	2015-16	22.79		Funds not released
16.	Dam cum spill way at Chakura			2013-14	84.00	84.00	2014-15	96.00		Funds not released
17.	IR at Lessu Bren-Nard			2010-11	265.00	265.00	2013-14	18.22		Funds not released
18.	Arigohal			2010-11	91.20	91.20	2014-15	60.14		Funds not released
19.	Galbugh	Pulwama		2007-08	266.78	366.76	2015-16	263.40		Cost overrun
20.	Mirbagh Dougam			2009-10	200.00	320.00	2015-16	153.04		Cost overrun
<b>Total</b>				<b>2,628.30</b>	<b>3,125.33</b>		<b>1,771.18</b>			

(Source: Physical and financial progress reports provided by the Department)

**Appendix – 2.1.2**

**(Reference Paragraph: 2.1.8.5; Page: 27)**

**Works executed without DPR in sampled divisions**

**(₹ in lakh)**

Sl. No	Name of the Water Supply Scheme	Name of Division	Estimated cost	Cumulative expenditure ending March 2013	Cumulative expenditure ending March 2018	Physical status ending March 2018
1.	Kanheri	Akhnoor	40.00	0.00	28.75	In progress
2.	Throni Jothal		758.50	0.00	88.91	In progress
3.	Balasroo		71.50	64.50	71.50	Completed
4.	Rah/ Hardoo Malara		142.50	1.00	78.36	In progress
5.	Digging of Tube well Palanwala (Chhamb)		69.00	41.00	69.00	Completed
6.	Digging of Tube well Rangpur (Chamm)		77.00	45.00	77.00	Completed
7.	Bhoom Kulian		197.50	105.00	165.75	In progress
8.	Jattan-De-Kothey		120.50	2.00	81.79	In progress
9.	Jogwan Bardow		162.00	2.00	44.38	In progress
10.	Kot Makote		98.19	95.19	98.19	Completed
11.	Devak	Nowshera	553.00	8.67	86.87	Ongoing
12.	Chowki Narian		305.00	6.90	33.40	Ongoing
13.	Karal	Rural Jammu	93.00	81.88	93.00	Completed
14.	Charangal		87.00	75.60	87.00	Completed
15.	Kahalati		65.40	32.00	65.40	Completed
16.	Sidhra (Old)		69.98	34.29	38.29	Completed
17.	Mattin		68.31	39.21	68.31	Completed
18.	Khadta		69.70	35.90	69.70	Completed
19.	Chakroi Phase-II		109.52	9.00	88.06	Ongoing
20.	Shuwada		121.00	33.00	117.50	Completed
21.	Delni Kasana		180.00	10.00	119.49	Ongoing

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Sl. No	Name of the Water Supply Scheme	Name of Division	Estimated cost	Cumulative expenditure ending March 2013	Cumulative expenditure ending March 2018	Physical status ending March 2018
22.	Vadderabad	PHE Baramulla	225.00	0.00	7.50	Ongoing
23.	Gatiyar		224.48	12.89	42.30	Ongoing
24.	Khawaja Gundi Qasim		366.00	0.00	31.50	Ongoing
25.	Checki Sultanpora		288.73	225.73	275.60	Ongoing
26.	Renj		50.00	0.00	2.00	Ongoing
27.	Foot Park Colony Guligam (Sopore)		210.00	0.00	5.14	Ongoing
28.	Khoi		756.96	120.54	295.35	Ongoing
29.	Syed Colony Chinad		30.00	2.00	30.00	Ongoing
30.	Dandoosa Doligund		92.00	0.00	22.90	Ongoing
31.	Plant for Rural Baramulla		75.27	29.97	51.87	Ongoing
32.	Sehkul Goshbugh		38.00	25.98	26.36	Ongoing
33.	Malganipora		144.00	1.81	19.02	Ongoing
34.	IRP Watergam		48.00	41.12	43.18	Ongoing
35.	Syed colony Wabug		PHE Sopore	24.81	0.00	0.58
36.	Rangi	50.00		0.00	4.59	Ongoing
37.	Shalpora Tujar Sharief	462.00		0.00	29.47	Ongoing
38.	Rakhi Hygam Haritar	195.02		0.00	26.90	Ongoing
39.	Foot Park Colony	210.00		0.00	15.49	Ongoing
40.	IR sharkwara	200.00		6.25	6.55	Ongoing
41.	Adhal Cherward	PHE Bijbehara	15.57	4.50	15.57	Completed
42.	Nagpathri Chankitar	PHE Awantipora	299.13	0.00	31.90	Ongoing
43.	Nehama		454.28	0.00	40.62	Ongoing
	<b>Total</b>		<b>7,917.85</b>	<b>1,192.93</b>	<b>2,695.04</b>	

Sl. No	Name of the Water Supply Scheme	Name of Division	Estimated cost	Cumulative expenditure ending March 2013	Cumulative expenditure ending March 2018	Physical status ending March 2018
<b>Details of schemes where DPRs were not shown to audit</b>						
1	Rafta Nimoo	Leh	32.10	20.00	32.10	Completed
2	Youlkhram		60.30	40.54	60.30	Completed
3	Khalsar		40.80	15.00	40.80	Completed
4	Udmaroo		43.35	15.00	43.35	Completed
5	Tsati		52.56	15.00	52.56	Completed
6	Burma		60.18	46.70	60.18	Completed
7	Ursi Dok		26.80	19.31	26.80	Completed
8	Chegatsey Daknak Lamayuru.		33.95	23.00	33.95	Completed
9	Zasa Basgo		249.60	65.00	181.39	In-progress
10	Konchu kobet.		32.99	0.00	32.99	In-progress
11	Agling Spituk		650.80	0.00	65.95	In-progress
<b>Total</b>			<b>1,283.43</b>	<b>259.55</b>	<b>630.37</b>	

*(Source: Physical and financial progress reports provided by the Department)*

Appendix - 2.1.3

(Reference Paragraph: 2.1.8.10; Page: 32)

Details of water supply schemes taken up without acquisition of land/ development of source, etc.

(₹ in lakh)

Sl. No.	Name of the Water Supply Scheme	Name of Division	Date of start	Envisaged date of completion	Estimated cost	Actual expenditure incurred	Year upto which expenditure incurred	Reasons for unfruitful expenditure	Latest status	Gist of reply by divisions
1.	Datriyal	Rural Jammu	2012-13	2014-15	275.90	83.99	2017-18	Distribution completed without OHT, due to non- acquisition of land	On going	Land selected for tube well and OHT was sub-judice.
2.	Bermini		2011-12	2013-14	401.65	199.16	2017-18	Inadequate discharge of water from tube well.	Ongoing	Non-availability of sufficient funds
3.	Jamotian Kogarkhoo	Akhnoor Jammu	2010-11	2011-12	149.78	106.34	2017-18	Distribution completed without source development.	Ongoing	CGWB has earmarked different source for WSS
4.	Mawa Cherrian		2010-11	2012-13	126.38	67.97	2017-18	Distribution completed without source development.	Ongoing	After failure of tube well, CGWB has advised for dug well
5.	Basti Jogian Mohalla	City-II Jammu	2011-12	2013-14	190.00	163.26	2017-18	Source dispute between land owners.	Ongoing	Dispute between land owners
6.	Sant Rocha Singh		2012-13	2014-15	229.61	49.62	2016-17	Source dispute between land owners.	Ongoing	Dispute between land owners
7.	Industrial Estate Kathua	PHE Division Kathua	2006-07	2008-09	161.25	119.79	2017-18	Distribution completed without OHT	Ongoing	WSS not completed due to non-availability of funds.
8.	Bari Darhal	PHE Division Rajouri	2008-09	2011-12	374.70	138.26	2017-18	LF/ DS not completed even after elapse of 11 years.	Ongoing	Non-availability of sufficient funds
9.	Topa Dodaz		2007-08	2010-11	399.00	154.20	2017-18	Electric sub-station and Pump machinery	Ongoing	Non-availability of sufficient funds

Sl. No.	Name of the Water Supply Scheme	Name of Division	Date of start	Envisaged date of completion	Estimated cost	Actual expenditure incurred	Year upto which expenditure incurred	Reasons for unfruitful expenditure	Latest status	Gist of reply by divisions
10.	Jungrial	PHE Nowshehra	2011-12	2014-15	271.30	100.60	2017-18	The Mechanical part like source development, pumping station was not completed	Ongoing	Due to meger funding source could not be completed.
11.	Beri Pattan		2010-11	2013-14	179.48	153.13	2017-18	Source and filtration plant of the scheme not completed	Ongoing	Due to paucity of funds scheme could not be completed.
12.	Nimoo	PHE Leh	2012-13	2014-15	399.00	282.58	2017-18	Non-installation of pumping machinery	Ongoing	Could not be completed due to non-availability of funds
13.	Jahama	PHE Baramulla	2007-08	2010-11	354.00	284.47	2017-18	Non-laying and fitting of distribution network and non-construction of additional raw water sump cum pump house	Ongoing	Scheme will be completed in current year subject to funds from higher authorities
14.	Bhat Mohalla Sangri Gujarpati		2012-13	2015-16	348.25	217.17	2017-18	Source dispute	Ongoing	Source dispute
15.	Khushalpora Syed Colony Chennad Sangrama		2012-13	2015-16	690.82	164.32	2017-18	Wrong selection of source site resulted in contaminated water	Work stopped	Water not fit for drinking
16.	Shah Mohalla Panzinara	PHE Sopore	2012-13	2015-16	402.14	158.40	2017-18	Source dispute	Work stopped	Source dispute
17.	Shiva-Zainageer		2012-13	2015-16	309.00	347.68	2017-18	Laying and fitting of 150 mm dia feeding main could not be executed due to source dispute case sub-judice	Work stopped	Source dispute
18.	Saidapora-Dangerpora		2011-12	2013-14	816.00	367.07	2017-18	Land Dispute case sub-judice	Work stopped due to the dispute	Sub-judice

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Sl. No.	Name of the Water Supply Scheme	Name of Division	Date of start	Envisaged date of completion	Estimated cost	Actual expenditure incurred	Year upto which expenditure incurred	Reasons for unfruitful expenditure	Latest status	Gist of reply by divisions	
19.	Nigli Ghat		2013-14	2015-16	294.43	112.57	2015-16	Non-obtaining of NOC from Forest Department	Work stopped will be commenced after obtaining NOC	Matter taken with forest department for issuance of NOC	
20.	Asham Bonpora/ Zoonipora		2011-12	2013-14	234.37	195.00	2017-18	Non-incorporation of laying and fitting of DI pipe 200 mm dia rising main in the DPR	Ongoing	Non-incorporation component under original DPR	
21.	Alsafa Colony	PHE Mechanical (North) Sopore	2011-12	2013-14	195.00	167.24	2016-17	Equipments/ Works required for successful commissioning of WSS were not covered in the scope of the original DPR	Ongoing	Some of the works not covered under original estimates which are required for successful commissioning	
22.	Sheikhpora Ananwan		2012-13	2014-15	32.50	20.75	2017-18	Civil works incomplete due to land dispute	Ongoing	Land dispute	
23.	Bumhama		2011-12	2014-15	109.00	69.31	2017-18	Dispute with the land owners	Ongoing	land dispute	
24.	IR plant at Dadcheck		2012-13	2014-15	84.00	37.00	2017-18	Land dispute	Work stopped	Land dispute	
25.	Raitengri		PHE Bijbehara	2012-13	2014-15	115.00	115.00	2017-18	Scheme stands completed but non-functional due to non-completion of Filtration Plant	Completed but not functional	Requires additional funding for making it functional



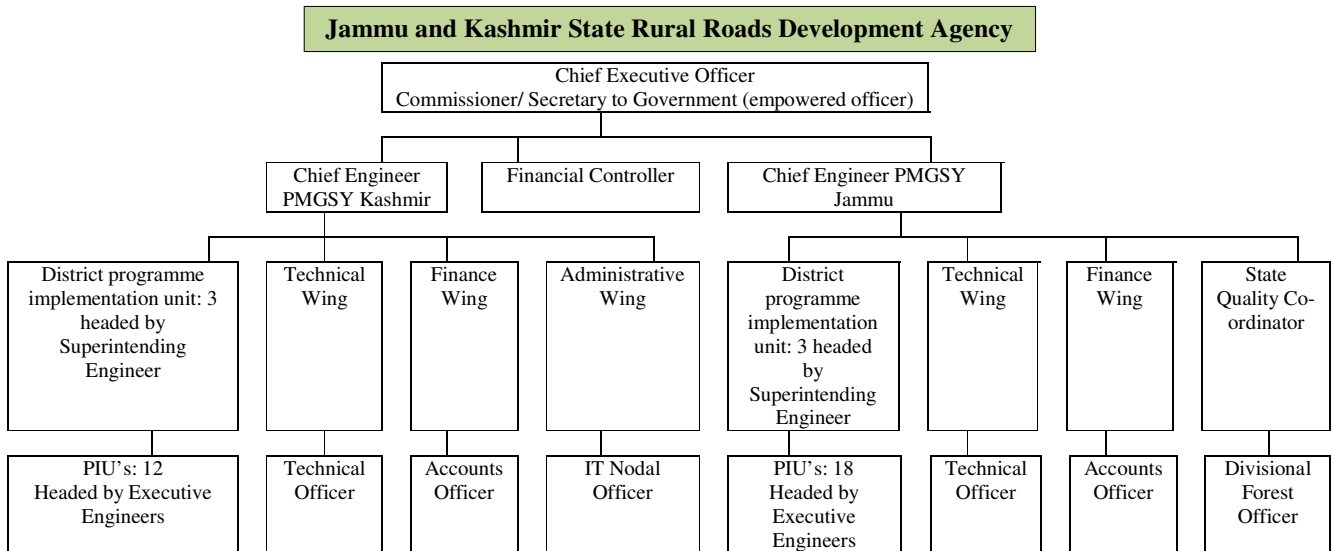
Sl. No.	Name of the Water Supply Scheme	Name of Division	Date of start	Envisaged date of completion	Estimated cost	Actual expenditure incurred	Year upto which expenditure incurred	Reasons for unfruitful expenditure	Latest status	Gist of reply by divisions
26.	Maskhud	PHE Qazigund	2008-09	2010-11	159.41	154.97	NA	Source depleted – Non-Laying and Fitting of pipes for distribution network	Ongoing	Source depleted
27.	Construction of Additional OHT Gassipora		2013-14	2015-16	69.75	64.22	NA	Scheme could not be commissioned due to water quality problems as no provision for construction of Filtration plant was kept in DPR	Ongoing	Water quality problem
28.	Gallender	PHE Awantipora	2007-08	2010-11	195.50	250.80	2017-18	Scheme could not be completed and commissioned due to its cost overrun	Cost overrun	Cost overrun
<b>Total</b>					<b>7,567.22</b>	<b>4,344.87</b>				

*(Source: Physical and financial progress reports of the WSS in sampled divisions)*

**Appendix-2.2.1**

**(Reference Paragraphs: 2.2.2 & 2.2.4; Pages: 41 and 43)**

**Organisational set up and Audit Criteria**



*(Source: Information provided by the Department)*

**Audit Criteria**

1. District Rural Road Plan (DRRP), Core Network, CNCPL and CUPL;
2. Operation Manual of the PMGSY and clauses of Standard Bidding Document (SBD);
3. Jammu and Kashmir Public Works Code and orders issued from time to time; and
4. Quality control and monitoring mechanism.

