



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest

# Report of the Comptroller and Auditor General of India for the period ended March 2023



Government of Himachal Pradesh  
Report No. 4 of 2025  
(Compliance Audit Report)



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## Table of Contents

Description	Reference to	
	Paragraph	Page No.
<i>Preface</i>	<i>iii</i>	
<i>Overview</i>	<i>v</i>	
<b>CHAPTER I: GENERAL</b>		
Introduction	1.1	1
About the State of Himachal Pradesh	1.2	1
State Government Profile	1.3	3
Authority for Audit	1.4	5
Response of the State Government to Audit	1.5	5
Acknowledgement	1.6	8
<b>CHAPTER II: Institutional Gaps and Academic Shortfalls at Himachal Pradesh University</b>		
<b>Himachal Pradesh University</b>		
Introduction	2.1	9
Audit Objectives	2.2	10
Audit Criteria	2.3	10
Audit Scope and Methodology	2.4	11
Follow up on earlier Subject-Specific Compliance Audit	2.5	11
Planning and vision documents	2.6	11
Faculty Resources and Development	2.7	13
Infrastructure availability	2.8	16
Institutional Mechanisms for improving quality of education	2.9	20
Research Activities	2.10	22
Conclusion	2.11	25
Recommendations	2.12	26
<b>CHAPTER III: Regulation of Mines and Minerals in Himachal Pradesh (Including PMKKKY)</b>		
<b>Department of Industries</b>		
Introduction	3.1	29
Regulatory Framework for Major and Minor Minerals in India	3.2	29
Organizational Setup	3.3	30
Trend of revenue from mineral resources	3.4	31
Audit Objectives	3.5	32
Audit Criteria	3.6	32
Scope and Methodology of Audit	3.7	33
Planning and Estimation of Mineral Resources	3.8	33
Mining and Extraction of Mineral Resources	3.9	35

Description	Reference to	
	Paragraph	Page No.
Monitoring and Regulation of Mining Activities	3.10	36
Under realisation of revenue from mineral concessions	3.11	45
Implementation of PMKKKY / Functioning of DMFTs	3.12	47
Response of beneficiaries	3.13	59
Conclusion	3.14	61
Recommendations	3.15	61
<b>CHAPTER IV: Execution of Minor Irrigation Schemes in Himachal Pradesh</b>		
<b>Jal Shakti Vibhag</b>		
Introduction	4.1	63
Audit Objectives	4.2	64
Audit Criteria	4.3	64
Audit Scope and Methodology	4.4	65
Planning, execution and maintenance of Minor irrigation schemes	4.5	65
Pradhan Mantri Krishi Sinchayee Yojna	4.6	78
Financial Management	4.7	79
Conclusion	4.8	84
Recommendations	4.9	85
<b>CHAPTER V: Utilisation of State Disaster Response Fund/National Disaster Response Fund</b>		
<b>Department of Revenue</b>		
Introduction	5.1	87
Organisational setup	5.2	87
Audit Objectives, Scope and Methodology	5.3	88
Allocation, release and utilization of funds	5.4	88
Planning, preparedness and capacity building under SDRF/NDRF	5.5	101
Conclusion	5.6	109
Recommendations	5.7	110
<b>CHAPTER VI: Individual Audit Observation</b>		
<b>Himachal Pradesh Forest Department</b>		
Short realisation of Compensatory Afforestation Fund Management and Planning Authority (CAMPA) Funds	6.1	111
<b>Appendices</b>		115

## Preface

This Report of the Comptroller and Auditor General of India for the period ended March 2023 on Compliance Audit of Departments of Social, General and Economic Sectors has been prepared for submission to the Governor of the State of Himachal Pradesh under Article 151 of the Constitution of India.

The Report contains significant results of Compliance Audit of Receipts and Expenditure of the Government of Himachal Pradesh, conducted in accordance with provisions of the Comptroller and Auditor General of India's (Duties, Powers and Conditions of Services) Act, 1971.

The instances mentioned in this Report for Compliance Audit are those which came to notice in the course of test audit done for the year 2022-23 as well as those which came to notice for earlier years but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to year 2022-23 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 covers matters arising out of the Compliance Audit of the Departments of Industry, Jal Shakti, Revenue and Himachal Pradesh University. The Report contains four Subject Specific Compliance Audits (SSCAs) and one individual Compliance Audit observation. The Report has been organised into six chapters as under:

## Chapter I - General

This Chapter contains description of the State Government of Himachal Pradesh, brief profile of the State for the year 2022-23, the authority for audit and response of the State Government to Inspection Reports and Audit Observations.

## Compliance Audit

## Himachal Pradesh University

## Chapter II - Institutional Gaps and Academic Shortfalls at Himachal Pradesh University

Audit of “Institutional Gaps and Academic Shortfalls at Himachal Pradesh University” for the period from 2020-21 to 2022-23, was conducted to assess whether: the availability of faculty, process of curriculum and faculty development were as stipulated under the norms; the infrastructure for imparting higher education was in place according to the prescribed norms; and the research activities were according to the Research Policy of the HPU.

Himachal Pradesh University (HPU) faced a 27-37 *per cent* faculty shortage during 2020-23, increasing workloads and limiting student mentorship. The issue of shortage of faculty was also highlighted in the Audit Report of the Comptroller & Auditor General of India on Social, General and Economic Sectors (Non-Public Sector Undertakings) for the year ended 31 March 2013. During discussion in PAC (July 2020), the Department stated that recruitment process for filling for faculties had been initiated. However, the shortage continued to remain significant during 2020-23.

HPU violated UGC regulations by appointing an unqualified Assistant Professor and a guest faculty. Further, HPU had not carried out verification of EWS certificates, educational qualifications, and other supporting documents from the concerned issuing authorities for the 186 appointments made during 2020–23, as no records of such verification were provided to Audit (December 2023). Only 8-16 *per cent* of full-time teachers in the selected Units / Departments attended Professional Development Programmes during 2020-21 to 2022-23, hindering skill enhancement.

HPU's infrastructure was inadequate, with only six Departments (out of 20) had 100 *per cent* ICT-enabled classrooms, only 51 *per cent* of classrooms ICT-enabled and 50 *per cent* student satisfaction with smart classrooms. Science labs in Chemistry, Microbiology, and Biosciences had 36-79 *per cent* equipment shortages, while three Physics instruments (Scanning Electron Microscope, Atomic Absorption Spectrophotometer and Vibrating Sample Magnetometer) purchased at the total cost of ₹1.99 crore remained non-functional due to poor maintenance, since 2015, 2017 and 2021 respectively. The ERP system, costing ₹11.19 crore, had 30 out of 37 modules non-functional as they remained unutilised and needed changes/modifications as of September 2023, disrupting academic and administrative processes.

In PG courses, 20 *per cent* Boards of Studies were pending for reconstitution, with delay ranging from two to 26 months and in UG courses, one Board of Studies was pending for reconstitution even after delay of 24 months, as of March 2023. Further, 64 *per cent* Boards of Studies constituted in PG courses and 85 *per cent* in UG courses were formed without adequate representation of the Professors, Associate Professors, Assistant Professors and Principal. In one course (Post Graduate Diploma in Clinical Psychology) out of total 86 courses, syllabus was not revised since commencement of the course, while in 13 courses, syllabus had been revised with delays ranging from one to 19 years. Among 30 selected Units/Departments where revision was required, 22 had carried out the revision. However, in 21 of these 22 Units/Departments, the revision was undertaken without obtaining feedback from students or teachers unlike in other Universities, such as Jawaharlal Nehru University, Delhi; Kurukshetra University, Kurukshetra; and Maharshi Dayanand University, Rohtak.

Across the selected departments, only 21 research projects were undertaken by an average of 214 faculty members during 2020-23, reflecting a low research engagement rate of approximately 0.1 project per teacher, which was below the standard of two prescribed by NAAC to obtain maximum score. Further, the research activities at the university level remained confined to minor research works as 15 completed projects (71.42 *per cent*) were Minor Research Projects. In addition, only 20 patents were awarded in test-checked departments involving HPU faculty members.

Eleven out of 16 UGC Chairs remained non-functional even after lapse of one to 25 years from their notification, and four out of five functional Chairs, which were made functional from June 2011 to December 2012, exceeded their tenure, limiting research advancement, and the university's contribution to academic discourse and public policy. Only five out of 24 MoUs (Memorandum of Understanding) with industries during 2020-23 were functional, restricting student placements and collaborative opportunities.

These challenges in faculty resources, infrastructure, academic reforms, research and governance mechanisms significantly impacted HPU's educational quality, requiring urgent action to achieve the institution's stated goals in higher education as well as to meet UGC and NAAC standards.

The State Government may consider:

- (i) *Closing the faculty gap and raising capability by adopting a two-year Faculty plan that (a) fast-tracks recruitment to eliminate the current 27-37 per cent vacancy, (b) requires digital verification of every credential before appointment, and (c) links promotion increments to completion of a recognised professional-development programme each year.*
- (ii) *Restoring core teaching and research infrastructure by constituting an Infrastructure Restoration Task Force with delegated spending powers to (a) make all high-value laboratory instruments serviceable, (b) lift ICT-enabled classrooms from the current 51 per cent to 100 per cent, and (c) render all 37 ERP modules fully functional within 18 months, prioritising examination, research-management and placement modules that directly affect academic quality. A ring-fenced maintenance budget—drawn from the five per cent overhead already allowed on sponsored projects—may keep the assets usable thereafter.*
- (iii) *Re-energising curriculum governance on a fixed calendar by issuing an Academic Council resolution that: (a) reconstitutes every Board of Studies with full statutory representation by the start of the next semester, (b) sets a rolling three-year syllabus review cycle anchored in structured stakeholder feedback, and (c) completes Choice-Based Credit System adoption in all remaining programmes from the 2026-27 session. Compliance can be tracked through an annual “Curriculum Status Report” tabled to the Executive Council.*
- (iv) *Activating research chairs and partnerships for measurable output by merging the eleven dormant academic chairs and inactive MoUs into a University Research & Outreach Cell empowered to (i) relaunch each chair with a competitively selected coordinator and modest seed grant, (ii) convert every MoU into a time-bound action plan (internships, joint projects, or advisory services), and (iii) aim for one externally funded project per five faculty members within three years—a target well inside NAAC expectations. Progress should be published in the annual research report to keep departments accountable.*

## Department of Industries

### Chapter III - Regulation of Mines and Minerals in Himachal Pradesh (including PMKKKY)

The audit of Regulation of Mines and Minerals in Himachal Pradesh for the period from 2018-19 to 2022-23 was conducted to assess whether: management of minor minerals was economical, efficient & environment-friendly; the process for granting, renewing, closing and surrendering concessions was in accordance with the relevant Acts/Rules;

effective steps were taken to prevent illegal mining & ensuring effective enforcement; revenue from mineral concessions was properly realised; and the Pradhan Mantri Khanij Kshetra Kalyan Yojana was implemented effectively and District Mineral Foundation Trusts were functioning efficiently.