## Appendix-2.2.2

(Reference Paragraph: 2.2.4; Page: 43)

## Status of road projects

(Road Projects/ Habitations in number, Length in Km and Cost ₹ in crore)

Particular		Year-wise break up					Total
		2013-14	2014-15	2015-16	2016-17	2017-18	2013-18
Road Projects with length and habitations sanctioned remained unconnected at the beginning of year	Road Projects	1227	1022	845	681	1126	-
	Length	5863.13	4971.34	4036.68	3548.57	6639.91	-
	Habitations	749	560	428	343	851	-
	Cost	3289.30	2755.13	2332.40	2074.01	4619.77	-
Road Projects with length and habitations sanctioned during the year	Road Projects	0	0	0	542	0	542
	Length	0	0	0	3519.94	0	3519.94
	Habitations	0	0	0	595	0	595
	Sanctioned cost	0	0	0	2842.32	0	2842.32
<b>Total Road Projects with length and habitations to be connected</b>	<b>Road Projects</b>	<b>1227</b>	<b>1022</b>	<b>845</b>	<b>1223</b>	<b>1126</b>	<b>-</b>
	<b>Length</b>	<b>5863.13</b>	<b>4971.34</b>	<b>4036.68</b>	<b>7068.51</b>	<b>6639.91</b>	<b>-</b>
	<b>Habitations</b>	<b>749</b>	<b>560</b>	<b>428</b>	<b>938</b>	<b>851</b>	<b>-</b>
	<b>Cost</b>	<b>3289.30</b>	<b>2755.13</b>	<b>2332.40</b>	<b>4916.33</b>	<b>4619.77</b>	<b>-</b>
Road Projects with length and habitations connected during the year	Road Projects	205	177	164	97	167	810
	Length	891.79	934.66	488.11	428.60	1429.34	4172.50
	Habitations	189	132	85	87	226	
	Cost	534.17	422.73	258.39	296.56	709.44	
Road projects completed (in per cent)		17	17	19	8	15	
<b>Road Projects with length and habitations sanctioned remained unconnected at the end of year</b>	<b>Road Projects</b>	<b>1022</b>	<b>845</b>	<b>681</b>	<b>1126</b>	<b>959</b>	
	<b>Length</b>	<b>4971.34</b>	<b>4036.68</b>	<b>3548.57</b>	<b>6639.91</b>	<b>5210.57</b>	
	<b>Habitations</b>	<b>560</b>	<b>428</b>	<b>343</b>	<b>851</b>	<b>625</b>	
	<b>Cost</b>	<b>2755.13</b>	<b>2332.40</b>	<b>2074.01</b>	<b>4619.77</b>	<b>3910.33</b>	

(Source: Records of JKSRDA)

Appendix-2.2.3

(Reference Paragraph: 2.2.4; Page: 43)

Sample selection for the Performance Audit

Name of the District	Total Packages					Packages selected				
	Total No. of road projects	Ongoing road works prior to performance audit	Road works sanctioned during the performance audit	Completed road works	Ongoing road works	Total No. of road projects	Ongoing road works prior to Performance audit	Road works sanctioned during the performance audit	Completed road works	Ongoing road works
<b>New connectivity works</b>										
Ramban	77	65	12	22	55	20	17	3	5	15
Rajouri	166	105	61	74	92	42	26	16	18	24
Udhampur	280	237	43	91	189	70	57	13	26	44
Jammu	53	34	19	31	22	14	9	5	7	7
Baramulla	75	49	26	22	53	19	15	4	5	14
Ganderbal	67	55	12	23	44	17	16	1	6	11
Kupwara	69	60	9	46	23	18	17	1	15	3
Anantnag	110	87	23	59	51	28	20	8	16	12
Leh	10	10	0	6	4	5	5	0	3	2
<b>Total</b>	<b>907</b>	<b>702</b>	<b>205</b>	<b>374</b>	<b>533</b>	<b>233</b>	<b>182</b>	<b>51</b>	<b>101</b>	<b>132</b>
<b>Upgradation works</b>										
Ramban	1	0	1	0	1	1	0	1	0	1
Rajouri	10	4	6	4	6	5	4	1	4	1
Udhampur	5	0	5	0	5	5	0	5	0	5
Jammu	4	0	4	0	4	4	0	4	0	4
Baramulla	12	0	12	0	12	5	0	5	0	5
Ganderbal	4	2	2	2	2	4	2	2	2	2
Kupwara	24	12	12	11	13	6	4	2	4	2
Anantnag	8	2	6	3	5	5	2	3	3	2
Leh	4	1	3	0	4	4	1	3	0	4
<b>Total</b>	<b>72</b>	<b>21</b>	<b>51</b>	<b>20</b>	<b>52</b>	<b>39</b>	<b>13</b>	<b>26</b>	<b>13</b>	<b>26</b>
<b>Grand Total</b>	<b>979</b>	<b>723</b>	<b>256</b>	<b>394</b>	<b>585</b>	<b>272*</b>	<b>195</b>	<b>77</b>	<b>114</b>	<b>158</b>

(\*Out of 272 sampled road projects, 18 road projects were under tendering/ not allotted at the time of sampling and thus, were not considered for detailed scrutiny)

**Appendix - 2.2.4**

(Reference Paragraph: 2.2.6.2(b); Page: 55)

**List of roads jointly physically inspected with the departmental authorities**

Sl. No.	Districts	Programme Implementation Unit	Stage-I				Stage-II	
			Package number/ Phase	Name of road	Date of completion	Expenditure	Package number/ Phase	Status
1	Udhampur	Udhampur	JK14-153/ VII	Moud to Pattian to Upper Moud	December 2012	266.81	316/ VIII	NA (not allotted)
2	Udhampur	Udhampur	JK14-411/X	Mansar to Sourap	November 2017	278.98	-	NA
3	Udhampur	Ramnagar	JK14-21/ V	Plasian to Pinger	May 2017	280.84	242/ VIII	NA
4	Udhampur	Ramnagar	JK14-158/ VII	Sunetar khas to Dhanwalt	June 2013	490.69	351/ VIII	NA
5	Udhampur	Ramnagar	JK14-149/ VII	Dudu to Guratas	March 2017	252.82	344/ VIII	NA
6	Udhampur	Ramnagar	JK14-154/ VII	Jakhed to Gurshalla	May 2017	93.10	324/ VIII	NA
7	Ramban	Ramban	JK14-54/ VI	Mavael kote sundada Thetharka	September 2016	215.43	367/ VIII	NA
8	Ramban	Ramban	JK14-42/ VI	Perthmulla Tungain Jabber	October 2013	190.56	368/ VIII	NA
9	Ramban	Banihal	JK04-68/ VI	BB Ramsoo Admarg to Maho	Completed (Date of completion was not on record)	445.05	452/XI	NA
10	Rajouri	Rajouri	JK12-16/ V	Rajdhani to Panjgrain	May 2013	422.89	221/X	Under tendering (UT)
11	Rajouri	Rajouri	JK12-42/ VI	Doongi to Namblan	December 2013	146.13	208/X	UT
12	Leh	Leh	JK09-03	Hunder to hunderdock	December 2013	195.16	NA	NA

(Source: Physical and financial progress reports of PIUs )

Appendix - 2.2.5

(Reference Paragraph: 2.2.8.1 (a); Page: 61)

Details of road projects held up in the State due to various reasons

Sl. No.	Name of PIU	Name of road project	Package No.	Stage	Phase	Length in kms	Sanctioned cost (₹ in lakh)	Expenditure as of January 2018 (₹ in lakh)	Habitations to be connected	Remarks
<b>Jammu province</b>										
1	Mahore	Bhall to Shibrass	JK14-43	I	VI	9.06	712.14	391.14	1	CD/Protection works held up across the bridge in Km 5 <sup>th</sup> as the bridge is not included in the sanctioned package
2	Billawar	Nan-Galla to Trapper	JK07-25	I	VI	1.58	74.78	21.13	3	Work stands held up due to Hon'ble High Court Stay since October, 2012
3	Banihal	Hewagan to Dhanmasta.	JK04-99	I	VI	9.20	628.06	255.11	1	Take off point changed, revised proposal submitted to NRRDA for Approval
4	Mahore	Chitabas to Sildhar	JK14-136	I	VII	6.00	353.20	248.24	1	Work held up by the contractor, final notice served to him through print media
5	Doda	Khellani Dranga Hud to Saras	JK04-114	I	VII	11.82	698.58	135.92	4	Fresh Joint inspection conducted, case submitted to CCF, work is held up
6	Ramban	Road from Batote to Chakwah	JK04-133	I	VII	10.00	829.26	149.04	6	Forest clearance awaited
7	Udhampur	Sira to Ghari	JK14-155	I	VII	5.02	261.83	218.74	1	Scheme was held up in Wild Life Portion in Km 1 <sup>st</sup> RD-500-1000
8	Mahore	Lencha Hariwala	JK14-140	I	VII	10.00	721.97	346.32	2	Forest sanction awaited
9	Ramban	Dhaino to Papryah	JK04-131	I	VII	6.00	352.70	0.34	1	Forest sanction awaited
10	Udhampur	Chowki to Khurkal	JK14-112	I	VII	9.05	374.84	290.24	2	Work stands held up due to Hon'ble High Court stay
11	Mahore	Arnas to Chilad	JK14-139	I	VII	11.00	684.76	145.70	1	Earthwork 3.900 Km Completed out of 11 km sanctioned length. The case is under trial in Hon'ble Lower Court, Reasi
12	Mahore	Chaklass to Dharian	JK14-188	I	VII	5.50	383.66	103.78	1	Structure compensation pending
13	Ramban	Khunga to Kothi Jageer	JK04-135	I	VIII	9.20	384.30	258.74	2	Held up due to forest clearance beyond km 5th
14	Thathri	Thaloran to Samie	JK04-150	I	VIII	6.37	435.20	314.42	1	Case submitted to forest department & lying with CCF for further submission to FAC
15	Ramnagar	Charal to Nappah	JK14- 166	I	VIII	9.90	522.11	245.60	1	Scheme held up beyond 7.2 km to 9.9 km due to want of forest clearance

Sl. No.	Name of PIU	Name of road project	Package No.	Stage	Phase	Length in kms	Sanctioned cost (₹ in lakh)	Expenditure as of January 2018 (₹ in lakh)	Habitations to be connected	Remarks
16	Jammu	Kahpotta to Upper Slay	JK05-99	II	VIII	2.23	66.19	20.07	0	The work is held up due to the land Acquisition and private structures at take off point
17	Budhal	L025 to Narla	JK12-164	I&II	IX	12.00	1261.01	171.29	2	Forest sanction accorded, work yet to resume
<b>Kashmir province</b>										
18	Anantnag	Rein chowgund to koot Gujjar basti	JK01 122	I	VII	3.0	116.55	0	1	Forest clearance pending
19	Anantnag	Rein chowgund to koot Gujjar basti	JK01 251	II	VIII	3.0	162.51	0	0	Forest clearance pending
20	Anantnag	L032 to Masward	JK01 267	I	X	2.3	168.77	20.47	1	Forest clearance pending
21	Anantnag	Viloo to Bonkah	JK01 291	I	X	1.5	112.45	0	1	Alignment dispute
22	Anantnag	Dessu to Gognard	JK01 112	I	VII	3.0	175.62	91.76	1	Land dispute
23	Anantnag	Dessu to Gognard	JK01 244	II	VIII	3.00	119.40	0	0	Land dispute
24	Bandipora	Nerru to Sikender	JK03 72	I	VII	6.7	470.90	392.10	2	Forest clearance pending
25	Bandipora	L02 to Safaid Aab	JK03 160	I	X	3.5	274.70	0	1	Forest clearance pending
26	Bandipora	Purana Telial to Dangithall	JK03 161	I	X	2.0	172.26	39.11	2	Forest clearance pending
27	Bandipora	Dawar Telial road Kashpot to Refuji	JK03 162	I	X	11.0	939.79	0	4	Forest clearance pending
28	Bandipora	Gujran to Abdullian	JK03 163	I	X	3.5	328.39	0	1	Shifting of alignment
29	Bandipora	Peer Butho to Chandaji	JK03 155	I	X	6.0	689.90	0	1	Forest clearance pending
30	Bandipora	Athwato Vewan to Labkachal	JK03 164	I	X	14.0	975.06	0	3	Forest clearance pending
31	Uri	Daken to Ganie Mohalla	JK03 168	I	X	4.0	331.96	0	1	Alignment/ Land dispute
32	Uri	Sultan Dhaki to Dhanimar	JK03 170	I	X	3.4	300.25	0	1	Alignment dispute
33	Uri	Chandanwari to Chandanwari bala	JK03 176	I	X	3.0	273.28	82.11	1	Forest clearance pending
34	Ganderbal	NHW - Gagangirnard	JK13 50	I	VII	2.0	126.78	0	3	Habitation connected



**Audit Report-Social, General and Economic (Non-PSUs) Sectors for the year ended 31 March 2018**

Sl. No.	Name of PIU	Name of road project	Package No.	Stage	Phase	Length in kms	Sanctioned cost (₹ in lakh)	Expenditure as of January 2018 (₹ in lakh)	Habitations to be connected	Remarks
35	Ganderbal	Thune to Badhi Pathri	JK13 49	I	VII	8.0	573.74	0	2	Court stay/ forest clearance pending
36	Ganderbal	NHW to Gujerpati Ind	JK13 106	I	X	1.5	100.71	0.35	1	Land acquisition pending
37	Ganderbal	L042 to Sheikhpora	JK13 109	I	X	1.9	112.75	0.44	1	Land dispute
38	Ganderbal	NHW to Gitchkhud	JK13 111	I	X	5.6	435.02	1.23	1	Pending land acquisition
39	Ganderbal	Sumbalbal to Chekigund	JK13 115	I	X	3.0	250.04	32.45	1	Land problem
40	Ganderbal	LSB Sumbalbal to Chekigund	JK13 119	LSB	X	-	323.61	14.26	0	Land problem
41	Srinagar	L034 to Newtheed Mulhar	JK13 108	I	X	3.2	78.28	0	1	Land dispute
42	Kulgam	Redwani to Rampora	JK01 301	I	X	1.76	111.43	0	1	Land compensation
43	Kulgam	HP Tavalla to Rakhi Hassanpora	JK01 302	I	X	1.75	92.43	0	1	Land compensation
44	Budgam	L040 Dudroo to Nowgam	JK02 85	I	X	1.87	254.38	0	1	Forest clearance pending
45	Kargil	L/R Shakar safi	JK06 16	I&II	VI	3.0	49.52	2.52	1	Land dispute
46	Pulwama	Naira to Check Naira	JK10 152	I	X	1.5	103.24	0	1	Land dispute
							<b>16968.31</b>	<b>3992.62</b>	<b>66</b>	