The audit found that over the five-year period from 2018-19 to 2022-23, Himachal Pradesh's mining sector contributed a steady, though fluctuating, share of the State's non-tax revenues, rising from ₹221.04 crore (7.81 *per cent* of non-tax receipts) in 2018-19 to ₹ 286.34 crore (9.97 *per cent*) in 2022-23, for a total of ₹1,236.66 crore over the period.

In examining whether mineral extraction was carried out economically, efficiently and with due environmental safeguards, the audit noted that the Department had not prepared the Annual Action Plans prescribed by its Office Manual for any of the five years 2018-19 to 2022-23. Without these year-wise roadmaps, statutory inspections, royalty assessments and project milestones under PMKKKY could not be systematically tracked. Similarly, no comprehensive, scientifically derived inventory of the State's mineral reserves was ever compiled in four sampled districts as required under national and State policy, undermining evidence-based planning for mineral exploration, environmental safeguards, and revenue mobilisation.

Audit scrutiny in the selected districts showed delays in processing mineral concession applications. Of the 73 applications disposed of during the review period, 14 were decided late - between 71 and 1,184 days after the allowed period of three years from the date of receipt.

On the ground, enforcement mechanisms proved inadequate. Despite statutory requirements and National Green Tribunal directives, there was no functioning Central Flying Squad, no GPS based tracking of mineral transport, District-Level Task Forces were not constituted, Mining Surveillance System was not operational for minor minerals and key posts remained chronically vacant. As a result, over 40,000 cases of illegal or unauthorized mining were detected between 2018-19 and 2022-23, more than 8,000 in 2022-23 alone with the Police Department. A review of enforcement records for 2023-24 in four selected districts indicated pervasive weaknesses in the State's control framework for minor-mineral regulation. There was also a persistent and sizeable gap between inspection targets and achievements during 2018-23. In Bilaspur and Una districts, inspections fell short of the prescribed schedule by 19 to 94 *per cent* across all levels, while in Shimla and Solan the respective Mining Officers did not furnish any inspection data.

Audit reviewed geo-spatial outputs for 10 leases obtained from the Aryabhata Geo-Informatics & Space Application Centre and conducted joint physical inspections of 26 mines across four districts. It was observed that permanent boundary demarcation was absent in seven of the 10 geo-spatially examined sites and in 21 of the 26 inspected sites. In leases located on hill slopes, operators had not provided the mandatory buffer

strip, and excavation was found to be reaching or extending beyond the lease boundaries. Further, six leases were extracting material outside their sanctioned coordinates.

Revenue controls were weak, too. By reconciling electricity-based production data with royalty receipts in 71 of the 131 active leases in three districts during 2018-23, audit discovered a shortfall of ₹1.81 crore across 27 leases. In addition, dead rent and interest amounting to ₹74.81 lakh (four leases) and surface rent of ₹7.27 lakh (14 leases) remained unrealised due to delayed demands and poor follow-up. Besides this, even DMFT fund registers were not maintained in one district.

Funds held by District Mineral Foundation Trusts likewise saw low absorption and governance gaps.

Out of ₹239.21 crore received for DMFTs in the four test-checked districts, only ₹86.56 crore (36.18 *per cent*) was sanctioned for projects, and merely ₹47.03 crore (19.66 *per cent*) was released to implementing agencies.

As per the Himachal Pradesh DMFT Rules, 2016, each DMFT is required to compile and maintain an up-to-date register of both geographical areas and population affected by mining activities. However, in Solan and Una districts, no exercise had been undertaken to identify either affected areas or affected persons up to July 2024. In Bilaspur and Shimla, mapping of affected areas was carried out only in 2021-22, after delays of 62 and 59 months, respectively and yet enumeration of affected persons was still pending.

Of the 281 sanctioned DMFT works amounting to ₹86.56 crore, 20 were cancelled, leaving 261 projects that should have progressed to implementation. However, progress remained inadequate: only 51 works (20 *per cent*) were completed, while 210 works (80 *per cent*) remained unfinished as of July 2024. Additionally, 14 works costing ₹4.59 crore, sanctioned in four sampled districts, were taken up outside the eligible high-priority and other-priority categories prescribed under the amended HPDMFT Rules.

Further, audit scrutiny in four districts (Bilaspur, Shimla, Solan and Una) revealed non-compliance with the requirement of allocating 60 *per cent* of development funds to high-priority sectors and 40 *per cent* to other-priority sectors, as mandated by the 2020 amendment to the HP DMFT Rules, 2016. Of 218 works amounting to ₹64.81 crore sanctioned between October 2020 and March 2023, only 59 projects valued at ₹26.48 crore (41 *per cent*) were allocated to High-Priority Areas. In contrast, 159 projects worth ₹38.33 crore (59 *per cent*) were sanctioned under Other-Priority Areas, significantly exceeding the statutory ceiling of 40 *per cent* and consequently reducing High-Priority allocations well below the mandated 60 *per cent*.

More than 68 *per cent* of project proposals in two districts (Shimla and Solan) were rejected without clear rationale. Duplicate funding was observed for an identical piped water supply scheme for *Gram Panchayat* Solag Jurasi. None of the trusts had their statutory websites, or had prepared annual budgets and annual accounts.

A survey of 1,082 beneficiaries was conducted in the selected DMFTs to assess the impact of assets created under the DMFT. Results of the survey indicated that 96 *per cent* beneficiaries were unaware of the scheme and DMFT trust, 99 *per cent* beneficiaries were not aware that their village is in the list of “affected village” and “affected persons” under this scheme. Seventy eight *per cent* mentioned that they were not consulted by any representative regarding requirement of basic services. On the other hand, 85 *per cent* beneficiaries were satisfied with availability of schools, 68 *per cent* with hospitals, 63 *per cent* with water supply schemes, 75 *per cent* with skill development facilities, and 91 *per cent* with electricity.

Taken together, these findings point to systemic deficiencies in planning, lease management, enforcement, revenue collection and fund utilisation. Unless the Department adopts annual action plans, strengthens its field level controls (including technology enabled surveillance), automates revenue reconciliations, and brings DMFT operations into full compliance with transparency and governance norms, both the State’s fiscal interests and its environmental stewardship will remain at risk.

*The State Government may:*

- (i) Prepare Annual Action Plans and establish a robust monitoring mechanism to ensure timely disposal of mineral concession applications.*
- (ii) Conduct a comprehensive study to identify high-risk border areas and adhere to the H.P. Mineral Policy 2013.*
- (iii) Conduct regular inspections, establish a centralized database to track offenses, and implement a robust mechanism for seizure and auction of illegally mined minerals.*
- (iv) Ensure timely realization of mining dues, expedite recovery of outstanding dead rent and interest, and strengthen mechanisms for timely compliance.*
- (v) Establish district specific DMFT websites, maintain accurate fund registers, and convene regular Governing Council and Managing Committee meetings.*
- (vi) Constitute District Level Task Forces, implement the Mining Surveillance System, and enforce GPS based tracking systems for vehicles transporting minerals.*



## Jal Shakti Vibhag

### Chapter IV - Execution of Minor Irrigation Schemes in Himachal Pradesh

Audit of Execution of Minor Irrigation Schemes in Himachal Pradesh for the period 2019-23 was conducted to assess whether: execution and maintenance of the works under the schemes/projects was done in accordance with Detailed Project Reports; Institutional mechanism for monitoring and evaluation of schemes was in place and functioning as per the guidelines of the schemes; and financial management of the schemes was as per the guidelines of the schemes.

The audit of minor irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) and State Schemes in Himachal Pradesh revealed significant lapses in planning, execution, and maintenance, as highlighted below.

District Irrigation Plans (DIPs) and State Irrigation Plans (SIPs) were prepared, with a total PMKSY plan of ₹7,602.95 crore for 2016-20, including ₹4,512.16 crore for Har Khet Ko Pani (HKKP) component covering 6,478 schemes. However, only 129 schemes worth ₹804.51 crore were sanctioned during 2017-22, with no sanctions in 2019-21. Detailed Project Reports (DPRs) for 24 test-checked schemes lacked essential surveys (topographical in 20, geological in all, and hydrological in 22), leading to incomplete schemes, damages to the scheme works, and inadequate water supply.

Benefit Cost Ratio (BCR) for economic feasibility was included in DPRs in eight test-checked divisions but was not evaluated post-completion due to lack of data on cropping patterns and productivity, rendering the exercise ineffective.

Despite a planned allocation of ₹ 210.24 crore for convergence with Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for the period 2016-20, no such integration occurred in test-checked divisions, resulting in missed opportunities for sustainable water management.

Water User Associations/Kisan Vikas Sanghs (WUAs/KVSs) were formed in 14 out of 24 test-checked schemes but were functional in only seven, with no framework for water management or asset handover to PRIs in eight test-checked divisions, indicating a lack of participatory approach.

Significant disparities were noted in approval of projects under PMKSY, with Mandi district receiving disproportionate funds (60.04 *per cent* of HKKP funds) and Cultivable Command Area (CCA) approvals (131.79 *per cent* of planned CCA) compared to other districts during 2017-22.

Despite sanctioning 723 HIMCAD (State scheme) schemes worth ₹488.12 crore, micro irrigation works were not executed by the Agriculture Department due to non-allocation of funds as of July 2023, contrary to State Water Policy and State Technical Advisory Committee (STAC) recommendations.

Of 163 schemes in test-checked divisions, 72 were completed, which included 31 schemes with delays of 9-45 months and 18 schemes with cost overrun of ₹8.83 crore. Of 86 ongoing schemes, 10 remained incomplete despite delay of 3-46 months, mainly due to land dispute (two schemes), non-receipt of forest clearance (two schemes), and not providing power supply (one scheme). Besides, three schemes incurred cost overrun of ₹1.03 crore. The works for the remaining five schemes sanctioned for ₹6.94 crore were not started even after a lapse of 11 to 64 months from the month of sanction.

Irregularities included splitting of works in 18 schemes amounting to ₹ 48.25 crore across the eight test-checked divisions, to keep the tender value below ₹ five lakh and thereby to avoid e-tendering process, delay of 11 to 66 months in award of works for 13 test-checked schemes (out of 24) sanctioned for ₹ 92.85 crore, resulting in a time overrun of 12 to 48 months in 12 schemes and cost overrun of ₹ 6.62 crore in seven schemes, non-recovery of compensation of ₹4.41 crore from contractors for delays in works. Fund diversions (₹2.34 crore) and avoidable demand charges (₹0.94 crore) for non-functional schemes were noted. Suspected material pilferage (cement and steel worth ₹6.30 lakh) was also observed.

Joint inspections of the 24 minor irrigation schemes in test-checked divisions revealed non-functional or incomplete schemes due to poor site selection, lack of surveys, unavailability of forest clearance and issues like floods, land disputes, and power supply failures, leading to unfruitful expenditure of ₹10.12 crore in Kullu district. Beneficiary surveys showed low satisfaction (45 per cent with water quantity, 12 per cent with KVS management) and minimal impact on economic status or cropping patterns.

The Inter Departmental Working Group (IDWG), responsible for day-to-day coordination and management of the scheme activities within the State, did not meet regularly, social audits of the minor irrigation schemes were not conducted, and asset inventories were not maintained. *Abiana* charges are notified by the State Government at the prescribed rate per acre per crop separately for lift irrigation schemes and flow irrigation schemes. These were significantly under-collected (₹0.37 crore raised against ₹9.79 crore potential), with only ₹6.39 lakh collected in test-checked divisions against ₹14.53 lakh, due to staffing shortages.