(Source: Progress reports of Chief Engineer, PMGSY Jammu/ Kashmir)

## Appendix - 2.2.6

(Reference Paragraph: 2.2.8.5; Page: 65)

## Other procedural irregularities noticed during audit

Sl. No.	Nature of irregularity	Requirement as per guidelines	Audit observations	Reply of the department
1.	Non-accord of Administrative Approval/ Technical sanction	The clearance of the proposals by the MoRD, GoI does not imply Administrative Approval (AA) or Technical Sanction (TS) of the proposals, but also adopting the procedure of the State Government in this regard. <b>(Para 10.2 of the programme guidelines)</b>	254 road projects in nine sampled districts, sanctioned at a cost of ₹1031.35 crore on which expenditure of ₹514.62 crore stands incurred were allotted at a cost of ₹935.96 crore in absence of AA/ TS.	The EEs stated (March to June 2018) that the road projects are approved by STA, SLSC and GoI and there is no need of separate AA/ TS. However, the instructions are noted for compliance.
2.	Irregularities in inviting tenders	Tendering process shall begin within 15 days of getting approval of the proposals by the Ministry. <b>(Para 7.11 of the OM of PMGSY)</b>	Out of 272 road projects test-checked in audit, tenders for 77 road projects <sup>1</sup> were invited with delay ranging between 3 days to 5 years and 11 months <sup>2</sup> from the date of approval by the Ministry.	The Chief Engineer PMGSY Kashmir stated (July 2018) that tenders were immediately invited after the schemes are sanctioned by the GoI. However, due to non-completion of road projects sanctioned under Stage-I, the invitation of tenders for Stage-II works were delayed. Delay was further attributed to hindrances like court cases, land disputes, forest clearance etc.
3.	Delay in allotment/ award of work	<b>PMGSY guidelines (Para 13.2)</b> stipulates 75 days as the average tendering time i.e the time frame within which works are to be awarded from the date of sanction of the projects by the NRRDA.  Finalisation of tender and award of work shall be completed within 71 days (120 days in case of re-tendering). <b>(Para 8.1.2 of OM)</b>	In Jammu province, out of 76 road projects <sup>3</sup> under Stage-II cleared by the Union Ministry, 30 road projects with sanctioned cost of ₹121.02 crore were not put to tender as Stage-I of these road projects was still incomplete and the remaining 46 road projects with sanctioned cost of ₹154.31 crore could not be awarded due to poor response to the tenders. Failure of the department to ensure the completion of Stage-I before getting the Stage-II of these road projects sanctioned from MoRD and award these road projects even after 60 to 65 months of clearance from the Ministry indicated poor planning.  Audit noticed that there was delay ranging between 3 days to 2 years and 8 months in completing the bidding process of 148 roads projects (Jammu:96; Kashmir:52) and in nine cases, the detail of 1 <sup>st</sup> call of tenders was not on record (February 2018).	

<sup>1</sup> Jammu: 59; Kashmir: 18

<sup>2</sup> Road from Balhama to Braman under package No. JK03-08 was approved by the NRRDA in June 2004 whereas NIT was invited on April 2010 by the PIU Baramulla

<sup>3</sup> Phase-VIII in July 2012: 59; Phase-IX in December 2012: 17

Sl. No.	Nature of irregularity	Requirement as per guidelines	Audit observations	Reply of the department
4.	Non-provision of insurance cover	Contractor at his cost shall provide Insurance Cover from the start date up to the end of defect liability period for loss of damage to the equipments, property and personal injury or death due to contractors risk. Insurance policies and certificates shall be delivered by the contractor to the Engineer concerned for the approval before the start date. <b>(Para 9.3.1 of the OM and Clause 13 of the General Conditions of Contract)</b>	254 road projects in nine sampled districts, sanctioned at a cost of ₹1,031.35 crore, on which expenditure of ₹514.62 crore stood incurred during 2013-18 were awarded at a cost of ₹935.96 crore without taking any insurance policies and certificates from the contractors.	The EEs stated (March to June 2018) that the matter regarding insurance cover would be taken up with the contractors before the start of the work
5.	Non-recovery of mobilisation and equipment advance	Contractor is required to mobilise men, material and machinery within 10 days after the date of issue of the work order. <b>(Para 9.4 of the OM)</b> Further, <b>clause 45 of the General Conditions of Contract</b> provides that the employer will make interest free mobilisation advance (five per cent of the contract cost) and equipment advance (up to 90 per cent of the cost) to the contractor. These advances shall be repaid by deducting proportionate amounts from payments otherwise due to the contractor.	In six out of nine sampled districts, mobilisation/ machinery advance of ₹46.52 lakh <sup>4</sup> , out of ₹133.89 lakh sanctioned (February 2009 to December 2017) in respect of eight road projects was not recovered (March 2018) from contractors who had completed the allotted projects or whose contracts were terminated/ fore closed during June 2014 to June 2017.	The EEs stated (March to June 2018) that the division had deducted mobilisation/ machinery advance from the running bills of the contractors and the outstanding amount would be deducted from their security deposit/ performance security of the contractors lying with the PIUs. The reply is not acceptable as the contractors were allowed to retain the advances after foreclosure/ completion of the contract.
6.	Non-verification/ non-renewal of Bank guarantees	<b>Para 13.2 of the PMGSY Accounts Manual</b> prescribes that it is the duty of the officer accepting the bank guarantee to obtain confirmation of its genuineness directly from the bank issuing the bank guarantee, without any third party intervention. Further, <b>Clause 32 of the Standard Bidding Document (SBD)</b> envisage that the performance security is to be delivered by the successful bidder within 10 days of the receipt of letter of acceptance in the form of unconditional bank guarantee issued by any scheduled bank or fixed deposit receipts in the name of the employer. Bank guarantee should be valid for the construction period and for five years after completion of work.	<ul style="list-style-type: none"> <li>• Audit noticed that confirmation of bank guarantees was not found attached in most of the test-checked cases.</li> <li>• Scrutiny of records/ allotment files pertaining to 254 road works revealed that in four cases, the validity of bank guarantees amounting to ₹46.02 lakh had either expired or not revalidated during the construction period.</li> </ul>	

<sup>4</sup> Jammu: ₹2.12 lakh; Ramban: ₹9.63 lakh; Ganderbal: ₹11.26 lakh; Anantnag: ₹0.80 lakh; Baramulla: ₹2.17 lakh and Kupwara: ₹20.54 lakh

Sl. No.	Nature of irregularity	Requirement as per guidelines	Audit observations	Reply of the department
7.	Deviation from approved technical specifications	After technical sanction, works will be tendered as such, and no changes shall be made in without the prior approval of NRRDA. <b>(Para 8.2 of the OM)</b>	In 57 road projects of nine sampled districts, various items were executed in excess of the approved quantities ranging between 11 to 8121 <i>per cent</i> <sup>5</sup> after incurring expenditure of ₹23.51 crore, without obtaining approval of the NRRDA.	The EEs stated (March to June 2018) that the works were executed as per site condition and approved DPR. In order to fulfill the demands of the public, some components of the project were executed in excess quantity than recorded in the DPRs, but were completed within allotted cost. The reply should be seen in the light of the fact that as per programme guidelines, necessary approval of NRRDA should have been sought before executing items in excess of the approved quantities.
8.	Non-installation of signboards	Signboard along with logo of PMGSY is to be erected within 15 days of the date of work order. <b>(Para 8.14 of OM)</b>	In 54 test-check cases, no such signboard had been erected.	
9.	Non-imposition of liquidated damages (LD)	Contractor is liable to pay Liquidated Damages (LD) at the rate of one <i>per cent</i> of the initial contract price per week subject to maximum of 10 <i>per cent</i> of initial contract price in the event of failure to complete the work within the stipulated time period. <b>(Para 9.10 of OM)</b>	48 road projects in eight sampled districts <sup>6</sup> were awarded at a cost of ₹176.44 crore. The contractors completed the works with delay ranged between two months to six years and two months. LD amounting to ₹17.64 crore was not imposed on the contractors for such delay.	The Chief Engineer, PMGSY stated (April 2019) that the department had initiated the process of imposing LD on the contractors for delay in completion of works beyond the schedule date.
10.	Premature release of security deposit and performance security	<b>Clause 43.2 the Standard Bidding Document (SBD)</b> prescribes procedure for release of security deposit <sup>7</sup> and performance security <sup>8</sup> on satisfactory completion of the whole of the construction work subject to the condition that the Engineer has certified that all defects notified by the Engineer to the contractor before the end of period prescribed for repayment have been corrected.	Out of nine sampled districts, 43 road projects being executed in eight districts <sup>9</sup> , security deposit of ₹6 crore and performance security of ₹0.68 crore was released before due dates with period ranging between one month to four years thus, giving undue favour to the contractor by releasing the security before the defect liability period.	The EEs stated (March to June 2018) that the instructions of the audit are noted for compliance.

(Source: Records of sample PIUs)

<sup>5</sup> Against work done of 49 cubic metre for filling excavated earth trenches as per drawing and technical specification, quantity of 4028.22 cubic metre was actually executed by the PIU Udhampur in construction of road from Ronu to Sudgar

<sup>6</sup> Jammu: 2; Udhampur: 3; Ramban: 3; Ganderbal: 6; Anantnag: 12; Baramulla: 4; Kupwara: 15 and Leh: 3

<sup>7</sup> On satisfactory completion of the whole of the construction work, half of the total amount retained as security deposit is to be repaid, one fourth of the total amount at the end of the 2<sup>nd</sup> year and balance amount at the end of the 3<sup>rd</sup> year after completion of the construction work or completion of defect liability period of three years in case of Stage-I and five years in case of Stage-II (Clause 43.4 of SBD)

<sup>8</sup> Performance security is to be released after lapse of defect liability period

<sup>9</sup> Udhampur: 11; Ramban: 3; Rajouri: 2; Ganderbal: 6; Anantnag: 7; Baramulla: 4; Kupwara: 8 and Leh: 2

**Appendix - 2.2.7**

**(Reference Paragraph: 2.2.9.4; Page: 70)**

**Statement showing SQM's inspections of the test-checked works in sampled districts**

Sl. No	District	PIUs	No. of Road Projects	Detail of inspections conducted by the SQM				
				Nil	One	Two	Three	More than Three
1.	Jammu	Jammu	07	-	02	-	02	03
2.	Udhampur	Udhampur	11	01	02	04	04	0
		Ramnagar	14	-	03	03	04	04
3.	Ramban	Ramban	06	-	-	-	04	02
		Banihal	02	-	01	01	0	0
4.	Rajouri	Rajouri	11	01	01	01	05	03
		Budhal	10	01	02	06	01	0
5.	Ganderbal	Ganderbal	11	-	-	02	05	04
6.	Anantnag	Anantnag	18	-	05	08	01	04
7.	Baramulla	Baramulla	01	-	-	-	0	01
		Uri	04	-	-	-	01	03
8.	Kupwara	Kupwara	19	-	03	06	03	07
		Handwara	03	-	-	-	0	03
9.	Leh	Leh	03	-	01	-	01	01
		<b>Total</b>	<b>120</b>	<b>03</b>	<b>20</b>	<b>31</b>	<b>31</b>	<b>35</b>

*(Source: Records of sample PIUs)*

## Appendix - 2.2.8

(Reference Paragraph: 2.2.10; Page: 72)

## Modules of OMMAS software

Sl. No	Module Name	Description of Module
I	Master Data Module	Master data related to Districts, Constituents, Blocks, Villages, Habitations, Panchayats, Roads and Contractors, etc.
II	Core Network (Rural Road Plan)	Data related to District Rural Road Plan (DRRP) road data (categorisation of National Highway (NH)/ State Highway (SH)/ Major District Roads (MDR)/ Rural Road/ Link Routes/ Through Routes)
III	Proposals Modules	Proposals based on the selection of road links from the Core Network
IV	Tendering Module	Tendering data, contractor award details
V	Execution Module	Progress of works (Physical/ Financial)
VI	Online Fund Processing	Processing requests for funds from the SRRDA to Ministry where State initiates the proposal and forwards the request to the MoRD by submitting all the required and relevant information. After dual approvals from the Project and Finance departments of the Ministry, the sanction letter is issued to the State specifying the amount sanctioned and released.
VII	Quality Monitoring Module	Data regarding the Quality Control (QC) inspection carried out by National Quality Monitors (NQM)
VIII	Receipts and Payments Module	Accounting data with regard to classified expenditure against each road work
IX	Maintenance Module	Physical and Financial data of five years
X	Security and Administration Module	Helps in creation of users, creation of roles, mapping of menus to the roles and assignment of roles to the users
XI	Analysis of rate for rural roads (ARRR)	Analysis of Rates for Rural Roads (ARRR) module is developed to maintain the Schedule of Rates for different items. Schedule of Rates (SoRs), which were based on analysis of different items of work derived from "Specification for rural roads" published by Indian Roads congress.
XII	Receipts and Payments Bank Module	Bank module is used by bank personnel, where SRRDA is having account, related to PMGSY works. Cheques issued to contractors by DPIUs of that state or e-Payment instructions, generated by DPIUs are listed here. When Bank clears Cheques/ E-Payments related to a voucher, Bank authority logs in and reconcile it and this reflects in DPIU and SRRDA Reports
XIII	Data Gap	Provision to view the data gaps in the entry of proposals is provided under Report section.
XIV	Updation of User Manual	User manual is updated and available under login. The latest enhancements in OMMAS are provided as Annexure in the User Manual.