*The State Government may:*

- (i) Mandate the conduct of comprehensive pre-project surveys-including geological, topographical, and hydrological investigations-prior to preparation and sanction of Detailed Project Reports (DPRs) and ensuring certification of such technical parameters by the Engineer-in-Chief to avoid technically flawed and unviable projects.*
- (ii) Ensure timely execution of schemes by tightening contract discipline through milestone-linked payments.*

- (iii) *Establish mechanisms to recover levied but uncollected compensation, and to prevent cost escalations through timely administrative and financial approvals by linking payment tranches with MIS-verified milestones so that liquidated damages are deducted directly from the running bill once a completion date is breached.*
- (iv) *Undertake quality assurance measures and ensure functional completion of schemes by resolving issues such as pending power connections, installation of pumps, and repairing flood-damaged components before declaring projects as complete.*
- (v) *Convert Water-User Associations (WUA) into the primary maintenance arm, and make it mandatory to hand over schemes, along with warabandi schedules to a registered WUA/Kisan Vikas Sangh before final payment.*
- (vi) *Strengthen monitoring and oversight mechanisms by capturing fortnightly financial and physical progress. This will be supported by conducting periodic reviews through the inter-departmental working group and maintaining consolidated scheme-level records at the level of Engineer-in-Chief for informed decision-making and timely corrective actions.*
- (vii) *Review district-wise fund allocation norms and ensure convergence with Agriculture and Rural Development Departments for implementation of micro-irrigation works under HIMCAD.*

## Department of Revenue

### Chapter V - Utilisation of State Disaster Response Fund/National Disaster Response Fund

The Audit of 'Utilisation of State Disaster Response Fund/National Disaster Response Fund' for the period from 2019-20 to 2022-23, was conducted to ascertain whether expenditure from SDRF/NDRF was incurred as per SDRF/NDRF guidelines and timely assistance was provided for quick response, relief and restoration of immediate nature of damaged infrastructure as per norms.

In 2019-20, the Central Government withheld ₹61.07 crore out of ₹258.30 crore due to persistent misutilisation of State Disaster Response Fund (SDRF) by Himachal Pradesh. Audit noted that the trend of misutilisation continued during 2019-23, despite the issue being repeatedly highlighted in various Audit Reports of the CAG of India on the Social, General and Economic Sectors (Non-PSUs) of the GoHP for the years ended March 2016 to March 2019. During 2020-22, ₹254.73 crore sanctioned under National Disaster Response Fund (NDRF) was not released due to high SDRF opening balances (₹745.91 crore in 2020, ₹752.79 crore in 2021) caused by non-clearance of OB-suspense head. This delayed the relief assistance from the NDRF by one to two

years. Further, MHA, GoI deducted assistance of ₹61.02 crore based on inaccurate notional SDRF balances, with no follow-up by the State for the release of the balance funds.

Against SDRF guidelines, ₹122.27 crore was kept in saving bank accounts instead of being invested in permitted instruments, resulting in a loss of interest. The State did not recoup this loss from its own resources.

In test-checked Districts, utilisation of SDRF/NDRF funds ranged between 69 and 92 *per cent* during 2019-23. In Blocks, utilisation was lower ranging between 34 and 43 *per cent*. Funds were sanctioned in excess of approved norms for road restoration (₹11.66 crore), drinking water/irrigation schemes (₹0.74 crore), and miscellaneous assistance (₹39.20 lakh). Inadmissible works, including routine repairs and new constructions, worth ₹11.76 crore were executed, diverting funds from disaster relief.

Sanction of funds for relief by the DCs was delayed by 11 to 33 months in 90 cases due to non-submission of the requisite documents by the concerned authorities/beneficiaries and poor fund management.

The State Disaster Management Plan (SDMP) was not annually updated, and District Disaster Management Plans (DDMPs) lacked State Executive Committee approval. Community plans and Village Disaster Management Teams (VDMTs) were not established in test-checked areas. The State Disaster Response Force was understaffed, with only 193 of 326 sanctioned posts filled and no technical staff appointed. District Emergency Operation Centres (DEOCs) remained under-equipped due to unutilised funds (18.18 lakh) and inadequate infrastructure. Training targets for youth volunteers (shortfall: 8,566; 51.77 *per cent*) and masons (shortfall: 5,307; 96.22 *per cent*) were not met during 2019-23 and ₹2.37 crore remained unutilised as of October 2023. No training was conducted for carpenters/bar benders.

DDMAs in the test-checked districts received ₹6.07 crore (March 2023) from the State Disaster Management Cell for conducting training programmes and procuring equipment. However, the DDMAs neither initiated the required training activities nor purchased the search and rescue equipment, resulting in ₹6.07 crore remaining unutilised.

The State's Management Information System portal was not updated for 9,449 works (₹172.47 crore) sanctioned during 2019-23 and a large backlog of Utilisation Certificates limits the ability to track fund usage in real time.

*The State Government may:*

- (i) *Ensure efficient and effective utilisation of balance funds by issuing standing instructions to its banker for the regular and timely investment of surplus balances.*

- (ii) *Evolve a mechanism to prevent misutilisation of funds on inadmissible works. This may include issuing directions that every bill submitted to the Treasury be accompanied by a one-page undertaking signed by the drawing officer, matching each charge or expenditure with the relevant SDRF/NDRF provisions and applicable limits.*
- (iii) *Ensure relief within 30 days of a disaster report. Use the existing SMIS (or, until it is cleaned up, a shared spreadsheet) to flag any case that crosses day 30 and email the Deputy Commissioner and Revenue Secretary automatically. For any delays, responsibility to be fixed.*
- (iv) *Strengthen infrastructure for training and capacity building by earmarking of training institutes for imparting training programmes for disaster preparedness and purchasing and distribution of search and rescue equipment centrally to bring efficiency in purchase process.*
- (v) *Update the SMIS by resolving all pending cases in a time-bound manner. For this, dedicated manpower may be deployed to upload missing Utilisation Certificates and update work status.*
- (vi) *Establish a mechanism for regular reconciliation of figures with the Centre. The mechanism should ensure that opening balances, releases, and expenditures are periodically reviewed and mutually agreed with the Ministry of Home Affairs to avoid discrepancies and prevent future hold-backs.*

## **Chapter VI - Individual Audit Observation**

### **Himachal Pradesh Forest Department**

Scrutiny of the records of the Nodal Officer (FCA), Shimla revealed that 314 number of cases got in-principle and final approval by the Regional Office, MoEF&CC up to December 2021. However, in three cases under the Chamba Circle, discrepancies were observed between the eco-classification of the forests mentioned by the Department and the Net Present Value (NPV) rates applied. In another case, saplings present in the forest land were not accounted for while calculating forest density. As a result, the possibility of under-assessment and consequent short realisation of Compensatory Afforestation Fund Management and Planning Authority (CAMPA) funds amounting to ₹1.33 crore cannot be ruled out.



# **Chapter I**

## **General**





## Chapter I: General

### 1.1 Introduction

This Report covers matters arising out of the Compliance Audit of the Departments of the State Government. The primary purpose of this Report is to bring to the notice of the Legislature the important results of audit. Findings of audit are expected to enable the Executive to take corrective action and also to frame policies and directives that will lead to improved financial management contributing to better governance.

The Report has been organised in six chapters as under:

Chapter I contains description of the State Government of Himachal Pradesh, brief profile of the State for the year 2022-23, the authority for audit, response of the State Government to various audit products namely Inspection Reports, individual observations/paragraphs and follow-up action on Audit Reports.

Chapter II contains Subject Specific Compliance Audit of ‘Institutional Gaps and Academic Shortfalls at Himachal Pradesh University’.

Chapter III contains Subject Specific Compliance Audit of ‘Regulation of Mines and Minerals in Himachal Pradesh (including PMKKKY)’.

Chapter IV contains Subject Specific Compliance Audit of ‘Execution of Minor Irrigation Schemes in Himachal Pradesh’.

Chapter V contains Subject Specific Compliance Audit of ‘Utilisation of State Disaster Response Fund/ National Disaster Response Fund’.

Chapter VI contains individual audit observation relating to Compliance Audit of Department.

### 1.2 About the State of Himachal Pradesh

Himachal Pradesh is situated in the western Himalayas. The State has a geographical area of 55,673 sq. km, which constitutes 1.69 *per cent* of the geographical area of the country. Recorded Forest Area (RFA) in the State is 66.52 *per cent* of the State’s area. The State is predominantly mountainous with altitudes ranging from 350 metres to 6,975 metres above the mean sea level. About one third of the area of the State is permanently under snow, glaciers and cold desert. The Average Annual Rainfall is about 1,800 mm. The temperature of the State varies from sub-zero to 35°C. The Satluj, Beas, Ravi, Chenab and Yamuna are the major rivers of the State.

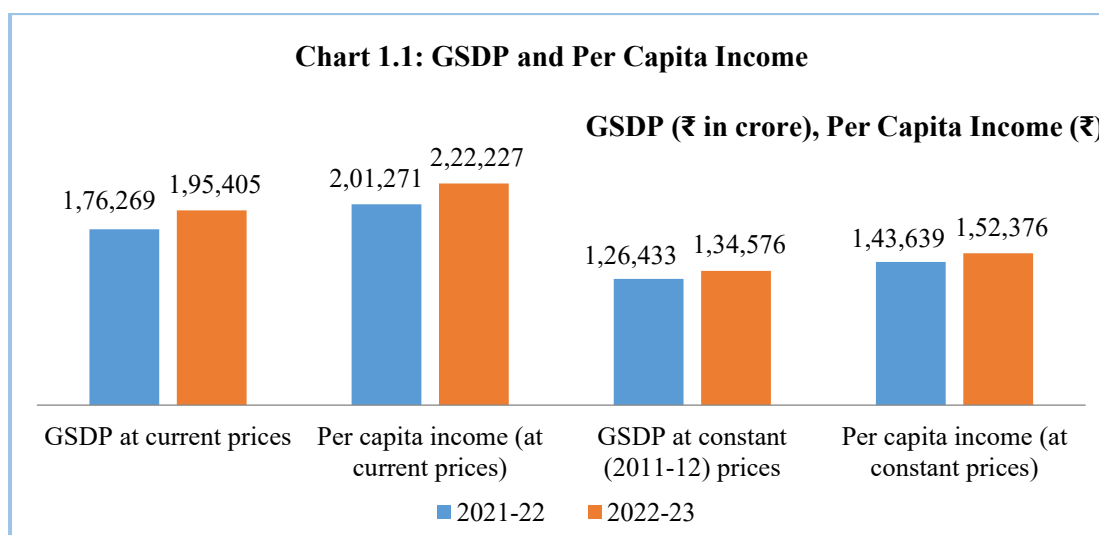
Himachal Pradesh became a State on 25 January 1971. It is a Special Category State. The State is bordered by Punjab, Haryana, Jammu and Kashmir, Ladakh, Uttarakhand, and Uttar Pradesh. The State shares international border with China.