(Source: OMMAS Module)

**Appendix – 2.2.9**

**(Reference Paragraph: 2.2.10; Page: 73)**

**Variation in expenditure uploaded and expenditure reflected in balance sheets**

**(₹ in crore)**

Year	Expenditure on new roads completed		Expenditure on new roads in progress		Expenditure on up-gradation of roads completed		Expenditure on up-gradation of roads in progress	
	CA B/S	OMMAS	CA B/S	OMMAS	CA B/S	OMMAS	CA B/S	OMMAS
2013-14	CY-998.07	CY-333.37	CY-1124.87	CY-1792.61	CY-93.24	CY-59.99	CY-237.64	CY-253.87
	PY-390.29	PY-215.37	PY-1288.66	PY-1445.59	PY-35.58	PY-46.75	PY-237.69	PY-218.93
2014-15	CY-1245.02	CY-449.23	CY-1294.77	CY-2085.64	CY-163.84	CY-75.08	CY-191.01	CY-255.91
	PY-998.07	PY-333.37	PY-1124.87	PY-1792.61	PY-93.24	PY-59.99	PY-237.64	PY-253.87
2015-16	CY-1517.82	CY-564.95	CY-1213.08	CY-2223.32	CY-233.60	CY-105.34	CY-173.23	CY-233.34
	PY-1245.02	PY-449.23	PY-1294.77	PY-2085.64	PY-613.84	PY-75.08	PY-191.01	PY-255.91
2016-17	CY-1895.40	CY-1495.58	CY-1229.00	CY-1593.64	CY-290.95	CY-238.03	CY-145.36	CY-114.50
	PY-1517.82	PY-564.95	PY-1213.08	PY-2223.32	PY-233.60	PY-105.34	PY-173.23	PY-233.34

*(CA B/S- Chartered Accountant Balance Sheet, CY- Current Year, PY- Previous Year)*

*(Source: OMMAS/ CA Balance sheet)*



## Appendix – 3.1.1

(Reference Paragraph: 3.1.1; Page: 77)

## List of Research Stations/ Centres under SKUAST Jammu

(₹ in lakh)

Sl. No	Name of the research Station	Name of the project operational at the Centre	Funding agency/ Scheme	Date of start	Expected date of completion	Budget	Expenditure as on November 2018
1.	<b>Advance Centre for Rainfed Agriculture (ACRA), Dhiansar</b>	Synthesis of new gene pool following introgression of disease and drought tolerance from secondary ( <i>Phaseolus acutifolius</i> L) gene pools into cultivated <i>Phaseolus vulgaris</i>	Science and Engineering Research Board, Vasant Kunj New Delhi-110070	March 2017	Ongoing	40.00	20.95
All India Co-ordinated Research Project (AICRP) on Dryland Agriculture		All India Co-ordinated Research Project on Dryland Agriculture (AICRPDA), Central Research Institute for Dryland Agriculture (CRIDA), Indian Council for Agricultural Research ICAR, Hyderabad	1972	Ongoing	122.14	84.16	
National Initiative on Climate Resilient Agriculture (NICRA)		CRIDA, ICAR, Hyderabad	2011	Ongoing	Varies annually as per requirement	65.57	
National Adaption Fund for Climate Change (NAFCC)		Ministry of Environment and Forest (MOEF), GoI through Directorate of Agriculture Jammu (DAJ)	February 2017	Closed on March 2018	10.00	10.00	

Sl. No	Name of the research Station	Name of the project operational at the Centre	Funding agency/ Scheme	Date of start	Expected date of completion	Budget	Expenditure as on November 2018
2.	<b>Rainfed Horticultural Research Sub-station, Raya</b>	Currently there is no externally funded project in Rainfed Horticultural Research Sub-station, Raya. However, centre has a specific mandate of carrying out systematic research on drought tolerant fruits and to select/ recommend suitable cultivars for rainfed areas, conservation of soil moisture etc. and is functional.					
3.	<b>Regional Agriculture Research Station, Rajouri</b>	Agro-Meteorological Field Unit (AMFU), Gramin Krishi Mausam Sewa	Indian Meteorological Department (IMD) Ministry of Earth and Science, GoI, New Delhi	2007	Ongoing	9.14	4.62
4.	<b>Regional Horticultural Research Sub-station, Bhaderwah</b>	Networking project on outreach of ecologies for temperature fruit crops	Indian Council for Agricultural Research (ICAR)	2009	Ongoing	Approximately ₹5.00 lakh annually	26.30
		National Innovations in Climate Resilient Agriculture (NICRA)-Strategic Research	Indian Council for Agricultural Research (ICAR)	September 2017	Ongoing	1.60	1.33
5.	<b>Pulses Research Sub-station, Samba</b>	AICRP on Chickpea Research Samba	All India Co-ordinated Research Project (AICRP)	1995	Ongoing	39.22	29.89
6.	<b>Maize Research Centre, Udampur*</b>	AICRP on Maize	AICRP	2006	Closed in March 2018	47.76	37.61
7.	<b>Advance centre for Horticulture Research, Udhaywala</b>	Centre of excellence for Horticulture (Fruits)	Mission for Integrated Development of Horticulture (MIDH)	2015	Ongoing	78.00	78.00
		Establishment of Tissue culture lab for mass production of strawberry and carnation plantlets	MIDH	2015	Ongoing	121.70	120.17
		Promotion of soil health testing for food and livelihood security of farming community	MIDH	January 2016	Ongoing	6.51	4.30
8.	<b>Maize Breeding Research Sub-station, Poonch</b>	Maize improvement Programme	ICAR	2012	Ongoing	0.60	0.14

(\*Station closed in March 2018)

(Source: Records of Directorate of Research)

**Appendix – 3.1.2**  
**(Reference Paragraph: 3.1.1; Page: 78)**

**Statement showing details of projects (long term/ *adhoc*) undertaken by the University**

Sl. No	Name of funding agency	Ongoing projects as on 01 April 2014	Projects taken up during 2014-18	Total	No. of projects completed during 2014-18	Projects abandoned	Ongoing projects as on 31 March 2018	Nature of projects		Short term projects	Long term projects
								Applied	Basic		
1.	All India Coordinated Research Project (ICAR: 75 per cent; State Share: 25 per cent)	22	10	32	6	0	26	26	0	0	26
2.	Department of Bio-technology (ICAR: 100 per cent)	8	14	22	8	2	12	5	7	12	0
3.	Department of Science and Technology (ICAR: 100 per cent)	10	18	28	10	1	17	10	7	17	0
4.	Indian Council for Agricultural Research (ICAR: 100 per cent)	7	12	19	5	0	14	13	1	8	6
5.	Rashtriya Krishi Vikas Yojana (ICAR: 100 per cent)	1	17	18	6	0	12	12	0	12	0
6.	National Bank for Agriculture and Rural Development (ICAR: 100 per cent)	1	9	10	5	0	5	5	0	5	0
7.	Horticulture Technical Mission Mode/ Mission for Integrated Development of Horticulture (ICAR: 100 per cent)	5	12	17	15	0	2	2	0	2	0
8.	Others	8	14	22	11	1	10	7	3	10	0
	<b>Total</b>	<b>62</b>	<b>106</b>	<b>168</b>	<b>66</b>	<b>4</b>	<b>98<sup>10</sup></b>	<b>80</b>	<b>18</b>	<b>66</b>	<b>32</b>

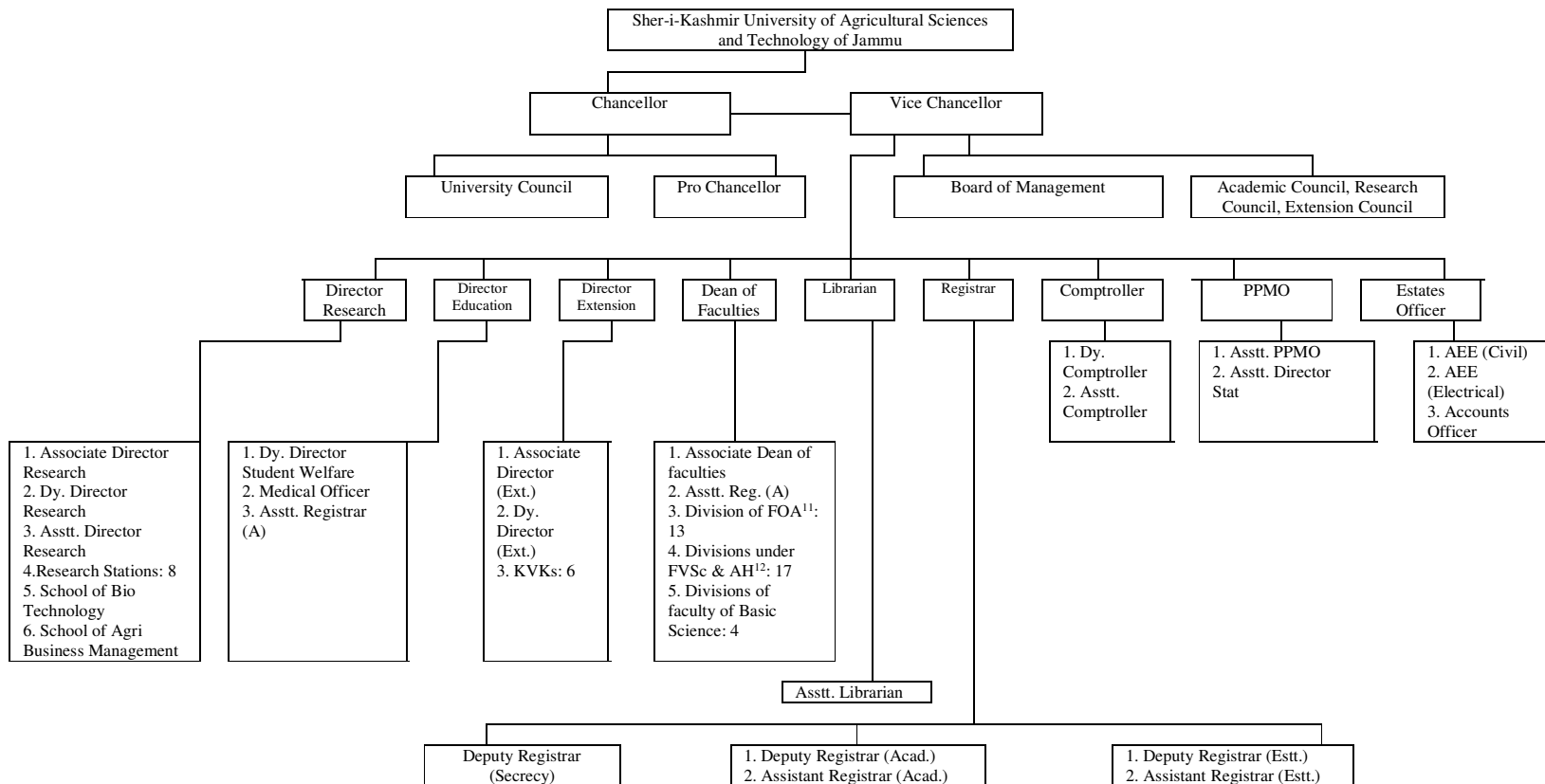
*(Source: Records of Directorate of Research)*

<sup>10</sup> Agriculture: 81; Veterinary: 13; Horticulture: 4

Appendix-3.1.3

(Reference Paragraph: 3.1.1; Page: 78)

Organogram of SKUAST Jammu



(Source: Impact assessment Report)

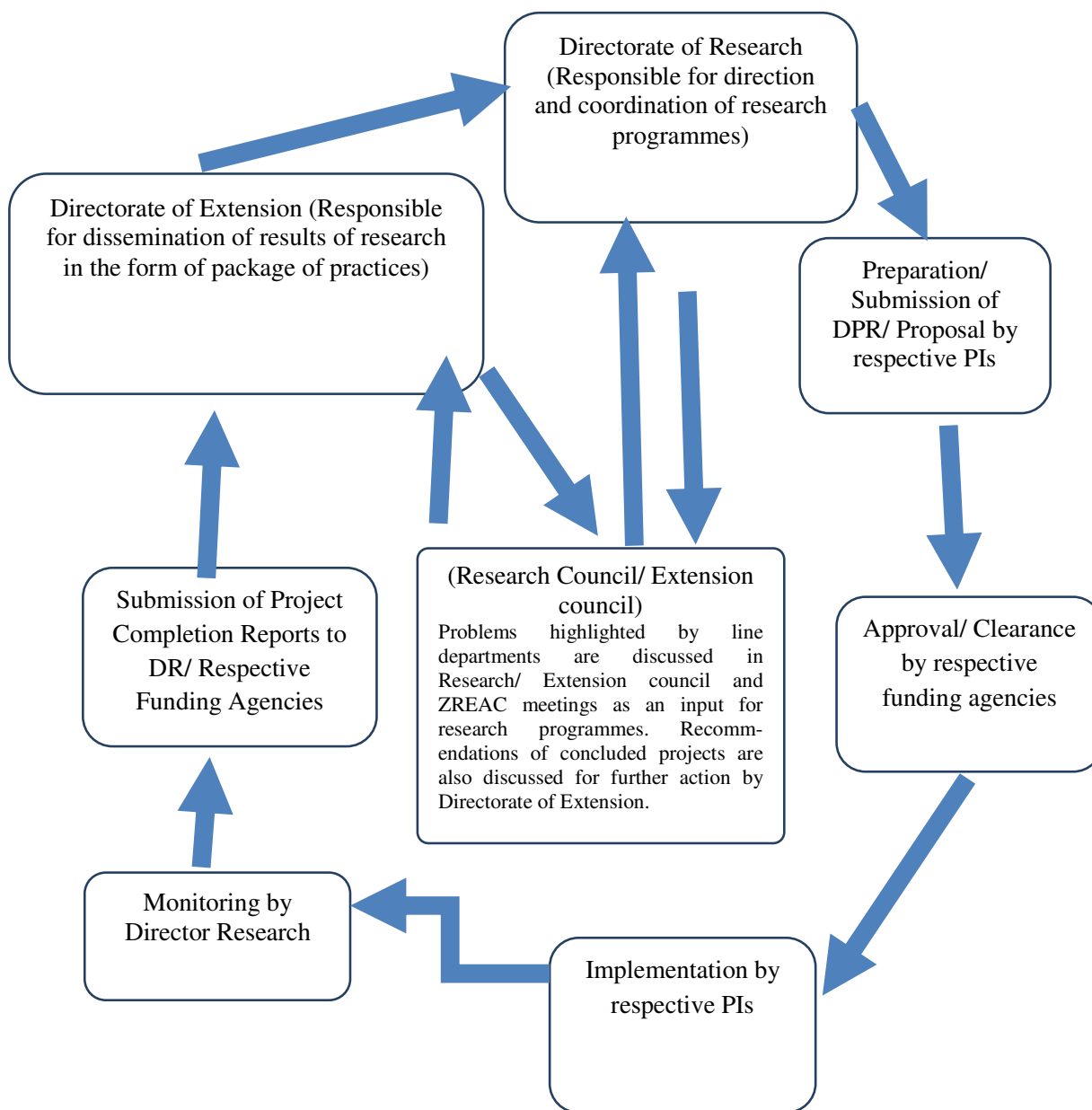
<sup>11</sup> FOA: Faculty of Agriculture

<sup>12</sup> FVSc & AH: Faculty of Veterinary Science and Animal Husbandry

Appendix - 3.1.4

(Reference Paragraph: 3.1.3; Page: 79)

Flow chart for selection of projects



- ZREAC: Zonal Research and Extension Advisory Committee
  - PI: Principal Investigator
- (Source: Annual Reports of University)

**Appendix – 3.1.5**

**(Reference Paragraph: 3.1.3; Page: 80)**

**Statement showing details of issues highlighted by the line departments between 2011-12 and 2017-18**

Sl. No	Issues highlighted	Reference to ZREAC/ Extension Council (EC)/ Research Council Meeting (RCM)	Issues addressed/ pending	Branch
<b>Disease/ Pest Management Division</b>				
1.	Technological breakthrough in preventing the outburst of yellow rust in wheat	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011, 15 <sup>th</sup> RCM-2015 dated November 2015	Pending	Agriculture
2.	Frost resistant varieties for wheat	Of 15 <sup>th</sup> RCM 2015 dated November 2015	Pending	Agriculture
3.	Inclusion of More chemical to suppress yellow rust as single recommendation of plant protection chemical to combat yellow rust (Propiconazole) is developing resistance as reported by the farmers	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Pending	Agriculture
4.	Development of wheat varieties resistant to yellow rust for normal sown un-irrigated areas of kandi belt and development of holistic management strategy by including gene deployment, identification of pathogen races etc.	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016 and 17 <sup>th</sup> Research Council Meeting held on 20 March 2018	Pending	Agriculture
5.	Development of Gram Varieties resistant to the pod borer attack and wilt	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Pending	Agriculture
6.	Development of contingent planning for disease management to help farmers to increase the productivity	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011.	Pending	Agriculture
7.	Development of Resistance against used medicines which affect reproduction of animals and cause loses to farmers	17 <sup>th</sup> RCM held on 20 March 2018	Pending	Animal Husbandry
8.	Emphasis on Problem of Tick infestations and drug resistance in field situations. Suggestion for new drugs for the control of tick infestations to reduce the economic loses among the stakeholders	17 <sup>th</sup> RCM held on 20 March 2018	Pending	Animal Husbandry
9.	Management of "Ectoparasites" in dairy animals	Proceedings of 7 <sup>th</sup> Extension Education Council meeting dated 18 May 2015	Pending	Animal Husbandry

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
10.	Tackling the problem of female infertility so as to reduce calving interval and make dairy cattle rearing a profitable venture	12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Animal Husbandry
11.	Addressing the problem of economically important diseases	12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Animal Husbandry
12.	Control and eradication of diseases like Brucellosis, Listeriosis, Tuberculosis, Foot rot, FMD etc.	12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Animal Husbandry
13.	Strategies for reducing mortality of Kiwi in the month of June-July at ACHD Ramban	ZREAC meeting for Rabi 2017 dated 10 November 2017	Pending	Horticulture
14.	Effective controlling of nematode problem in Potato areas and popularization of organic basmati.	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018.	Addressed	Agriculture
15.	Management practices for walnut weevil in Kishtwar and Bani in Kathua District	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
<b>Development/ Introduction of New Varieties Division</b>				
1.	Introduction of rapeseed and mustard hybrids such as Hyola, on the pattern of Punjab for increasing the production of oilseeds.	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Pending	Agriculture
2.	Development of improved composite maize varieties/ hybrids by the university which are cheaper than private multinational hybrids	Proceedings of ZREAC Kharif 2015 dated 11 May 2015	Pending	Agriculture
3.	Development of Photosensitive variety of Basmati	Proceedings of 15 <sup>th</sup> RCM dated November 2015	Pending	Agriculture
4.	Development of new varieties of oil seeds and pulses.	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011.	Pending	Agriculture
5.	Introduction of Kiwi in different agro-climatic zones of Jammu division.	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Horticulture
6.	Recommendation for successful plantation and survival of litchi plantation	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
7.	Development of local selections of Ginger and Turmeric for summer sowing as alternative cash crops to save farmers from the wrath of monkey menace	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Addressed	Horticulture



Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
8.	Introduction of promising varieties of ber in Kandi areas of Jammu Division.	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
9.	Introduction of different fruit crops like anardana, phalsa etc., in mid hills	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
10.	Providing of list of area specific major promising fruit crop varieties suitable for Jammu region	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
<b>Availability of Seed/ Planting Material</b>				
1	Multiplication of varieties of hybrid seeds in sufficient quantity to cater the needs of Department	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Agriculture
2	Assured availability of quality planting material and poly bags raised horticulture saplings	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Horticulture
3	Availability of seed of traditional paddy varieties for hilly areas viz Giza and K-448	Proceedings of ZREAC meeting for Kharif 2015 dated 11 May 2015	Addressed	Agriculture
4	Production of tissue cultured saffron seed corn	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
5	Provision of quality fruit plants at sale centres	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
6	Availability of high density and low chilling varieties of Sub Tropical and temperate fruits like Peach, Plum, Apple, Mango and Guava.	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Addressed	Horticulture
7	Supply of clonal rootstock of apple for temperate zone nurseries of Jammu division and technical know how for multiplication	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
<b>Technological/ Infrastructure/ logistic Support Division</b>				
1	Development of Climate resilient agriculture especially in-situ moisture conservation, silage preparation, creation of fodder resources and integrated farming system in close coordination with agriculture department	Proceedings of ZREAC meeting for Kharif 2015 dated 11 May 2015	Pending	Agriculture
2	Development of Climate resilient varieties	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Agriculture

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
3	Standardization and recommendation of nitrogen requirement through organically of basmati rice cultivars for cultivation under Jammu province	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Agriculture
4	Preservation of Gene pool of rice without duplicity of the entries.	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011.	Pending	Agriculture
5	Providing support in organic rice production in the basmati clusters and adoption of appropriate steps.	Proceedings of ZREAC meeting for Kharif 2016 dated 25 May 2016	Pending	Agriculture
6	DNA testing for maintenance, genetic identity and purity of R.S.Pura Basmati (Samples were to be provided by the Department).	Proceedings of ZREAC meeting for Kharif 2016 dated 25 May 2016. 12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Agriculture
7	Protection of plant varieties including land races and local germplasm such as Bhaderwah rajmash and R.S.Pura Basmati is very important.	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Agriculture
8	Research work on quantification of aroma in Basmati Rice and identification of genes responsible of aroma	Proceedings of 14 <sup>th</sup> RCM dated 12 September 2013	Pending	Agriculture
9	DNA Finger printer of Bhaderwahi rajmash	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Agriculture
10	Molecular Characterization of Rajmash	Proceedings of ZREAC meeting for Kharif 2015 dated 11 May 2015	Pending	Agriculture
11	Availability of GIS based soil fertility maps on the University website stated to be developed by University	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011.	Pending	Agriculture
12	Development of variable cropping system for dryland agriculture and modern watersheds	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011.	Pending	Agriculture
13	Designing/importing prototype of hill and mountain relevant farm machines	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Agriculture
14	Block wise weather forecast for all the districts by the Agro meteorology Division of SKUAST-J as an effective tool to put in place appropriate crop sowing calender and contingent crop plan.	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Pending	Agriculture
15	Technical support for poultry seasonal diseases and their preventive measures from university	Proceedings of 8 <sup>th</sup> Extension Education Council meeting held on 29 March 2017	Pending	Animal Husbandry

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
16	Use of advanced breeding tools to increase the availability of breeding bulls for mounting on AI network	12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Animal Husbandry
17	Research on fodder enrichment and incorporation of locally available feed ingredients in the cattle and poultry feed so that farmers can be supplied feed and mineral enriched fodder blocks at cheaper rates	12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Animal Husbandry
18	Feasibility and adaptability of ultra-high density apple plantation in different areas of Jammu division and recommendations for root stock material	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Horticulture
19	Quality improvement in Strawberry fruit along with standardized tissue culture practices	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Pending	Horticulture
20	Evaluation of exotic cultivars of fruit species like Dragon fruit/ Dates for specific regions of Jammu Division	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Pending	Horticulture
21	Value added products of walnut kernel	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Pending	Horticulture
22	Appropriate contingency plans for droughts and excessive rainfall	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Horticulture
23	Suitable fertigation techniques for Kandi areas should be recommended	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Horticulture
24	Preparation of Clostridium Vaccine for management of clostridial disease in sheep	Proceedings of 6 <sup>th</sup> Extension Education Council meeting dated 16 September 2013 and 12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Sheep Husbandry
25	Mineral mapping for nutritive value for supplementing livestock with sufficient amount of minerals	Proceedings of 6 <sup>th</sup> Extension Education Council meeting dated 16 September 2013 and 17 <sup>th</sup> RCM dated March 2018	Pending	Sheep Husbandry
26	Mineral profile of soil and livestock in different agro climatic zones in each district for supplementing livestock with the minerals which are deficient in that specific region	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Sheep Husbandry

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
27	Development of marker based technology for diagnosis and disease resistance	17 <sup>th</sup> RCM held on 20 March 2018	Pending	Sheep Husbandry
28	Genetic characterization and conservation of local breeds, animal breeds including endangered species like Bakerwal goat, improvement of ETT, cloning technology etc.	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	pending	Sheep Husbandry
29	Updation of diagnostic facilities for prompt, accurate and inexpensive diagnosis/ reporting of the diseases for early detection and proper treatment	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Sheep Husbandry
30	Efforts for importing good sheep stocks for breeding purpose to improve wool and mutton production in Jammu region	Proceedings of 16 <sup>th</sup> meeting of Research Council dated 9 March 2017	Pending	Sheep Husbandry
31	Regular surveillance, monitoring and mapping of various economically important sheep and goat diseases jointly by Sheep Husbandry Department and SKUAST-J need to be undertaken	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Pending	Sheep Husbandry
32	Value addition in Marigold Crop	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Pending	Floriculture
33	Micro irrigation Techniques in commercial floriculture crops	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Pending	Floriculture
34	Methods of value addition in marigold	Proceedings of 8 <sup>th</sup> Extension education council dated 29 March 2017	Pending	Floriculture
35	Introduction of dry plant concept	Proceedings of 8 <sup>th</sup> Extension Education Council dated 29 March 2017	Pending	Floriculture
36	Introduction of post harvest technology	Proceedings of 8 <sup>th</sup> Extension Education Council dated 29 March 2017	Pending	Floriculture
37	Introduction of protected cultivation in marigold	Proceedings of 8 <sup>th</sup> Extension Education Council dated 29 March 2017	Pending	Floriculture
38	Technology in respect of standardization of technique for spawning of Milky mushroom, Button mushroom and Dhingri Mushroom to line departments	Proceedings of ZREAC meeting for Kharif 2015 dated 11 May 2015	Addressed	Agriculture

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
39	Integrated farming Model for 0.2 ha, 0.5 ha and 1.0 ha for district Samba (for irrigated/ rainfed farming)	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Agriculture
40	Evaluation and recommendations for cultivation of summer apple in Jammu division	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
41	Estimation of economics of cost of cultivation of high density mango orchards and recommended cultivars	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
42	Problem of reduction in size of citrus fruits after 3-4 years in the Rajouri District	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Addressed	Horticulture
43	Standardization of soil fertility map of Jammu division and the relevant recommendations regarding new fruit crop plantation	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
44	Development of upcoming tissue culture lab multiplication for preparation of pomegranate/ papaya/ banana species	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
45	Diversification of tissue culture lab at Centre of Excellence for mass multiplication of banana, papaya and anar fruit crops	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
46	Providing technical support with respect to protected structure and nursery technology at district level	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
47	Area and fruit crop specific organic farming practices to increase the soil fertility production and productivity of fruit crops	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
48	Improvement in production, productivity and quality of horticulture produce in fruit crops	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
49	Formation of specific dryland horticulture for Kandi areas of Jammu with special reference to fruit crops such as ber, karonda, galgal, Jamun, anar, harad, phalsa, etc.	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
50	Development/ standardization of bio control agents and recommendation for INM/ IPM for horticulture crops	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
51	Preparation of Economics of return for different enterprises/ Economics of major crops pulses, oilseeds, vegetables and other enterprise related to Horticulture, Floriculture, Dairy, Fishery, Poultry, Mushroom, Apiculture, Vermicompost to motivate farming community to adopt such models for double time income by 2022	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
52	Adaption strategies and improved varieties in respect of fruit crops in the context of climate change and global warming	Proceedings of 9 <sup>th</sup> Extension Education Council meeting held on 13 March 2018	Addressed	Horticulture
53	Economics of different aromatic crops in Kandi areas	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Addressed	Floriculture
54	Recommendation of newly released varieties of commercial floriculture crops viz. Gerbera, Lilium and marigold under different agro climatic conditions of Jammu region.	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Floriculture
55	Recommendation of Poly houses for small Marigold farmers	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Floriculture
56	Recommendation of automation/ Relative humidity in poly houses	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Floriculture
57	Recommendation of micronutrient for Gerbera	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Floriculture
<b>Demonstration/ Recommendation/ Promotion/ Transfer of Technology</b>				
1	Dissemination of technology in respect of Urea Molasses Multi nutrient Blocks (UMMB) enriched with area specific mineral mixture for dairy animal in Rajouri, Doda, Reasi, Kathua and Jammu Districts	Proceedings of 8th Extension Education Council meeting held on 29 March 2017	Pending	Animal Husbandry

Sl. No	Issues highlighted	Reference to ZREAC/ Extension/ Research Council Meeting	Issues addressed/ pending	Branch
2	Dissemination of baseline anatomical data stated to be captured by university in respect of precious and unique breed of bakarwali goat among farmers	Proceedings of 12 <sup>th</sup> RCM dated 20-21 May 2011	Pending	Sheep Husbandry
3	High yielding varieties of cut flowers and varieties for summer cultivation of marigold need to be recommended for commercial cultivation under Jammu province. University should provide eco friendly technology for protected cultivation under controlled conditions Development of integrated models for increasing farmers income	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Pending	Floriculture
4	Availability of area specific recommendations for different crops.	Proceedings of 8 <sup>th</sup> Extension Education Council dated 29 March 2017	Pending	Floriculture
5	Development of Package of practice for high density apple in temperate areas of Jammu region.	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
6	Promotion of nut crops in addition to walnut/pecan nut	Proceedings of ZREAC meeting for Rabi 2017 dated 10 November 2017	Addressed	Horticulture
7	Recommendation of suitable fruit plant varieties for large chunk of land lying un-utilized in Jammu region	Proceedings of 17 <sup>th</sup> RCM held on 20 March 2018	Addressed	Horticulture
8	Promotion of Damask Rose Cultivation in Jammu region	Proceedings of ZREAC meeting for Rabi 2016 dated 15 December 2016	Addressed	Floriculture

*(Source: Minutes of meeting of Research council and Zonal Research Extension and Advisory Committee)*

Forum	Total issues	Pending issues	Issues addressed
RCM	30	28	2
ZREAC	42	16	26
EC	25	17	8
<b>Grand total</b>	<b>97</b>	<b>61</b>	<b>36</b>



**Appendix – 3.1.6**

**(Reference Paragraph: 3.1.3; Page: 80)**

**Statement showing neglect of researchable areas identified in 2012**

Sl. No	Area identified	Audit observations	Remarks
1	Establishment of germplasm bank and development of genetically modified/transgenic crops	Project proposal for establishment of gene bank estimated to cost of ₹four crore was submitted (March 2018) to State Agricultural Production Department after a lapse of more than five years from its identification.	Yet to be taken up
2	Establishment of climate change research and remote sensing unit	The project proposed to be taken up at Chatha was awaiting funds. However, there was no further follow up on DPR estimated to cost of ₹94.20 crore (12 <sup>th</sup> plan) submitted (April, 2013) to Director Agriculture, Jammu	Yet to be taken up
3	Improvement of local breeds of buffalo through embryo transfer technology	Non-taking up of the activity was attributed to non-receipt of funds. However, no such proposal was found initiated by the University.	Yet to be taken up.
4	Establishment of database on Bakarwali goats	Work on Bakarwali goats was taken up (June 2018) in one of the projects. However, the priority area of establishment of database on Bakarwali goat was not aligned with the networking project on characterisation of Bakarwali goats which had the mandate of phenotypic characterisation	Work on establishment of database not taken up
5	Toxicological studies of currently used pesticides	No such project taken up as of May 2018. Project was stated (June 2018) to be submitted to ICAR for funding.	Not taken up
6	Genotyping of animals for disease resistance and enhancing meat and milk production	No such project taken up as of May 2018. Project was stated (June 2018) to be submitted to ICAR for funding.	Not taken up
7	Collection and digitisation of information about natural resources at district level using GIS and remote sensing technique	No such project taken up. Project was stated to be submitted and would be taken up after receipt of funds.	Yet to be taken up