The State has 12 Districts, of which most are hill Districts and three are Tribal Districts. As per the 2011 census, Himachal Pradesh has a population of 68.65 lakh accounting for 0.57 per cent of India's population. The rural and urban population constitutes 89.97 per cent and 10.03 per cent respectively. Tribal population is 5.71 per cent of the State's population. Agriculture is the main occupation of the people of Himachal Pradesh as it provides direct employment to more than half of the main working population. Manufacturing, horticulture and tourism are other important sectors of the State.



### 1.2.1 State Economy

Gross State Domestic Product<sup>1</sup> (GSDP) of Himachal Pradesh is estimated to be ₹ 1,34,576 crore at constant prices<sup>2</sup> (2011-12) at the end of the Financial Year 2022-23, registering growth of 6.44 per cent over the previous year. GSDP of Himachal Pradesh (at constant prices) was 0.84 per cent of national GDP (₹ 160.71 lakh crore). GSDP and per capita income (both at current and constant prices) for 2022-23 in comparison with 2021-22 are depicted in **Chart 1.1**.



Source: Economic and Statistics Department, Himachal Pradesh.

<sup>1</sup> Total value of goods and services produced during a financial year within the State. It is the most commonly used indicator to measure the size of the economy of a State.

<sup>2</sup> GSDP at constant prices considers the impact of inflation, while GSDP at current prices does not consider it.

### 1.3 State Government Profile

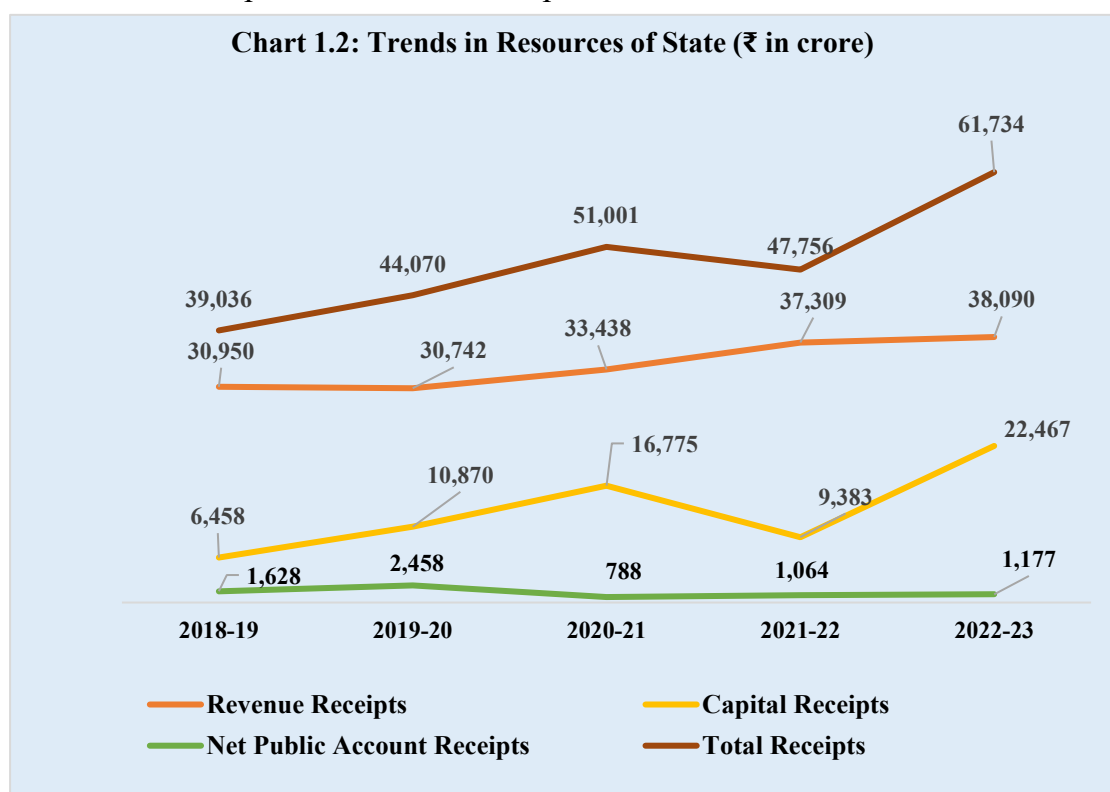
#### 1.3.1 Structure of Government

The Government of Himachal Pradesh is organised into 46 Departments and 31 State Public Sector Undertakings (PSUs). In addition, there are 76 Autonomous Bodies in the State.

The State has 61 Urban Local Bodies (ULBs) which include five Municipal Corporations (Shimla, Dharamshala, Solan, Mandi and Palampur), 29 Municipal Councils and 27 Nagar Panchayats. Further, there are 3,708 Panchayati Raj Institutions (PRIs) which include 12 Zila Parishads, 81 Panchayat Samitis and 3,615 Gram Panchayats as on 31 March 2023.

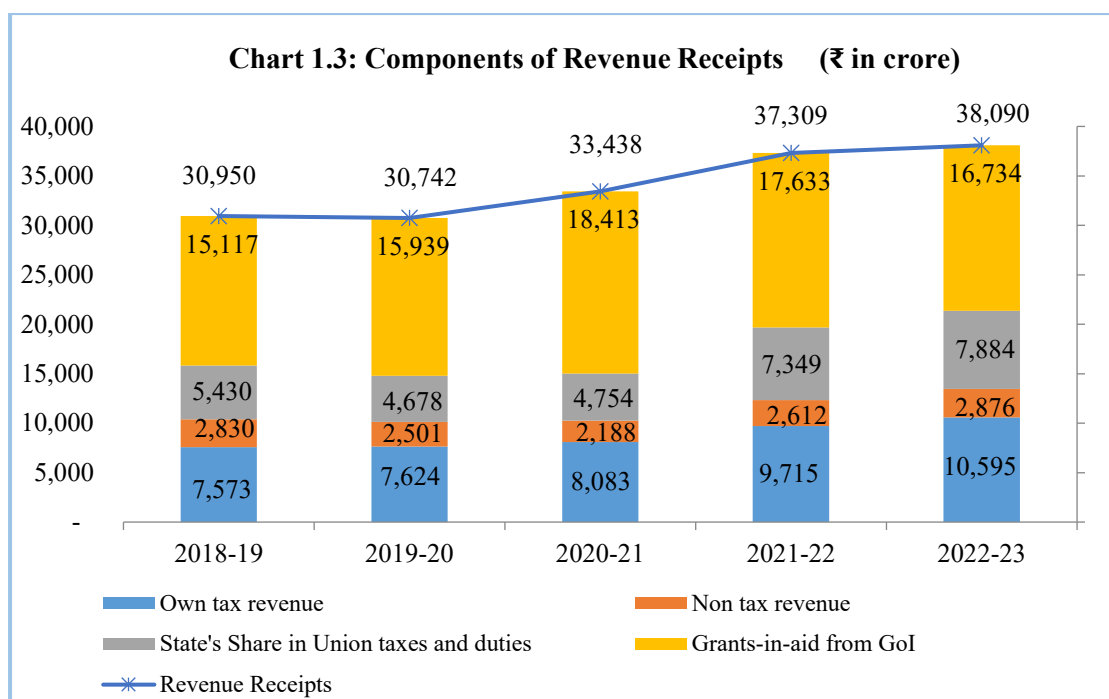
#### 1.3.2 Receipts of the State Government

The trend in total receipts of the State Government during the period 2018-19 to 2022-23 and components thereof are depicted in **Chart 1.2**.



Source: State Finances Audit Report for the year ended 31 March 2023, Government of Himachal Pradesh.

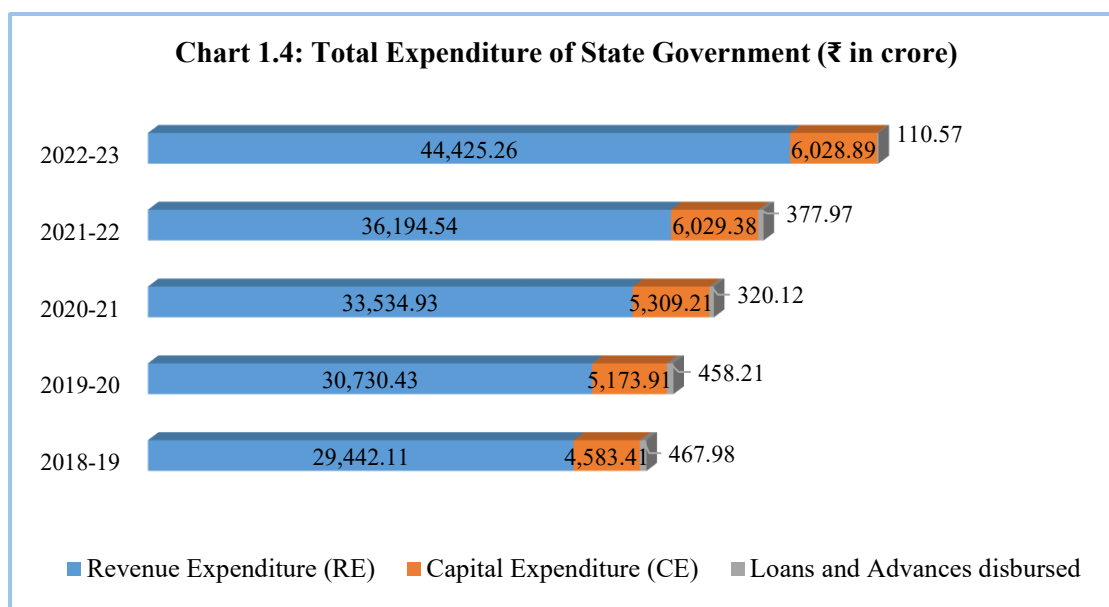
The trend in components of Revenue Receipts during the period 2018-19 to 2022-23 has been depicted in **Chart 1.3**.



Source: State Finances Audit Report for the year ended 31 March 2023, Government of Himachal Pradesh.

### 1.3.3 Expenditure Profile of State Government

Total expenditure of the State Government during the last five years and its composition is depicted in Chart 1.4.



Source: State Finances Audit Report for the year ended 31 March 2023, Government of Himachal Pradesh.

Further details on Budget, Receipts, Expenditure, and other dimensions of State Finances are discussed in the CAG's State Finances Audit Report (SFAR) for Himachal Pradesh, presented separately.

## 1.4 Authority for Audit

Authority for audit by the Comptroller and Auditor General of India (CAG) is derived from Articles 149 and 151 of the Constitution of India and the CAG's (Duties, Powers and Conditions of Service) Act, 1971 (DPC Act). The CAG conducts audit of expenditure of State Government Departments under Section 13 of the CAG's DPC Act<sup>3</sup>. In addition, CAG also conducts audit of other Autonomous Bodies which are substantially financed by the Government under Section 14 of DPC Act<sup>4</sup>. Section 16 of the CAG's DPC Act authorises CAG to audit all receipts (both revenue and capital) of the Government of India and of Government of each State and of each Union Territory having a Legislative Assembly and to satisfy himself that the rules and procedures are designed to secure an effective check on the assessment, collection and proper allocation of revenue and are being duly observed. Principles and methodologies for various audits are prescribed in the Regulations on Audit and Accounts (Amendments), 2020 and Auditing Standards issued by the Indian Audit and Accounts Department.

## 1.5 Response of the State Government to Audit

### 1.5.1 Response to Inspection Reports

Inspection Report (IR) refers to an Audit Report issued by the Audit Office viz., Principal Accountant General/PAG (Audit), Himachal Pradesh, after completion of audit of an auditable entity<sup>5</sup>. IR contains individual audit observations/findings (referred to as Audit Paragraphs) and may contain audit findings on a specific theme.

The heads of the auditable entities, through their next higher authorities, are required to report compliance with respect to the findings contained in the IRs to the PAG (Audit) within four weeks of receipt of IRs. Based on the action taken, an Audit Paragraph is either settled or the auditable entity is requested to take further corrective action. When all the Audit Paragraphs in an IR are settled, the IR is treated as settled. Ad-hoc Committee meetings are scheduled by the Finance Department on an annual basis where Audit Paragraphs of IRs are discussed for settlement. Status of IRs and Audit Paragraphs therein pertaining to Social, General and Economic Sectors as of 31 March 2023 is shown in **Table 1.1**.

<sup>3</sup> Audit of (i) all expenditure from the Consolidated Fund of State; (ii) all transactions relating to Contingency Fund and Public Accounts; and (iii) all trading, manufacturing, profit and loss accounts, balance-sheets and other subsidiary accounts.

<sup>4</sup> Several Non-Commercial Autonomous/Semi-Autonomous Bodies, established to implement Schemes for employment generation, poverty alleviation, spread of literacy, health for all and prevention of diseases, environment, etc., and substantially financed by the Government, are audited under Section 14.

<sup>5</sup> Auditable entity refers to any entity of the State Government including any Office, Authority, Body, Company, Corporation, Fund, Local Body, or any other entity subject to audit by the Comptroller and Auditor General of India.

**Table 1.1: Status of settlement of Inspection Reports and Audit Paragraphs**

Sr. No.	Particulars	Inspection Reports	Audit Paragraphs
1.	Pendency as of 31 March 2022	11,842	57,179
2.	Issued during the year 2022-23	526	6,298
3.	Settlement during 2022-23	763	5,221
4.	Pendency as of 31 March 2023	11,605	58,256

### 1.5.2 Response of State Government to Audit Observations contained in previous CAG Audit Reports

CAG's Audit Reports that are tabled in the Legislature stand referred to the Public Accounts Committee/Committee on Public Undertakings (PAC/COPU). Rule 4 of Rules of Procedure for the Internal Working of the Committee on Public Accounts (December 2002) envisages that as soon as the Audit Report is presented to the House, the Departments concerned would *suo motu* initiate action at their level without waiting for formal questionnaire from the committee and report to the committee about action taken by them on each Para within three months from the presentation of the Audit Reports.

The status of *suo motu* replies to audit observations contained in previous years' CAG Audit Reports on Social, General and Economic Sectors and CAG Audit Reports on PSUs, as of 31 March 2023 is given in **Table 1.2**.

**Table 1.2: Status of *suo-motu* replies for audit observations contained in previous Audit Reports**

Name of the Report	Year of the Report	Total Audit Observations included in the Report		<i>Suo-motu</i> replies received		<i>Suo-motu</i> replies not received	
		Performance Audits	Compliance Audit Paragraphs	Performance Audits	Compliance Audit Paragraphs	Performance Audits	Compliance Audit Paragraphs
CAG Audit Report on Social, General and Economic (Non-PSUs) Sectors	2012-13 to 2018-19	24	138	23	128	1	11 <sup>6</sup>
CAG Audit Report on PSUs	2017-18 to 2018-19	1	21	1	16	0	5
CAG Audit Report on Social, General and Economic Sectors	2019-20	0	10	0	1	0	9

Year-wise detail of *suo-motu* replies not received as shown in **Table 1.2** is given in **Appendix 1.1**.

<sup>6</sup> One Thematic Audit on Agriculture Crop Insurance Schemes relates to Agriculture and Horticulture Departments. However, *suo motu* reply in respect of Horticulture Department is still awaited.

### 1.5.3 Discussion of CAG Audit Reports in PAC/COPU

CAG Audit Reports referred to Public Accounts Committee (PAC) and Committee on Public Undertakings (COPU) are taken up for discussion and oral examination by the Committee concerned. State Government officials (usually the Administrative Secretaries of State Government Department concerned/heads of State PSUs) are called for oral examination by PAC/COPU. During the year 2022-23, the status of audit observations discussed by PAC/COPU and status of audit observations pending for discussion in the PAC/COPU as of 31 March 2023 is given in **Table 1.3**.

**Table 1.3: Discussion of Audit Observations during the year 2022-23 and Audit observations pending discussion as of 31 March 2023 in PAC/COPU**

Concerned Legislative Committee -Name of the Report	Year of the Report	Total Audit Observations included in Reports		Audit Observations discussed in PAC/COPU during 2022-23		Audit Observations pending discussion in PAC/COPU as of 31 March 2023	
		Performance Audits	Compliance Audit Paragraphs	Performance Audits	Compliance Audit Paragraphs	Performance Audits	Compliance Audit Paragraphs
PAC- CAG Audit Report on Social, General and Economic (Non-PSUs) Sectors	2008-09 to 2019-20	43	322	2	2	9	63
COPU- CAG Audit Report on PSUs	2016-17 to 2019-20	2	39	0	13	2	20

During the year 2022-23, the status of audit observations discussed by PAC/COPU is given in **Appendix 1.2** and the year-wise details of audit observations pending discussion in PAC/COPU are given in **Appendix 1.3**.

### 1.5.4 Response of the State Government to recommendations of PAC/COPU

PAC/COPU prepares reports summarising the Committee's hearings, action taken by the State Government/PSUs and recommendations of the Committee. These reports are submitted to the State Legislature. Administrative Departments and PSUs are required to submit Action Taken Notes (ATNs) on recommendations of PAC/COPU within three months from the date of receipt of recommendations. The status of ATNs on the recommendations of PAC/COPU, as of 31 March 2023, is shown in **Table 1.4**.

**Table 1.4: Status of Action Taken Notes (ATNs) on the recommendations of PAC/COPU**

Name of the Report	Concerned Legislative Committee	PAC/COPU recommendations pertaining to Legislative Assembly Tenures	Number of Departments/ PSUs	Number of total pending ATNs on recommendations of PAC/COPU
CAG Audit Report on Social, General and Economic (Non-PSUs) Sectors	Public Accounts Committee (PAC)	Vidhan Sabha VII, VIII, IX, X, XI, XII, XIII	26	207
CAG Audit Report on PSUs	Committee on Public Undertakings (COPU)	Vidhan Sabha XII, XIII and XIV	11	34

Department-wise and Vidhan Sabha tenure-wise detail of **Table 1.4** is given in **Appendix 1.4**.

## 1.6 Acknowledgement

The Office of the Principal Accountant General (Audit), Himachal Pradesh acknowledges the cooperation extended by the State Government Departments, Public Sector Undertakings and other auditable entities during the course of audit. We also acknowledge the cooperation extended by Departments of Industries, Department of Revenue, Jal Shakti Vibhag and Himachal Pradesh University for their cooperation during the conduct of Subject Specific Compliance Audits. We hope that our audit findings will be helpful in highlighting areas of improvement and suggesting corrective action on the audit findings contained in this Audit Report.



**Chapter II**  
**Institutional Gaps and Academic**  
**Shortfalls at Himachal Pradesh**  
**University**



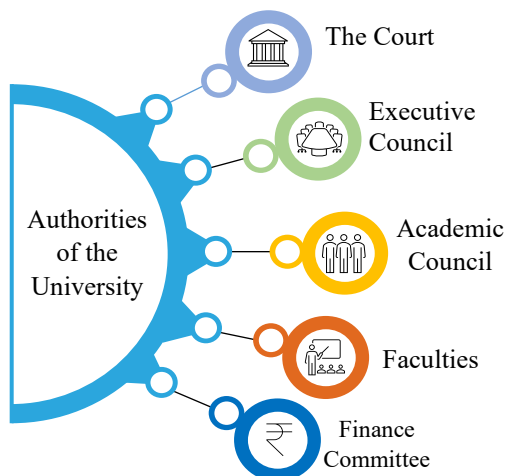
## Chapter II: Institutional Gaps and Academic Shortfalls at Himachal Pradesh University

### 2.1 Introduction

Himachal Pradesh University (HPU) was established under the Himachal Pradesh University Act, 1970 of the Legislative Assembly of Himachal Pradesh on 22<sup>nd</sup> July 1970. It is a multi-faculty residential and affiliating university in the State that provides higher education to urban, rural and tribal areas through formal and distant modes. The prime objective of the University is to disseminate knowledge, advance learning and understanding through research, training and extension programmes. It is a grade 'A' university (November 2022) accredited by the National Assessment and Accreditation Council<sup>1</sup> (NAAC).

At the University level, the Governor of Himachal Pradesh shall be the Chancellor of the University and he is the Head of the University and the President of the Court and shall, when present, preside over the meetings of the Court and at any convocation of the University. The Vice Chancellor (VC) is the principal executive and academic officer of the University. The VC is assisted by Registrar, Finance Officer, Controller of Examinations, Heads of the Departments, *etc.*

**Chart 2.1: Authorities of the University**



There are five Authorities of the University *viz.*, (i) The Court (ii) Executive Council (iii) Academic Council (iv) Faculties (v) Finance Committee as depicted in **Chart 2.1**. The Court is responsible for reviewing from time to time the broad policies and programmes and to consider and pass resolutions on the annual report and the annual accounts together with the audited report of the HPU.

The Executive Council (EC) shall be in charge of the general management and administration (including the revenue and property) of the University. Academic Council of the University shall have the control and general regulation and be responsible for the maintenance of standards and methods of instruction, evaluation, education, examination and research in the University.

<sup>1</sup> The National Assessment and Accreditation Council (NAAC) assesses and accredits Higher Educational Institutions (HEIs) like colleges, universities, and recognized institutions to determine their 'Quality Status'. NAAC evaluates institutions based on standards of quality related to educational processes and outcomes, curriculum coverage, teaching-learning methods, faculty, research, infrastructure, resources, organization, governance, financial well-being and student services.

Faculties shall consider and make such recommendations to the Academic Council on any question pertaining to their respective spheres of work. Finance Committee deals with all financial matters and the service matters are first placed before the Finance Committee, and thereafter such matters are placed before the Executive Council with its recommendations.