Sl. No	Area identified	Audit observations	Remarks
8	Development of database for forewarning of pests and diseases	The reply indicating that the projected work could not be accomplished due to non-availability of funds is not true as the project was approved for ₹6 lakh only against the projectised cost of ₹17.92 lakh, which included ₹4 lakh towards cost of equipment and ₹2 lakh towards recurring contingencies and the project should have been managed within the available grants. The fact also remains that the data regarding occurrence of economically important horticulture crops stated to be compiled had not been shared with the Directorate of Horticulture.	The quantifiable deliverables of the project which included study of survival of pathogens that act as a primary source of inoculums in next crop, evaluation of disease at different intervals, disease progress curve and area under disease on a crop at different dates and record of weather parameters for prediction of time of occurrence and severity of diseases on the basis of change in weather conditions had not been achieved.
9	Study of impact of deficit rains on the agriculture and allied sectors	Project taken up at a cost of ₹42 lakh in 2014-15 for funding from State Agricultural Department. However, funds to the tune of ₹five lakh only have been released under the project and the project stands abandoned thereafter.	Study has been conducted and final report was yet to be submitted.
10	Establishment of Animal Disease Monitoring and Surveillance (ADMAS)	ADMAS lab though set up with financial assistance from State Government was not made fully functional for want of timely release of funds.	Deliverables not achieved.
11	Molecular breeding (marker assisted selection) for accelerating conventional breeding efforts to develop improved genotypes of important crops	Projects on molecular markers were stated to be in operation and findings of these projects were yet to be communicated by PIs. However, the objective of evolution of new cultivars had not been achieved (as of June 2018) through two projects each on rice/ beans had been concluded at a cost of ₹62.03 lakh between 2006 and 2017.	In operation, results were under scrutiny.
12	Selection and introduction of high yielding strains of edible and medicinal mushrooms	Long term (AICRP)/ short term projects on Mushroom were in operation. However, specific recommendations on edible and medicinal mushrooms were not available. Results of studies were stated to be under validation (May 2018).	In operation, however, results were under updation.

Sl. No	Area identified	Audit observations	Remarks
13.	Gene discovery through various molecular approaches for biotic and abiotic stress in rice, wheat, maize and common beans.	Project on gene discovery were stated to be in operation. However two such projects <sup>13</sup> , on common bean though concluded in 2015 and 2016 had not reached any logical conclusion. Novel genes discovered through these project have not been utilised further for release of new varieties.	Inconclusive
14.	Improving soil health by characterisation of arable land and soil fertility mapping through GIS.	Various projects on soil mapping through GIS were stated to be in operation in the Division of Soil Science. However, Rashtriya Krishi Vikas Yojana (RKVY) project funded on assessment of soil fertility and its spatial variability for nutrient management using GIS aimed at generating digital soil fertility maps in different districts of Jammu region taken up during 2014-15 remained incomplete as only two districts which Jammu and Kathua have been covered as of April 2019.	Part results on soil fertility only available.

*(Source: Minutes of meeting of University Council)*

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<sup>13</sup> Determining genetic diversity among common bean and assessment for water stress tolerance (₹22.40 lakh); Nutrigenomics and Transcriptomics for identification of genes for Zinc (Zn), Iron (Fe) and protein content in common bean (₹19.50 lakh)

**Appendix - 3.1.7**

**(Reference Paragraph: 3.1.4.2; Page: 83)**

**Statement showing Seed production against Indent in SKUAST Jammu**

**(Figures in quintals)**

<b>Year</b>	<b>Crop Basic/ Foundation</b>	<b>Indent</b>	<b>Seed produced at Chatha</b>	<b>Seed produced at Chakroi</b>	<b>Total Production</b>	<b>Shortfall</b>
2014-15	Paddy	800.00	98.29	174.86	273.15	526.85
	Wheat	87350.00	833.29	642.00	1475.29	85874.71
	<b>Total</b>	<b>88150.00</b>	<b>931.58</b>	<b>816.86</b>	<b>1748.44</b>	<b>86401.56</b>
2015-16	Paddy	11845.00	178.00	162.00	340.00	11505.00
	Wheat	90000.00	51.56	133.53	185.09	89814.91
	<b>Total</b>	<b>101845.00</b>	<b>229.56</b>	<b>295.53</b>	<b>525.09</b>	<b>101319.91</b>
2016-17	Paddy	13150.00	336.75	243.00	579.75	12570.25
	Wheat	49500.00	663.16	307.00	970.16	48529.84
	<b>Total</b>	<b>62650.00</b>	<b>999.91</b>	<b>550.00</b>	<b>1549.91</b>	<b>61100.09</b>
2017-18	Paddy	460.00	259.00	250.00	509.00	(-) 49.00
	Wheat	9102.00	539.25	255.00	794.25	8307.75
	<b>Total</b>	<b>9562.00</b>	<b>798.25</b>	<b>505.00</b>	<b>1303.25</b>	<b>8258.75</b>
<b>Grand total</b>		<b>262207.00</b>	<b>2959.30</b>	<b>2167.39</b>	<b>5126.69</b>	<b>257080.31</b>

*(Source: Records of Mega seeds)*

## Appendix – 3.1.8

(Reference Paragraph: 3.1.4.4; Page: 84)

## Details of fore-closed/ stalled projects

(₹ in lakh)

Sl. No	Name of the <i>ad hoc</i> project (project life three years)	Cost	Objectives/ Deliverables	Remarks	Expenditure incurred	Reply of the department
1.	Development of Single Nucleotide Polymorphisms (SNPs) for Brassica Juncea, Department of Bio-technology (DBT)  DoS: July 2013 DoC: 2017	58.43	Synthesis of high-throughput multiplexed array for single Nucleotide Polymorphisms (SNP) genotyping.	Lack of timely action for procurement of equipment and outsourcing of required services resulted in delayed execution. Request for extension of the project and utilisation of unspent grant in 2016-17 was not acceded to by the funding agency and the unspent amount of ₹22.24 lakh had to be refunded (October 2017) to the funding agency.	26.76	The PI stated (March 2018) that the project suffered because of delay caused by the central purchase committee in initiating purchases which was beyond his control.
2.	Erucic acid profiling and introgression of low Erucic acid trait in desirable cultivars of Brassica Juncea, Department of Science and Technology (DST)  DoS: August 2014 DoC: August 2017	35.93	Development of germplasm of Brassica Juncea with low Erucic acid content to meet the demand of quality oil.	Due to technical failure in uploading UCs and consequent non-release of grant for the third year of the project, the project activities for the third year suffered. Request for extending project was not acceded to.	22.90	PI stated (March 2018) that as per the recommendations of task force of DBT, it was advised to carry the technical programme of the third year without any financial assistance and continue the work to take the outcomes to logical conclusion. Head of the DBT, however, stated (June 2018) that closure of project has stalled the further breeding progress and till date homozygous lines could not be developed for further recommendation in breeding programme.

Sl. No	Name of the <i>ad hoc</i> project (project life three years)	Cost	Objectives/ Deliverables	Remarks	Expenditure incurred	Reply of the department
3.	Androgenesis mediated introgression of fruit and shoot borer resistant genes into cultivated eggplant, DBT  DoS: February 2012 DoC: August 2014	26.40	Standardise the protocol for the embryo rescue and anthers/ microspore culture for local conditions and development of fruit and shoot borer resistant haploids/ double haploids from the anthers/ pollens of the wide hybrids of eggplants.	Transfer of the project to Co-PI/ Mentor was not ensured before issuing NoC in favour of outgoing PI, though provision for transfer of project was communicated by DBT in a communiqué addressed to the outgoing PI.	17.50	On being pointed out, it was stated (February 2018) that there was no provision to transfer the project. The document supporting the reply restricts transfer only in case of absence of PI for a period not exceeding three months, which is not relevant in this case. Reply is also to be seen in the light of fact that the provision for transfer of project was communicated by DBT in a communiqué addressed to the outgoing PI, on the basis of which NoC was applied for by the PI.
4.	Spatial assessment of Soil Carbon Pool of India  DoS: 2008 DoC: 2012 (no information after 2012)	2.80	Estimation of carbon cycle components by collection of soil samples for further analysis.	There was frequent change of PIs in the project resulting in its mismanagement. Till July 2010, only 29 soil profile samples had been collected under different land use patterns. The third PI submitted (May 2012) his new programme for soil sampling at different locations. No progress was achieved thereafter and the project was shelved without carrying out the mandated objectives.	0.40	Soil samples were stated to be collected and sent to concerned quarters. However, all records relating to the project were stated to be destroyed in flood. The fact, however, remained that in absence of involvement of scientific group of soil scientists for covering all Agro Climatic Zones for compiling National carbon budget and due to frequent change of PIs, the project failed to take off.

Sl. No	Name of the <i>adhoc</i> project (project life three years)	Cost	Objectives/ Deliverables	Remarks	Expenditure incurred	Reply of the department
5.	<p>Establishment of Mother Plant nurseries for high pedigree planting material for fruit crops (National Horticulture Board)</p> <p>DoS: September 2012</p> <p>No project activities after June 2014</p>	43.00	High Yielding Varieties of citrus and guava to be multiplied and supplied to orchardists.	<p>The project taken up during 2012-13 could not be completed within the stipulated time schedule and was finally left midway to make way for plantations under another project “Establishment of Centre of excellence for Horticulture fruit” estimated to cost of ₹784 lakh was taken up (February 2016) by the university under Mission for Integrated Development of Horticulture (MIDH). Due to overlapping of project areas, the mother block of citrus fruits already created under the project had to be uprooted for which there was no formal approval from the funding agency on record. Further, project activities were stalled in absence of any approval for extension/ shifting of project sought (January 2017) by the PI. Thus, the tangible deliverable of the project of having a HYV of citrus and guava to be multiplied and supplied to orchardists to enable the farmers to get genuine planting material for improving their productivity, quality and income could not be achieved.</p>	21.73	<p>In reply, it was stated (April 2018) that permission for extension of project and shifting of nursery requested (January 2017) by the PI was awaited as on date, resulting in stalling of project. The fact, however, remained that overlapping of project sites was indicative of wrong planning.</p>
		<b>166.56</b>			<b>89.29</b>	

(DoS: Date of start; DoC: Date of closure)  
(Source: Records of Directorate of Research)



**Appendix – 3.1.9**

**(Reference Paragraph: 3.1.4.5; Page: 84)**

**Non-integration of research results in core breeding programme**

**(₹ in lakh)**

Sl. No	Name of project	Project cost	Expenditure	Date of completion	Objective/ expected outcome	Achievement	Remarks
1.	Assessment of genetic diversity of Basmati Rice using molecular markers and in-situ conservation through participatory approach	19.13	19.13	2014	Development of improved genotypes of Basmati for evolution of cultivars of export quality	Diverse local land races of basmati deposited in National Bureau of Plant Genetic Research, New Delhi	These genotypes were not used in further crossing programmes for development of desired cultivars for export purposes as envisaged in the project.
2.	Determination of genetic diversity among common beans and assessment of water stress tolerance, DST	22.40	21.50	June 2015	Identification/ evaluation of bean genotypes having the potential to resist water stress to get desirable cultivars	<ul style="list-style-type: none"> <li>• Genotypes with high iron zinc protein content have been identified</li> <li>• Genotypes having high yield under rainfed conditions have been identified</li> </ul>	Set of 96 diverse genotypes identified using molecular interventions have not been utilised for further breeding programmes to achieve the expected long term objective of development of water stress resistant cultivars.

Sl. No	Name of project	Project cost	Expenditure	Date of completion	Objective/ expected outcome	Achievement	Remarks
3.	Nutri-genomics and Transcriptomics for identification of genes for Zinc, Iron and Protein content in common bean, DST	21.50	19.50	July 2016	Identification of set of differentially expressed genes for Zinc, Iron and Protein Content	Identification of genes for Seed Zinc, Seed Iron, Protein, Sugar/ Starch Content/ Phenols, Yield contributing traits and anthracnose resistance	The core set of identified 96 lines evaluated using SSR marker genotyping/ precise high-throughput marker genotyping for desirable traits were not utilised further for common bean molecular breeding programs for development of new bean varieties with enhanced quality, yield and disease resistance.
4.	Development of basmati hybrids using Cytoplasmic Male Sterile (CMS) system in rice in Jammu region	1.91	1.91	2006	Development of basmati hybrids by incorporating desired traits	Evaluation of three Basmati CMS lines (Pusa 3A, 5A and 6A) for identification of effective restorers and maintainers	The identified lines along with their restorers were not integrated in core breeding programme for release of basmati hybrids as envisaged, though seed production was standardised.
	<b>Total</b>	<b>64.94</b>	<b>62.04</b>				

(Source: Records of Directorate of Research)

**Appendix – 3.1.10**

**(Reference Paragraph: 3.1.5.1; Page: 86)**

**Details of projects regarding transfer of technology from laboratory to fields**

<b>Sl. No.</b>	<b>Title of the project</b>	<b>Budget (₹ in lakh)</b>	<b>Name of the funding agency</b>	<b>Year of start</b>	<b>Year of completion</b>
1	Interventional strategies for prevention and control of common parasitic zoonoses of sheep, goats and nomadic women for socio-economic upliftment of nomads	2.58	NABARD	2013	2017
2	Mechanism controlling the metalaxyl induced developmental toxicity with special reference to reproduction indices in wistar rats	16.79	State Council for Science and Technology, Jammu and Kashmir Government	2011	2014
3	Important Emerging Zoonotic Disease of Equines Used for Tourism and Pilgrimage in Jammu and Kashmir	14.64	ICMR, New Delhi	2011	2014
4	Animal Disease Monitoring & Surveillance (ADMAS) Labs.	31.00	State Government	2012	2015
5	Breeding and management strategies in dairy animals for socio economic upliftment of rural women	15.80	DST	2010	2014
6	Bovine Cryptosporidiosis and its Zonotic potential in Jammu District	27.00	DBT	2011	2015
7	Documentation validation and extension of suitable package of practices in treatment of various ailments in livestock in Jammu and Kashmir	8.44	DST	2011	2014
	<b>Total</b>	<b>116.25</b>			

*(Source: Departmental records)*

## Appendix – 3.4.1

(Reference Paragraph: 3.4; Page: 94)

## Statement showing sale of food grains at pre-revised rates

Sl. No	Name of Assistant Director (FCS& CA)	Months	Commodity	Category	Quantity sold (in Quintals)	Rates charged (₹ per quintal)	Amount remitted (₹ in lakh)	Rates to be charged (₹ per quintal)	Amount to be remitted (₹ in lakh)	Short remittance (₹ in lakh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8=6x7)	(9)	(10=6x9)	(11=10-8)
<b>Kashmir Division</b>										
1.	Baramulla	October 2016	Rice	NPHH	17,789.79	1000	177.90	1500	266.85	88.95
2.	Pulwama	October and November 2016	Rice	NPHH	21,081.33	1000	210.81	1500	316.22	105.41
3.	Shopian	October and November 2016	Rice	NPHH	9,793.21	1000	97.93	1500	146.90	48.97
4.	Kupwara	October 2016	Rice	NPHH	11,350.36	1000	113.50	1500	170.26	56.76
5.	Ganderbal	October and November 2016	Rice	NPHH	9,719.37	1000	97.19	1500	145.79	48.60
6.	Bandipora	October and November 2016	Rice	NPHH	9,904.11	1000	99.04	1500	148.56	49.52
7.	Anantnag	October 2016	Rice	NPHH	13,581.16	1000	135.81	1500	203.72	67.91
8.	Budgam	October 2016	Rice	NPHH	11,438.89	1000	114.39	1500	171.58	57.19
9.	Kulgam	October 2016	Rice	NPHH	7,698.10	1000	76.98	1500	115.47	38.49
<b>Jammu Division</b>										
10.	Reasi	October 2016	Wheat	NPHH	616.66	725	4.47	1200	7.40	2.93
			Rice		1165.47	1000	11.65	1500	17.48	5.83
			Flour		1364.30	800	10.91	1300	17.74	6.83
11.	Kathua	October 2016	Wheat	NPHH	3,270.60	725	23.71	1200	39.25	15.54
			Rice		2,610.42	1000	26.10	1500	39.16	13.06
			Flour		3,515.40	800	28.12	1300	45.70	17.58

Sl. No	Name of Assistant Director (FCS& CA)	Months	Commodity	Category	Quantity sold (in Quintals)	Rates charged (₹ per quintal)	Amount remitted (₹ in lakh)	Rates to be charged (₹ per quintal)	Amount to be remitted (₹ in lakh)	Short remittance (₹ in lakh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8=6x7)	(9)	(10=6x9)	(11=10-8)
12.	Udhampur	October 2016	Rice	NPHH	2,720.58	1000	27.21	1500	40.81	13.60
			Flour		4,929.82	800	39.44	1300	64.09	24.65
			Wheat		1,510.84	725	10.95	1200	18.13	7.18
			Rice	MMSFES	1,877.61	1200	22.53	1500	28.16	5.63
			Flour		1,773.22	800	14.19	1300	23.05	8.86
			Wheat		406.53	725	2.95	1200	4.88	1.93
<b>Total</b>					<b>1,38,117.77</b>		<b>1,345.78</b>		<b>2,031.20</b>	<b>685.42</b>

*(Source: Issue registers and off-take statements maintained by respective Assistant Directors)*

## Appendix – 3.11.1

(Reference Paragraph: 3.11; Page: 105)

Statement showing age-wise details of overpayment of pay arrears and inadmissible allowances

(Amount in ₹)

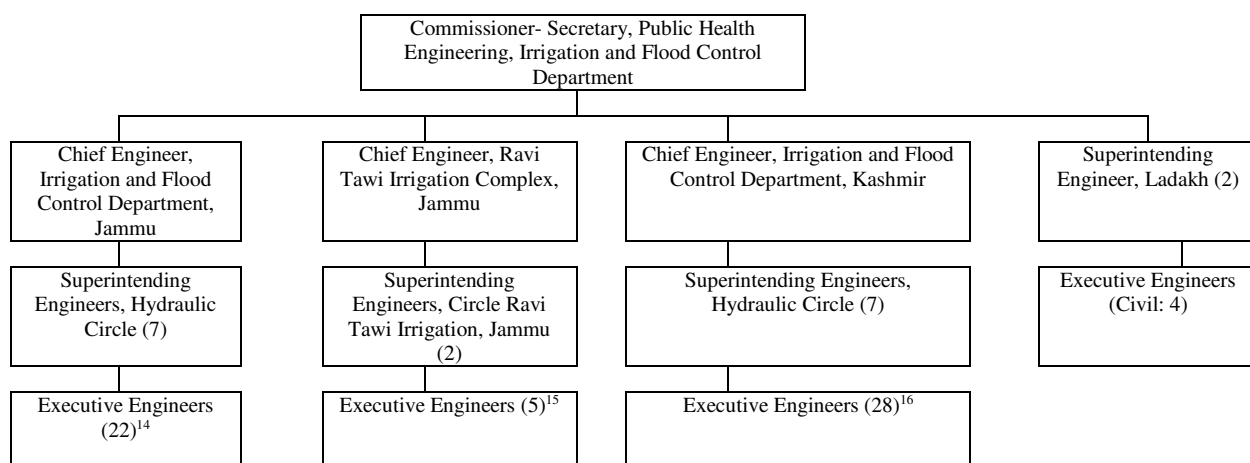
Sl. No	Name of DDO	Details of the officials	Period	Recoverable amount	Recovery made	Balance
<b>Overpayment of pay arrears</b>						
1.	Additional SP Srinagar	Bashir Ahmed No. 655/S	August 2009 to September 2017	4,16,740	2,72,000	1,44,740
2.	SSP Kulgam	Tariq Ahmed No. 668/Kgm (Presently posted under SSP Anantnag)	March 2008 to October 2018	5,76,041	5,76,041	Nil
3.	SSP Kulgam	Fazaul Rehman No. 793/ Kgm (Presently posted under SSP Bandipora )	June 2012 to November 2018	2,61,072	40,000	2,21,072
4.	SSP Kulgam	Mushtaq Ahmed No. 1024/Kgm (Presently posted under SSP Awantipora )	July 2011 to September 2018	4,53,875	90,000	3,63,875
5.	SSP Kulgam	Nisar Ahmed No. 1035/Kgm (Presently posted under SSP Budgam )	April 2002 to February 2018	5,96,318	1,15,000	4,81,318
6.	SSP Kulgam	Sajad Ahmed No.1034/Kgm (Presently posted under SSP Srinagar )	December 2011 to October 2018	5,55,463	81,000	4,74,463
7.	SSP Kulgam	Reyaz Ahmed No. 1036/Kgm (Presently posted under SSP Ganderbal )	December 2011 to November 2018	4,50,782	45,000	4,05,782
	<b>Total</b>			<b>33,10,291</b>	<b>12,19,041</b>	<b>20,91,250</b>
<b>Inadmissible allowances</b>						
8.	SSP, CID CIK, Srinagar	Inadmissible Ration Money Allowances (140 officials)	September 2009 to February 2015	12,87,600	8,14,100	4,73,500
	<b>Grand Total</b>			<b>45,97,891</b>	<b>20,33,141</b>	<b>25,64,750</b>

(Source: Departmental records)

**Appendix-3.12.1**

**(Reference Paragraph: 3.12.1; Page: 107)**

**Organisational chart of Irrigation and Flood Control Department**



*(Source: Departmental records)*

<sup>14</sup> Civil: 15; Mechanical: 3 and Flood Control: 4

<sup>15</sup> Civil: 3 and Mechanical: 2

<sup>16</sup> Civil: 18; Mechanical: 6 and Flood Control: 4



## Appendix-3.12.2

(Reference Paragraph: 3.12.2.1; Page: 108)

Statement showing the details of 28 schemes having development cost per hectare of more than one lakh rupees

Sl. No	Name of the scheme	Name of the Division	Estimated cost (₹ in lakh)	Expenditure incurred as of March 2018 (₹ in lakh)	Development cost per hectare (₹ in lakh)	Year of start	Scheduled year of completion
1.	Lift Irrigation Scheme (LIS) Naggar Gosan	Irrigation Division, Akhnoor	96.00	95.70	1.47	2011-12	2013-14
2.	LIS Chowki and Choura		550.00	549.78	1.45	2008-09	2010-11
3.	LIS Kot-II		150.00	150.00	1.50	2011-12	2013-14
4.	LIS Gangaal		113.00	113.00	1.50	2011-12	2013-14
5.	LIS Sidhra (Danna)		135.00	128.98	1.50	2011-12	2013-14
6.	LIS Samuah Chaprial		798.00	729.05	1.25	2008-09	2010-11
7.	Construction of Mat Ansoo <i>Khul</i>	Irrigation & Flood Control Division, Udhampur	63.11	63.11	1.26	2011-12	2013-14
8.	Construction of Nallah Badi to Bana Talab		84.94	82.65	1.06	2011-12	2014-15
9.	Construction of <i>Khul</i> from Jogani Nallah to Chowki		99.90	99.90	1.11	2011-12	2014-15
10.	Construction of Katwalt <i>Khul</i>		81.21	81.21	1.28	2011-12	2014-15
11.	Construction of Check Dam at Hansa <i>Khul</i>		541.00	203.37	1.50	2011-12	2014-15
12.	Construction of Thanger <i>Khul</i>		111.00	75.95	1.00	2011-12	2014-15
13.	Remodelling/ extension of LIS Dabbar Potha	Irrigation & Flood Control Division, Nowshera	129.77	128.47	1.02	2009-10	2012-13
14.	Construction of gravity feeder channel for augmentation of water under LIS Rajal		1750.00	1784.33	1.23	2006-07	2011-12
15.	LIS Kalsian		129.00	129.00	2.35	2011-12	2013-14
16.	LIS Beri Pattan		5108.00	1249.93	3.01	2011-12	2015-16
17.	Seri <i>Khul</i>	Irrigation & Flood Control Division, Rajouri	58.98	45.25	1.07	2011-12	2013-14
18.	Shungri <i>Khul</i>		105.00	65.85	1.15	2011-12	2013-14
19.	Loundi <i>Khul</i>		95.42	62.88	1.25	2011-12	2013-14
20.	LIS Dheri Dhara		119.00	118.89	1.58	2008-09	2010-11
21.	Rakiban <i>Khul</i>		336.00	149.88	1.56	2011-12	2013-14
22.	Peri Dandaywali <i>Khul</i>		162.74	114.59	1.29	2011-12	2013-14
23.	Khundapher <i>Khul</i>		79.05	48.12	1.36	2011-12	2013-14
24.	Tarkula Khod Mong <i>Khul</i>		198.92	127.44	1.17	2011-12	2013-14
25.	Construction of Nav <i>Khul</i>	Irrigation & Flood Control Division, Budgam	893.77	73.20	1.06	2013-14	2015-16
26.	Lift Irrigation Scheme Dulanja	Hydraulic Division Uri	179.50	119.58	1.31	2011-12	2013-14
27.	Remodelling of Pethan Zamindari <i>Khul</i>	Irrigation Division Anantnag	274.00	307.21	1.49	2011-12	2012-13
28.	Remodelling of Veervar <i>Khul</i>		927.00	575.47	1.92	2011-12	2012-13
<b>Total</b>			<b>13369.31</b>	<b>7472.79</b>			

(Source: Departmental records)

**Appendix-3.12.3**

**(Reference Paragraph: 3.12 5; Page: 114)**

**Statement showing Ultimate Irrigation Potential, Irrigation Potential Created and Irrigation Potential Utilised in selected divisions**

**(In hectares)**

Sl. No.	Name of the division	Ultimate Irrigation Potential (UIP)	Irrigation Potential Created (IPC)	Irrigation Potential utilised (IPU)	Percentage achievement	
					Creation of Irrigation potential with reference to UIP	Utilisation of Irrigation potential with reference to IPC
1.	Irrigation and Flood Control Division, Rajouri	6825	1635	1188	24	73
2.	Irrigation Division, Akhnoor	4184	1315	50	31	4
3.	Irrigation and Flood Control Division, Nowshera	7885	3415	852	43	25
4.	Irrigation Division, Kathua	14650	3759	1722	26	46
5.	Irrigation and Flood Control Division, Udhampur	4328	953	389	22	41
6.	Irrigation Division-I Jammu	59478	54713	54675	92	100
7.	Irrigation Division-II Jammu	640	290	255	45	88
8.	Ravi Tawi Irrigation Complex Jammu	15016	13240	11480	88	87
9.	Tube Well Irrigation Division Jammu	2607	1344	542	52	40
10.	Irrigation Division, Anantnag	14495	5548	4068	38	73
11.	Irrigation Division, Baramulla	13474	2086	2086	15	100
12.	Irrigation and Flood Control Division, Sopore	6181	1105	1105	18	100
13.	Ferozpur Basin Irrigation Division, Tangmarg	9698	8015	8015	83	100
14.	Hydraulic Division, Uri	4063	470	470	12	100
15.	Irrigation and Flood Control Division, Budgam	16837	9720	8672	58	89
16.	Irrigation and Flood Control Division, Handwara	1325	50	50	4	100
17.	Irrigation and Flood Control Division, Kupwara	7685	2000	628	26	31
<b>Total</b>		<b>189371</b>	<b>109658</b>	<b>96247</b>	<b>58</b>	<b>88</b>

*(Source: Departmental records)*

## Appendix-3.12.4

(Reference Paragraph: 3.12.8.1; Page: 118)

Statement showing different stages of works to be completed, actual works completed and reasons for delay

Particulars	Name of the Lift Irrigation Schemes	
	Beri Pattan	Ambaran-II
Estimated cost	₹ 51.08 crore	₹ 4.45 crore
Targeted date of completion	2015-16	2009-10
Funds Released	₹ 17.71 <sup>17</sup> crore	₹ 4.45 crore
Expenditure	₹ 17.71 <sup>18</sup> crore	₹ 4.45 crore
<b>Civil works</b>		
<b>To be executed</b>	Construction of head work, main canal, branches, etc.	Construction of pump house, delivery tank, main channel, distribution system etc.
<b>Actually executed</b>	Only 20 <i>per cent</i> civil works executed comprising of mainly earth work as verified on spot.	Only 60 <i>per cent</i> civil works executed (Pump house in progress, Delivery tank completed, main channel and distribution system partially completed).
<b>Reason for delay</b>	Insufficient funding.	Insufficient funding. The project revised due to submission of revised estimates by MICD, Jammu. The approval of which is awaited.
<b>Electromechanical works</b>		
<b>To be executed</b>	Installation of pumping machinery, rising main alongwith allied works and construction of electric sub-station.	Installation of pumping machinery, rising main alongwith allied works and creation of Electric sub-Station.
<b>Actually executed</b>	No mechanical work has been executed. The work of electric sub-station has been completed.	Rising main and pumping machinery procured only, the work of electric sub-station has been completed.
<b>Reason for delay</b>	Non-construction of pump room building by civil division. Works of stage first pump room and Canal Section RD: 0-5410 m was taken up by tendering. However, after completing 10 to 45 <i>per cent</i> works were abandoned.	Funds awaited for execution of electromechanical works.