## **2.2 Audit Objectives**

Audit objectives of the Subject Specific Compliance Audit (SSCA) were to assess whether:

- 1) the availability of faculty, process of curriculum and faculty development were as stipulated under the norms
- 2) the infrastructure for imparting higher education was in place according to the prescribed norms
- 3) the research activities were according to the Research Policy of the HPU

## **2.3 Audit Criteria**

The Audit Criteria for the SSCA have been derived from the following sources:

- Himachal Pradesh University Act, 1970 (Statutes and its Ordinances)
- Guidelines issued by NAAC and Internal Quality Assurance Cell
- University Grant Commission (UGC) Act, 1956 and Rules & Regulations under the Act
- National Institutional Ranking Framework (NIRF)
- National Education Policy, 2020
- Himachal Pradesh Financial Rules, 2009 and General Financial Rules, 2017
- *Rashtriya Uchchatar Shiksha Abhiyan* (RUSA) Guidelines
- Inclusive and Quality Expansion of Higher Education Plan 12<sup>th</sup> Five Year Plan (2012-17)
- Minutes of meetings of Court, Executive Council, Finance Committee & Academic Council
- Research Promotion Policy HPU (1.1) 2020 or thereafter
- Periodic monitoring reports, Orders, Circulars, HPU Handbook

## 2.4 Audit Scope and Methodology

The Subject Specific Compliance Audit (SSCA) covered the period from 2020-21 to 2022-23. Out of total 89 Departments, institutions, centres, Chairs<sup>2</sup> and others existing in the HPU, 30 were selected by using Simple Random Sampling Without Replacement (SRSWOR) method in IDEA software, as per details given in **Table 2.1**.

**Table 2.1: Details of selection of Units**

Type of the Unit	Total no. of Units	Units selected
Academic Department	42	11
Chair	16	4
Academic Study Centre	4	2
Academic Branches/Other Department/ Support Centres	27	13
<b>Total</b>	<b>89</b>	<b>30</b>

An Entry Conference was held on 28 August 2023 with Pro Vice-Chancellor, HPU and other University officials to discuss the audit objectives, criteria, scope and methodology and selection of the samples. The audit involved scrutiny of records of the HPU and Joint Physical Verification of classrooms, computer rooms and laboratories. Audit checked the records pertaining to the courses offered, examinations conducted, adequacy and qualification of faculty and infrastructure available for the period 2020-21 to 2022-23. Students Satisfaction Survey of 357 students was also conducted to verify adequacy of facilities being provided to the students. An Exit Conference was held on 25 April 2025 with the Finance Officer, HPU.

## Audit Findings

### 2.5 Follow up on earlier Subject-Specific Compliance Audit

Subject-Specific Compliance Audit on ‘Working of HPU’ covering the period 2010-13 was incorporated as Paragraph 3.1 of the Comptroller and Auditor General’s Audit Report on Social, General and Economic Sectors (Non-Public Sector Undertakings) for the year ended 31 March 2013. Significant findings of the Subject-Specific Compliance Audit included vacancy position in faculty and the audit observations still persist in the HPU as discussed in the succeeding **Paragraph 2.7.1**. The Subject-Specific Compliance Audit was discussed in the Public Accounts Committee (PAC) on 03 July 2020 and report No. 132 (XIII-LA) of PAC thereon was laid on 11 September 2020 in the State Legislature. The PAC had settled majority of Paragraphs based on the compliance shown/assurance given by the HPU.

### 2.6 Planning and vision documents

One key indicator (6.2.1) in the Quality Indicator Framework of NAAC Manual for Self-study Report for Universities 2020 is the existence of an Institutional Strategic

<sup>2</sup> In order to enrich the academic resources of the university system for a deeper reflection on critical issues, the UGC has formulated the Scheme of Chairs in the name of Nobel Laureates and other illustrious persons who have either been Indian Citizens or are of the Indian origin.

Perspective Plan<sup>3</sup>. Besides, the Dean, Planning and Teachers' Matters of the University has been entrusted with the responsibility of the preparation of Five Year Plan (FYP) and State Annual Plan.

Also, on 40<sup>th</sup> Foundation Day function of the HPU, then Hon'ble Chief Minister of Himachal Pradesh underlined the need for preparing a vision document for qualitative improvement in education, with strengthening of the infrastructure.

With this objective, HPU prepared two vision documents viz., *Drishti: Swarna Jayanti, Vision 2020* and *Heerak Jayanti Drishtipatra 2030* in the year 2011 and 2022, respectively. Audit analysed these documents and observed the following:

- a. The Vision 2020 document consists of two sections. Section one gives the profile of the University covering its salient features, infrastructure and learning resources and existing areas of research. Section two focuses on eight targeted goals which the University has envisaged.

Audit noticed that no activity-wise detailed planning had been prepared, and accordingly financial outlays thereof had also not been provisioned by the HPU.

- b. It was noticed that the Vice-Chancellor constituted a committee to develop Vision Document 2030 in March 2022 with the objective to attain excellence and to make a mark in higher education. Accordingly, the committee had prepared Diamond Jubilee Vision Document 2030 (*Heerak Jayanti Drishtipatra 2030*) in 2022. However, the Vision Document 2030 had not been placed before the Executive Council for approval.
- c. A comparative analysis of targets encrypted in project documents of Vision 2020 & Vision 2030, as detailed in **Appendix 2.1** revealed that 61 out of 91 targets i.e., 67 per cent of Vision 2020 were projected again in the Vision 2030 document. Audit noticed that the said targets had not been achieved. No evidence of achievement-either through documentation or records-was provided to the Audit. Furthermore, most of the activities in the corresponding goals of the Vision Document 2030 are just extension of activities given in the Vision Document 2020.

No pertinent response (October 2023) was provided by HPU on the issue.

HPU has not demonstrated due seriousness in implementing its institutional strategic plans, as evidenced by the significant repetition of unachieved targets from Vision 2020 in Vision 2030, the lack of detailed planning and financial provisions for these

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<sup>3</sup> An Institutional Strategic Perspective Plan (ISPP) refers to a comprehensive document or framework (6.2.1 of Manual for Self-Study Report of Universities) that outlines the long-term vision, goals, and strategies for the development and growth of an educational institution.

documents, and the non-approval and non-initiation of targets set in Vision 2030 even a year after its preparation.

## 2.7 Faculty Resources and Development

### 2.7.1 Availability of Faculty

Para 12.2 of the UGC Regulations on Minimum Qualification for Appointment of Teachers and Other Academic staff in Universities and Colleges and Measures for the Maintenance of Standards in Higher Education, 2018 provides that all the sanctioned/approved posts in the University system shall be filled up on an urgent basis. Details of teaching staff in HPU for 2020-23 are given in **Table 2.2**.

**Table 2.2: Year-wise availability of teaching staff in HPU**

Period	Professor		Associate Professor		Assistant Professor		Guest Faculty hired	Total Teachers		
	Sanc-tioned	In position*	Sanc-tioned	In position	Sanc-tioned	In Position		Sanc-tioned	In position (with guest faculty)	Shortage (per cent)
2020-21	54	102	120	29	405	147	89	579	367	212 (37)
2021-22	55	98	127	47	444	188	116	626	449	177 (28)
2022-23	55	93	127	52	444	207	103	626	455	171 (27)

*\*The number of professors may seem higher than approved. This is because promotions under the Career Advancement Scheme are personal, not permanent posts. When the promoted professor retires, the post goes back to its original level.*

It can be seen from **Table 2.2** that there was a shortage of teaching staff ranging 27-37 per cent during 2020-23, with a downward trend. Shortage of teaching staff may lead to an increase in faculty workload and limit student access to mentorship and academic support as noticed during scrutiny of record of Supervisors guiding excess scholars of Ph.D. and M.Phil. above the prescribed limits of UGC's (Minimum Standards and Procedure for Award of M.Phil./Ph.D. Degrees) Regulations, 2016.

In reply, HPU stated (September 2023) that the matter has been taken up with the State Government for permission to fill up the vacant posts.

In Exit Conference (April 2025), it was intimated that new appointments of teaching staff have been made.

Scrutiny of recruitment records of teaching staff revealed that during 2020-23, HPU made recruitment of 186 posts (Professor: five, Associate Professor: 36, and Assistant Professor: 145).

The issue of shortage of faculty was also highlighted in the Audit Report of the Comptroller & Auditor General of India on Social, General and Economic Sectors (Non-Public Sector Undertakings) for the year ended 31 March 2013 and during discussion in PAC (July 2020), the Department stated that recruitment process for filling for faculties had been initiated. However, the shortage of faculty persisted to a significant extent during 2020-23.

## **2.7.2 Recruitment of Faculty in violation of UGC Regulations**

### **(i) Irregular appointment of Assistant Professor**

Regulation 4.1(I) of UGC's Regulation 2018 *ibid* provides the following criteria for direct recruitment of an Assistant Professor:

- Master's degree with 55 *per cent* marks in a concerned/relevant/allied subject
- The candidate must have cleared the National Eligibility Test (NET) or have been awarded a PhD degree.

Further, State Level Equivalence Committee had been reconstituted (April 2024) with the mandate of examining equivalence of two degrees and give its view on the same.

HPU invited applications for the recruitment of seven Assistant Professors of Commerce subject in December 2019.

During scrutiny of records, it was noticed that one Assistant Professor (Commerce), Department of Evening Studies had qualified NET in Commerce in 2019, but did not possess the required qualification for the post *i.e.*, Master of Commerce on the date of closing of application. Instead he was pursuing the Master of Commerce degree at the time of application and his 2<sup>nd</sup> year result was awaited and as such, was not eligible for the post of Assistant Professor, Commerce. He did hold an MBA degree though.

The Screening-cum-Evaluation Committee shortlisted the candidate and Selection Committee recommended the name of the applicant for appointment to the said post on the basis of management being an allied subject of commerce. This, however, was against the Regulation *ibid* as the matter of Management Subject being allied subject of Commerce was never referred to the State Level Equivalence Committee before initiation of this recruitment process by HPU. In a similar case, the State Level Equivalence Committee, on the directions of Hon'ble High Court, in a meeting (07 February 2023) had declared that these two subjects were not allied.

HPU responded (January 2024) that the Screening-cum-Evaluation Committee was competent to decide the matter of allied subjects.

The reply is not satisfactory as the matter was to be decided by the State Level Equivalence Committee.

### **(ii) Appointment of guest faculty in violation of UGC guidelines**

UGC guidelines regarding guest faculty (January 2019) provide that qualification for the guest faculty shall be same as those prescribed for regular Assistant Professors.

During scrutiny of records, Audit noticed that a walk-in interview was conducted in September 2022 by Department of Forensic Science for engaging Assistant Professor/Guest faculty.



Audit noticed that out of the seven candidates recommended by the Selection Committee, one candidate was neither NET qualified nor Ph.D holder as on date of interview and was thus ineligible to be recommended.

**(iii) Failure to verify documents by the HPU**

Recruitment advertisements in HPU specify that Economically Weaker Sections (EWS) appointments are provisional, pending verification of income and asset certificates. Appointment letters also state that all appointments are subject to verification of educational and other certificates, and any false claims may lead to immediate termination and legal action under the Indian Penal Code.

Audit observed that Himachal Pradesh University (HPU) had not carried out verification of EWS certificates, educational qualifications, and other supporting documents from the concerned issuing authorities for the 186 appointments made during 2020–23, as no records of such verification were provided to Audit (December 2023).

In reply, Assistant Registrar, HPU stated (January 2024) that all the certificates are verified with the original certificate before the interview by the experts drawn from the concerned subject.

The reply is not satisfactory, as without verification from the respective issuing authorities, the authenticity of the certificates remains unestablished.

**2.7.3 Faculty Development Programmes for Teachers**

Para 7.1.3 of Report on ‘Inclusive and Qualitative Expansion of Higher Education’ issued under 12<sup>th</sup> Five Year Plan states that faculty development initiatives could include areas like entry level orientation, curriculum development, teaching and learning, research and innovation, engagement with social concerns and leadership development. Customized faculty development programmes may also be developed on a large scale.

The position of full-time teachers of selected Units/Departments who attended Professional Development Programs (PDPs) during 2020-2023 is given in **Table 2.3**.

**Table 2.3: Details of teachers who attended PDPs during 2020-23**

Year	No. of full-time teachers in selected Units	No. of teachers attended PDPs	Percentage of teachers attended PDPs
2020-21	192	15	08
2021-22	223	27	12
2022-23	225	37	16

As evident in **Table 2.3**, full time teachers in selected Units/Departments, who attended PDPs during 2020-23 ranged between eight and 16 *per cent*.

In the reply, HPU stated (October 2023) that appropriate steps would be taken to encourage more faculty members to participate in Professional Development Programs.

Thus, HPU did not encourage most of the faculties to attend these courses which would have helped in improving their professional skills, leading to individual and institutional excellence. Significantly, only four teachers at the University Institute of Technology (UIT) had received recognition at the State or National level during 2020-23.

## **2.8 Infrastructure availability**

The adequacy of physical infrastructure and facilities, including basic hygiene requirements, is essential for fostering a conducive learning environment in Higher Education Institutions (HEIs). Key elements such as well-designed classrooms with suitable furniture, computer rooms, internet access, science labs, vocational education areas, etc. contribute to an enriched learning atmosphere. Some of these aspects were assessed during audit and the related observations are discussed in the succeeding paragraphs.

### **2.8.1 Availability of Information and Communication Technology facilities**

As per Para 3.3 of RUSA-2.0 guidelines, the critical infrastructures are technologically enabled classrooms, automation of library, availability of e-resources, auditorium, etc.

Scrutiny of the records and joint physical inspection of the selected 20 academic units<sup>4</sup> carried out for assessing the efforts made by HPU to encourage advanced teaching methods through the use of ICT revealed that:

- (i) Only six Departments<sup>5</sup> (out of 20) had 100 *per cent* ICT-enabled classrooms.
- (ii) Nine Departments<sup>6</sup> had ICT-enabled rooms ranging between 17 to 75 *per cent*.
- (iii) ICT-enabled classrooms were not available in five Departments/Chairs<sup>7</sup>.

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<sup>4</sup> Three academic units viz. Centre for Women Studies, Swami Vivekananda Study Centre, Saint Shiromani Guru Ravi Dass were without any enrolment of students, International Centre for Distance Education and Open Learning (ICDEOL) being a distance education centre, and Academic Staff College, Central Science workshop, Computer Centre, Agro research, Administration and Examination are not teaching/Academic Departments; hence, these were not considered for ICT assessment.

<sup>5</sup> Dept. of UIT, Dept. of History, Institution of Tribal Study, Dept. of Economics, Dept. of Microbiology, HPU Business School

<sup>6</sup> Dept. of Chemistry, Dept. of Political Science, Dept. of Law, College of Business Studies, Dept. of Bio Science, Institute of Vocal Studies, Dept. of Physics, Institute of Legal Study (UILS), Regional Centre Dharamshala

<sup>7</sup> Department of Library and Information Science, Dr. B. R. Ambedkar Chair, Dr. Shyama Prasad Mukherjee Chair, Dr. Y. S. Parmar Chair and Population Research Centre.

- (iv) Out of 82 classrooms in the test-checked Units, only 42 (51 per cent) were ICT-enabled.

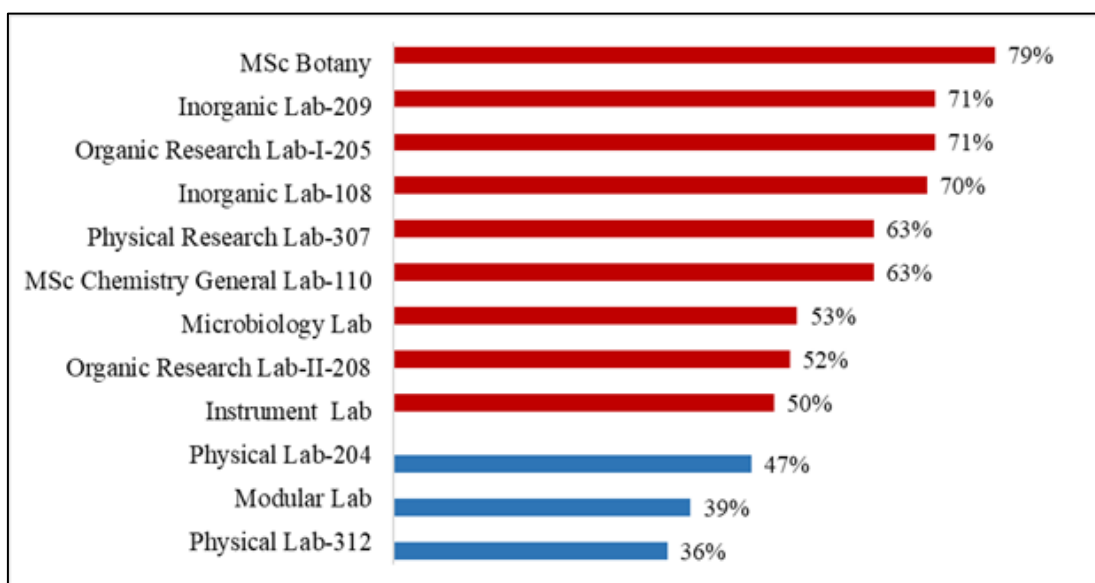
Further, in response to a student survey on the level of satisfaction with smart classroom facilities, only 50 per cent of students were satisfied with such facilities provided.

### 2.8.2 Availability of basic equipment in science laboratory

Chapter XXV Para 25.10(e) ordinance Vol-II of HPU provides that the duty of Board of Studies is to prepare lists of minimum apparatus and equipment required for science laboratories.

Audit checked records of four Science Departments – Physics, Chemistry, Microbiology and Biosciences, having laboratories. Out of these, significant shortage of laboratory equipment was noticed in Chemistry, Microbiology and Biosciences Departments. Against a total of 924 basic equipment required for the functioning of the laboratories in these three departments, only 295 equipment were available, as of August 2023. The shortage ranged between 36 per cent (Physical Lab of Department of Chemistry) and 79 per cent (M.Sc. Botany), as shown in **Chart 2.2**.

**Chart 2.2: Shortage of equipment in laboratories in Departments of Bioscience, Chemistry and Microbiology**



These three being experimental science subjects require practical work as it is essential to the understanding of the course. A key aim is to develop the skills of a proficient practical scientist. Shortage of basic laboratory equipment can adversely affect the quality of education, as many students would be deprived of hands-on experience and practical understanding of the subject.

In response, HPU stated (October and November 2023) that required equipment could not be purchased due to shortage of funds.

The university's claim stands in contrast to its own ten-year vision document, which included a clear target of establishing state-of-the-art laboratories. Such a strategic commitment implies the need for adequate financial planning and prioritization of resources.

### **2.8.2.1 Non-functional major equipment in Physics Department**

In Central Science Workshop, Department of Physics, it was noticed that University Science Instrumentation Centre of HPU (USIC) now merged with 'Central Science Workshop' (CSW) purchased three costly and sophisticated equipment namely Scanning Electron Microscope (SEM), Atomic Absorption Spectrophotometer (AAS) and Vibrating Sample Magnetometer (VSM) during 2010-13 for ₹ 199.51 lakh, which were non-functional.

(i) HPU purchased a Scanning Electron Microscope (SEM) in 2010 for ₹ 105.89 lakh under General Development Assistance (GDA) funding of UGC. It was highly sensitive to dust and moisture and required an installation zone having magnetic field less than 40 Nano Tesla. Installed in an unsuitable location with high dust and moisture, the SEM became non-functional by 2015. Despite repeated requests and a committee being formed in 2017, the instrument was relocated in 2019 only. A Service Report of 2022 noted major hardware issues, but no repairs were made, rendering the costly equipment unused for over eight years and depriving students of its research benefits.

In the reply, HPU stated (October 2023) that non-functioning of SEM had not affected the research work because the SEM facility had been obtained from neighbouring institutes like IIT Mandi, Punjab University, University of Delhi, Aligarh Muslim University etc. The reply is not satisfactory as more than eight years have already lapsed since non-functioning of the instrument and researchers/students were forced to go to other Universities for analysing the samples for research work related to study of topography of material through scanning using beam of electrons.

(ii) Similarly, out of funds sanctioned and released under GDA, an amount of ₹ 17.00 lakh was allocated (March 2011) for procurement of AAS. The AAS was procured for ₹ 16.94 lakh and installed on 22.02.2013. But the AAS was non-functional since 2017 due to pending repairs, potentially impacting ongoing research activities.

(iii) Under the Department of Science and Technology Fund for Improvement of S&T Infrastructure (FIST Scheme), ₹ 150 lakh were sanctioned in 2010 to enhance postgraduate teaching and research, with ₹ 91 lakh released for procuring a VSM. The VSM, installed in July 2011 and purchased at a cost of ₹ 76.68 lakh, has been non-functional since 2021 due to pending repairs.

In the reply, Director/In-charge CSW stated (October 2023) that both VSM & AAS are exclusively for research activities. It was further stated that these instruments were

non-functional due to shortage of funds for maintenance. The reply of HPU is not satisfactory because non-functioning of research equipment had defeated the basic purpose of promoting R&D (Research and development) activities in new and emerging areas and attracting fresh talents and researchers had to depend on other institutions for using these equipment for research work.

### **2.8.3 Delay in completion of Enterprise Resource Planning Software**

A University Enterprise Resource Planning (ERP) system is a software solution that helps manage all aspects of an institution's operation from a single platform. It streamlines workflows, improves communication and collaboration among the Departments, and provides real time data analysis for informed decision making. To implement Web Enabled University Management Information System (MIS) for HPU, administrative approval and expenditure sanction of ₹ 50.00 lakh was accorded (March 2014) by the State Government. HPU signed MoUs (June 2016 and September 2017) with ITI Ltd. (Government of India Undertaking) for Phase-I (involving 18 Modules) for ₹ 4.30 crore and Phase-II (involving 19 Modules) for ₹ 3.90 crore.

Audit noticed that after incurring an expenditure of ₹ 11.19 crore (against the sanctioned amount of ₹ 8.20 crore), 30 out of 37 modules were non-functional as they remained unutilised and needed changes/modifications as of September 2023. Out of 30 non-functional modules, five - Examination Management and Result Processing, Research and Project Management, University Resource Centre, Knowledge Management Portal and Placement Management were related to academics, thus affecting assessment processes, research facilitation, knowledge dissemination, and student career support. In September 2023, HPU notified various technical committees for completing the remaining work of customisation of ERP modules.

In its reply, HPU stated (December 2023) that initially all the modules were implemented successfully, some of the modules could not be utilised by University due to resource unavailability, hardware limitation, internet connectivity in various Departments. Furthermore, HPU replied (January 2025) that out of 37 ERP modules, 23 have been fully implemented and are functional, nine modules are operational but are undergoing further customisation and remaining five modules are being reviewed by Joint ERP Review Committee to develop new ERP modules instead of the existing modules.