(Source: Departmental records)

<sup>17</sup> Includes ₹5.21 crore released during 2018-19

<sup>18</sup> Expenditure as of September 2019

Appendix-3.12.5

(Reference Paragraph: 3.12.8.2; Page: 119)

Statement showing scheme-wise details of machinery lying idle in eight sampled divisions

Sl. No.	Name of the lift irrigation Scheme	Name of the Division	Details of machinery and allied material	Cost (₹in lakh)	Lying unused since the period
1.	Rajpura	Irrigation Division, Akhnoor	(i) HC Pump, Head motor, KV starter etc. and Main reflex valve, etc.	24.60	September 2010
2.	Nagger Gossain		HC Pump with Motor and Starter, Sluice valve, Reflux valve, foot valve	10.55	January 2014 to September 2014
3.	Sidhra Dhana		HC Pump with Motor and Starter, Sluice valve, reflex valve and foot valve	10.52	January 2014 to September 2014
4.	Ambaran-II		HC Pump with motor, starter, sluice valve, reflux valve, foot valve, etc.	100.93	October 2014
5.	Nud Behara		Foot valve	0.68	September 2014 (Scheme completed in 2016-17)
6.	Dheri Dhara	Irrigation and Flood Control Division, Rajouri	MRV	0.48	June 2013
7.	Rakiban		HC Pump with Motor and Starter, sluice valve,	8.70	January 2014 to September 2014
8.	Zinda Peer	Irrigation and Flood Control Division, Nowshera	HC Pump with Motor and Starter and foot valve	1.67	January 2014 to September 2014
9.	Nabri Barota	Irrigation Division Kathua	HC Pump with Motor and Starter, Sluice valve, Reflux valve and foot valve	45.07	January 2014 to September 2014
10.	Lower Rajwalta		HC Pump with Motor and Starter, Sluice valve, Reflux valve and foot valve	40.38	January 2014 to September 2014
11.	Mandyari	Irrigation and Flood Control Division Sopore	Pumping equipment, overhead travelling crane gantry, modular control panel NRV 350 MM 130 Amperes stabilizer, etc.	40.31	May 2012 to January 2015
12.	Burn Hanjiveera		Pumping equipment, priming pump, overhead travelling crane gantry, modular control panel NRV 350 MM etc	34.98	January 2014 to December 2014
13.	Ahmedpora Kongamdihara		Mechanical works valves, MS Pipes, NRV flanges, power cables, 300 HP ATS Starter, etc.	146.22	May 2012 to September 2015
14.	Adipora		10 Cusec pumping equipment, 120 sq mm cables, reflex valve, etc.	43.57	September 2014 to March 2015
15.	Chotipora	Irrigation and Flood Control Division Baramulla	70 sq MM A1 cables, CU cables, reflex valve, modular control panel, etc.	8.94	October 2014 to March 2015

Sl. No.	Name of the lift irrigation Scheme	Name of the Division	Details of machinery and allied material	Cost (₹in lakh)	Lying unused since the period
16.	Dulanja	Hydraulic Division Uri	300 KVA voltage stabilizer, VT pump, main control panel, etc.	80.22	November 2011 to March 2012
17.	Bonga Salamabad		100 Kv voltage stabilizer, 125 dia rising main, steel poles, etc.	15.81	April 2012 to February 2015
18.	Budhreshi	Irrigation and Flood Control Division Handwara	300 KVA voltage stabilizer, main distribution channel, 800 mm pipes for rising main, overhead travelling crane, etc.	51.16	September 2009 to February 2014
19.	Wadipora		One cusec capacity horizontal pump with electric motor	4.90	2016
<b>Total</b>				<b>669.69</b>	

(Source: Departmental records)

Appendix 3.15.1

(Reference Paragraph: 3.15; Page No: 124)

Statement showing work-wise details of estimated cost, funds allotted/ released, expenditure incurred, supervision charges due/ recovered and supervision charges outstanding

(₹ in lakh)

Sl. No.	Name of the work	Date of start	Date of completion	Estimated cost	Funds released	Expenditure upto January 2018	Supervision charges due	Supervision charges recovered	Balance outstanding	Firm from whom recovery is to be made	Present status of work
1.	Construction of 10 MVA, 33 KV Receiving Station for Rattle Power House, Kishtwar	November 2012	December 2016	205.69	205.69	499.22	47.43	15.76	31.67	M/s GVK Power and Infra limited Gurgaon	Completed
2.	Laying of 12050 km long 33 KV Line from under construction 132/ 33 KV Grid Station Kishtwar to Rattle Power House Kishtwar	May 2012	May 2013	171.50	171.50						
	20 per cent Provision on S. No. 1 & 2 for price escalation of material and labour			75.44	75.44						
3.	Augmentation of Receiving Station Thathri from 6.3 MVA to 10 MVA	October 2012	March 2013	18.97	18.97						
4.	Providing separate 7Km long 11 KV Feeder for Rattle Power House Kishtwar under taken through EM&RE Division Kishtwar	October 2012	April 2013	41.63	41.63						
5.	Construction of 3.15 MVA 33/ 11 KV receiving station LKHEP project Thathri	May 2015	August 2015	195.47	25.00	21.93	2.08	1.71	0.37	M/s Coastal Projects Limited Noida	Incomplete
	<b>Total</b>			<b>708.70</b>	<b>538.23</b>	<b>521.15</b>	<b>49.51</b>	<b>17.47</b>	<b>32.04</b>		

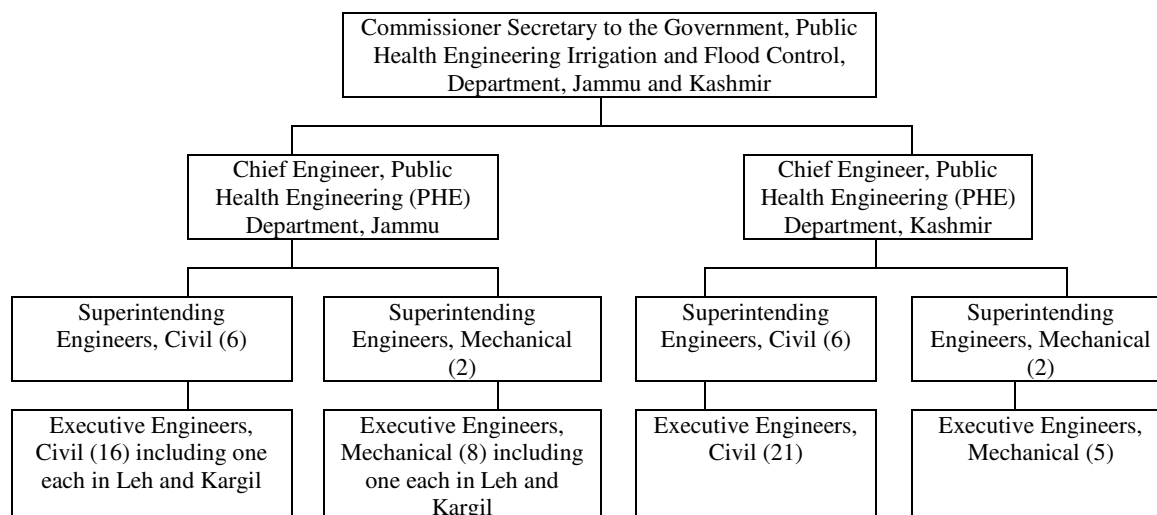
(Source: Departmental records)

Appendix – 3.16.1

(Reference Paragraph: 3.16.1; Page: 125)

**Organisational chart of PHE Department and process adopted for grant of Registration Certificate**

**Organisational Chart**



**Process Adopted for grant of Registration Certificate**

The application for grant of Registration Certificate (RC) for installation of bore/tube well for extraction of ground water is received in the office of the Chief Engineer PHE Department. The Chief Engineer forwards it to the Superintending Engineer (SE), Hydraulic & Mechanical Circle with direction to submit a detailed report alongwith comments and recommendations. The SE Hydraulic and SE Mechanical on receipt of the report and recommendations from the respective Civil and Mechanical Division re-submit the case alongwith its report and recommendations to the Chief Engineer PHE Department. On receipt of the report and recommendations the Chief Engineer either rejects or grants RC to the user for extraction and exploitation of ground water subject to certain condition for which compliance is to be ensured by the Divisional Head (Executive Engineer) of the respective division. Further, the raising of demand and recovery of the water usage charges from the licensee is also among the responsibilities of the Executive Engineer.

(Source: Departmental records)



Appendix – 3.16.2

(Reference Paragraph: 3.16.3; Page: 126)

Fluctuations in post-monsoon and post-winter Ground Water Levels (GWLs) in wells of two divisions (Jammu/ Kashmir) and seasonal and annual rainfall in the State during the period 2013 to 2016

Rise/ Fall in GWL by	2013			2014			2015			2016		
	No of wells showing											
	Rise in GWL	Fall in GWL	Total	Rise in GWL	Fall in GWL	Total	Rise in GWL	Fall in GWL	Total	Rise in GWL	Fall in GWL	Total
<b>Jammu Division where the ground water levels tend to increase post monsoon</b>												
<b>Post monsoon (November viz-a-viz May)</b>												
0-2m	121	08	129	136	30	166	107	71	178	136	30	166
2-4m	37	02	39	22	01	23	16	04	20	38	04	42
>4m	29	00	29	13	01	14	8	04	12	15	00	15
<b>Total No. of wells</b>	<b>187</b>	<b>10</b>	<b>197</b>	<b>171</b>	<b>32</b>	<b>203</b>	<b>131</b>	<b>79</b>	<b>210</b>	<b>189</b>	<b>34</b>	<b>223</b>
As per cent of total wells during the year	95	05	NA	84	16	NA	62	38	NA	85	15	NA
<b>Kashmir Division where the ground water levels increase post-winter</b>												
<b>Post-winter (May viz-a-viz November)</b>												
0-2m	15	02	17	18	00	18	12	02	14	06	08	14
2-4m	04	01	05	08	00	08	02	02	04	04	00	04
>4m	04	01	05	02	00	02	04	00	04	01	02	03
<b>Total No. of wells</b>	<b>23</b>	<b>04</b>	<b>27</b>	<b>28</b>	<b>00</b>	<b>28</b>	<b>18</b>	<b>04</b>	<b>22</b>	<b>11</b>	<b>10</b>	<b>21</b>
As per cent of total wells during the year	85	15	NA	100	Nil	NA	82	18	NA	52	48	NA

(Source: Ground Water Year Book prepared by CGWB for the years 2013-14, 2014-15, 2015-16 and 2016-17)

Seasonal and annual rainfall (mm) in the State alongwith departure from normals during the period 2013 to 2016										
Year	Winter		Pre-monsoon		Monsoon		Post-monsoon		Annual	
	Rainfall (mm)	Percentage departure from normals (+) increase (-) decrease	Rainfall (mm)	Percentage departure from normals (+) increase (-) decrease	Rainfall (mm)	Percentage departure from normals (+) increase (-) decrease	Rainfall (mm)	Percentage departure from normals (+) increase (-) decrease	Rainfall (mm)	Percentage departure from normals (+) increase (-) decrease
2013	257.1	(+) 21	189.4	(-) 42	651.9	(+) 22	95.4	(-) 28	1193.8	(-) 1
2014	195.0	(-) 8	395.0	(+) 21	633.4	(+) 18	55.0	(-) 58	1278.4	(+) 6
2015	215.1	(+) 1	579.3	(+) 78	613.9	(+) 15	164.4	(+) 25	1572.7	(+) 30
2016	78.8	(-) 63	331.8	(+) 2	482.7	(-) 10	9.4	(-) 93	902.7	(-) 25

(Source: Report on rainfall statistics by Hydromet Division, India Meteorological Department)

## Appendix - 3.17.1

(Reference Paragraph: 3.17 ; Page: 138)

Statement showing continued attachment of staff in the office of Chief Engineer, PHE Jammu beyond July 2016

Sl. No.	Name S/ Shri	Designation	Period of attachment			Number of complete months of attachment beyond July 2016	Salary paid during August 2016 to May 2018 (In ₹)
			From	To	Number of complete months		
1.	Rajinder Kumar Sharma	EE	19.05.2016	12.12.2017	18	16	16,41,884
2.	Ravi Kant Sharma	EE	14.12.2016	31.07.2017	07	07	8,91,265
3.	Rajesh Kumar Gandotra	AEE	01.02.2016	17.09.2016	07	01	87,569
4.	Gurnam Singh	AEE	28.02.2015	May 2018	39	22	18,23,787
5.	Vijay Kumar Sharma	AEE	25.04.2016	16.10.2017	17	14	12,36,527
6.	Gopal Krishan Gupta	AEE	12.07.2016	May 2018	22	22	1,50,23,808
7.	Anil Gupta	AEE	22.09.2016	16.09.2017	11	11	9,01,304
8.	Sunil Sharma	AEE	10.09.2016	May 2018	20	20	32,48,824
9.	Ajit Kumar	AEE	03.01.2017	27.11.2017	10	10	11,00,543
10.	Sunil Seth	AEE	19.05.2016	20.09.2017	15	13	9,64,557
11.	Narinder Kumar Sapolia	AEE	03.02.2017	21.04.2017	02	02	2,69,317
12.	Karamveer Singh Slathia	AE	02.02.2016	30.09.2017	20	14	5,51,103
13.	Vijay Kumar Choudhary	AE	31.10.2017	May 2018	19	19	30,18,994
14.	Subash Chander Sharma	AE	09.11.2016	31.11.2017	12	12	14,39,643
15.	Hari Bushan	AEE	29.05.2012	30.06.2017	61	11	3,41,583
16.	Sisar Khajuria	AEE	29.03.2017	May 2018	14	14	12,19,692
17.	Sageer Hussain Malik	AEE	29.06.2017	May 2018	11	11	16,79,758
18.	Anil Sharma	AEE	22.04.2017	17.10.2017	05	05	5,11,693
19.	Brij Mohan	AEE	21.11.2017	May 2018	06	06	4,33,424
20.	Rajinder Singh	AE	08.08.2017	08.01.2018	04	04	4,55,380
	<b>Total</b>						<b>3,68,40,655</b>

(Source: Departmental records)

(Note: EE: Executive Engineer; AEE: Assistant Executive Engineer; and AE: Assistant Engineer)

**Appendix 3.24.1**

**(Reference Paragraph: 3.24; Page: 147)**

**Statement showing office-wise excess pay and allowances and recoveries made in Revenue Department**

**(Amount in ₹)**

Sl. No.	Name of DDO	No. of employees	Period	Excess pay drawn including NPS contribution	Amount Recovered	Amount outstanding
1.	Regional Director, Survey and Land Records Maraz Anantnag	38	July 2014 to December 2017	12,82,272	12,82,272	Nil
2.	Regional Director, Survey and Land Records Baramulla	70	July 2014 to February 2018	24,92,840	18,22,184 (upto March 2019)	6,70,656
3.	Regional Director, Survey and Land Records Srinagar	43	July 2014 to March 2018	15,70,059	10,32,000 (upto March 2019)	5,38,059
4.	Tehsildar Kulgam	23	July 2014 to March 2018	8,39,799	4,43,049 (upto July 2018)	3,96,750
5.	Tehsildar Anantnag	7	July 2014 to December 2017	2,36,208	2,15,544 (upto April 2019)	20,664
	<b>Total</b>	<b>181</b>		<b>64,21,178</b>	<b>47,95,049</b>	<b>16,26,129</b>

(Source: Pay and Acquittance Roll)



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