The reply is not satisfactory as more than seven years have passed since signing of the last MoU and yet all the modules could not be made functional even after incurring expenditure of ₹ 11.19 crore.

## 2.9 Institutional Mechanisms for improving quality of education

### 2.9.1 Curriculum Design and Development

As per Key indicator 1.1 of the Quality Indicator Framework of NAAC Manual for Self-study Report for Universities 2020, one of the main responsibilities of universities is Curriculum Design and Development<sup>8</sup> and thus are expected to have processes, systems and structures in place to shoulder this responsibility.

#### (a) Non-constitution, delay in reconstitution and non-adherence to provisions of the Ordinance in constitution of the Boards of Studies

Section 15 of the Himachal Pradesh University Act, 1970 provides that there shall be Boards of Studies for different subjects or groups of subjects in the University. The major function of the Boards of Studies is to recommend courses of studies and prescribed readings and detailed syllabi for various courses. Chapter XXV of the First Ordinance of HPU provides for constitution and composition of Boards of Studies, having representation from Chairman of the Departments, Principal, Professors, Associate Professors, Assistant Professors and experts for different subjects or group of subjects. Board of Studies is constituted for two years.

The overall status of Boards of Studies constituted in 85 courses/chairs<sup>9</sup> (69 Post Graduate (PG) courses and 16 Under Graduate (UG) courses) in HPU is detailed in **Table 2.4**.

**Table 2.4: Constitution of Boards of Studies during 2020-23**

Type of course	Total no. of courses	Boards of Studies constituted	Boards of Studies not constituted	No. of Boards of Studies pending reconstitution (delay in months) (Out of Column 3)	Provisions of Ordinance not adhered in constitution of the Boards of Studies (Out of Column 3)
1	2	3	4	5	6
PG Courses	69	56	13	11 (02-26)	36
UG Courses	16	13	3	1 (24)	11

It can be seen from **Table 2.4**:

- In PG courses, 20 *per cent* Boards of Studies were pending for reconstitution, with delay ranging from two to 26 months and in UG courses, one Board of Studies was pending for reconstitution even after delay of 24 months, as of March 2023.
- 64 *per cent* Boards of Studies constituted in PG courses and 85 *per cent* in UG courses were formed without adequate representation of the Professors/

<sup>8</sup> Curriculum Design and Development is a complex process of developing appropriate need-based inputs in consultation with expert groups, based on the feedback from the stakeholders.

<sup>9</sup> Board of Studies is not required to be constituted for Ph.D course.

Associate Professors/ Assistant Professors/ Principal, as specified in the First Ordinance *ibid*.

HPU replied (August 2023 and May 2024) that non-availability of teaching faculty resulted in non-constitution of the Boards of Studies and delay was due to late approval of panel of experts by Departmental Council and non-receipt of updated seniority list of Principals and Assistant Professors from Director of Higher Education.

The non-constitution and delayed constitution of Boards of Studies hampered Curriculum Design and Development as discussed in the succeeding paragraphs.

### **(b) Revision of Syllabus**

University Grants Commission's (UGC) instruction of January 2017 provides that curriculum of all academic departments be reviewed and revised at least once in every three years. NAAC Manual for Self-study Report Universities 2020 stipulates feedback from stakeholders in curriculum design and development.

Audit noticed that in one course<sup>10</sup> out of total 86 courses, syllabus was not revised since commencement of the course, while in 13 courses, syllabus had been revised with a delay ranging from one to 19 years, which was contrary to the instruction *ibid*.

In 22 out of 30 selected Units/Departments where revision of syllabus was required/ applicable, revision had been done. However, it was noticed that in 21 out of these 22 Units/ Departments, the revision had been done without obtaining feedback from students/ teachers.

***Academic Council is responsible for prescribing courses of study, the maintenance of standards and methods of instruction, evaluation, education, examination and research in the University. There was no student representation in the Academic Council of HPU, unlike in other Universities<sup>11</sup> where the inclusion of students is mandated by statutes, recognizing them as key stakeholders in academic decision-making. The absence of student representation overlooks their role as important stakeholders in academic decision-making.***

In the reply, the Section Officer (Academic) and Deputy Registrar (Academic) stated (October 2023 and April 2024) that delay was due to shortage of faculty, instructions/orders regarding revisions of syllabus were being followed, however omission could happen and to avoid such lapses in future, steps are being initiated. However, the fact remained that the revision of the syllabus had not been done as per the instruction *ibid*. Resultantly, it delayed development of relevant higher education programmes with flexibility to suit the professional prospects of the students.

<sup>10</sup> Post Graduate Diploma in Clinical Psychology.

<sup>11</sup> Jawaharlal Nehru University, Delhi; Kurukshetra University, Kurukshetra; Maharshi Dayanand University, Rohtak.

### **(c) Delayed/non-implementation of Choice Based Credit System (CBCS)**

To bring the desired uniformity in grading system and method for computing the cumulative grade point average, the UGC had formulated guidelines for adoption of CBCS, which provides choice to students to select from the prescribed courses (core, elective, minor or soft skill courses). The UGC directed (January 2015) for implementation of CBCS in all the universities from the academic session 2015-16.

Audit noticed that the Standing Committee of Academic Council approved (November 2022) CBCS and thereafter Registrar HPU notified (December 2022) the implementation of Postgraduate Regulation 2022 for CBCS in all the PG programmes offered by HPU, after a delay of seven years from date of the notification by the UGC (January 2015). Further, Audit noticed that despite HPU notification (December 2022) CBCS had not been implemented in 27 courses (15 UG + 12 PG) (31 *per cent*) out of total 86 courses, as of April 2024.

The HPU responded (September 2023 and April 2024) that implementation of CBCS was under consideration of the authorities and the decisions taken by the statutory bodies have been notified/ circulated for implementation in the University and in the remaining courses the CBCS would be implemented shortly.

The reply was not satisfactory as inordinate delay of seven years in implementation of the CBCS had deprived the students of uniform grading system for facilitating mobility across institutions within and across countries. However, no concrete reasons had been provided by the HPU for non-implementation of CBCS in the remaining courses. Also, as per Vision 2030 document, CBCS was targeted to be implemented in all PG and UG courses up to 2023 which remained unachieved.

## **2.10 Research Activities**

### **2.10.1 Less Engagement of Faculty in Research and Delays in Project Completion**

As per NAAC's Key Indicator 3.1, HEIs must actively promote research through policies, resources, and faculty engagement. HPU's updated Research Promotion Policy 1.1 emphasizes motivating faculty for advanced research, interdisciplinary projects, sponsored consultancy, Intellectual Property Right support, and quality publications.

Paragraphs 7.1 and 7.1.19 (a) of Report on 'Inclusive and Qualitative Expansion of Higher Education' by UGC (2011) states that adequate funding and initiatives/schemes need to be developed for research activities in HEIs. HPU Research Promotion Policy 1.1, also aims to inculcate interest among faculty members for undertaking research projects of various funding agencies like Department of Science & Technology, Department of Biotechnology, Indian Council of Social Science Research, Indian Council of Medical Research etc.



During accreditation of universities, NAAC (Key Indicator 3.2.2) awards maximum score to the institutions where number of research projects per teacher funded by Government, non-government, industry, corporate houses, international bodies were on an average two and more.

Audit observed that, across selected departments, only 21 research projects were undertaken by an average of 214 faculty members during 2020–23, reflecting a low research engagement rate of approximately 0.1 project per teacher, which was below the standards prescribed by NAAC to obtain maximum score.

Further, the research activities at the university level remained limited to minor research works mainly as 15 (completed) out of 21 projects were Minor Research Projects (Research Projects in Sciences up to a ceiling of ₹ five lakh and in Humanities, Social Science, Languages, Literature, Arts, Law and allied disciplines up to ₹ three lakh).

NIRF reports (2021-23) also state that one of the reasons HPU could not do well in the rankings was that Research Projects and Intellectual Property Rights<sup>12</sup> were very low in HPU.

Audit also noticed that out of 15 completed projects, five projects were completed with a delay of 33 to 101 days, after expiry of three/six months of defined period. The remaining six projects were ongoing as on date of audit (December 2023).

In Exit Conference (April 2025), the Finance Officer stated that the pending works will be taken care of as soon as possible.

The impact of low research output was evident, as HPU fell significantly short of highest NAAC standards, with an average of only three research papers and one book or book chapter published per faculty member. In test-checked departments, only 20 patents<sup>13</sup> were awarded (April 2020 to June 2023) where HPU faculty members were involved (out of which in 14 patents, faculty members of University Institute of Technology only were involved). No revenue was generated through consultancy and only one teacher (University Institute of Technology Department) was awarded two national/international fellowships during 2020-23, out of the 214 average number of full time faculty in the sampled departments/units.

### **2.10.2 Chairs created in the HPU**

Guidelines for the UGC Chairs in the University during XII Plan (2012-17) stipulated that in order to enrich the academic resources of the university system for a deeper reflection on critical issues, the UGC has formulated the Scheme of Chairs in the name of illustrious persons, Nobel Laureates and persons of eminence who have been either

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<sup>12</sup> Intellectual property rights (IPR) are legal protections granted to creators of intangible assets, like inventions, artistic works, and trademarks, allowing them exclusive rights to use, distribute, and benefit from their creations for a specific period.

<sup>13</sup> Chemistry: two, UIT: 14, College of Business studies: two, Regional Centre Dharamshala: two.

Indian Citizen or are of Indian Origin. The Chairs had to contribute to the sphere of research, strengthening role of academics in public policy making, designing the short-term capacity building programmes for teachers in higher education focused on the designated discipline of the Chair, publishing articles/research papers/report/books, etc. The term of Chair Professor appointed on Chairs existing/running in the universities expires after the tenure of five years. It can be extended for another two years, subject to a maximum of seven years. The Chairs already existing/running in the universities are to be discontinued after completion of the current tenure of the Chair.

Audit noticed (November 2023) that 16 Chairs had been created in the HPU during the period January 1990 to December 2021. Justifications for creation of Chairs was noticed only in seven<sup>14</sup> Chairs. Audit observations regarding establishment/functioning of the Chairs are as under:

- (i) Out of 16 chairs, 11 chairs<sup>15</sup> created between May 1998 to December 2021, were never made functional even after lapse of one to 25 years from their notification.
- (ii) In eight chairs<sup>16</sup> out of 16, notification for activation had not been issued even after lapse of four to 25 years.
- (iii) Four Chairs<sup>17</sup> out of five functional Chairs, which were made functional from June 2011 to December 2012, were still functioning beyond prescribed time limit of seven years.

In the reply, HPU stated (November 2023) that Chairs were created or established and made functional on the recommendation of Academic Council/ Finance Committee.

However, HPU did not provide any pertinent reason for not-functioning of 11 chairs. Thus, not-functioning of the Chairs hindered research advancement, and the university's contribution to academic discourse and public policy.

In Exit Conference (April 2025), the Finance Officer intimated that the chairs are non-functional due to lack of finances and activation of chairs will be done.

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<sup>14</sup> Dr. BR Ambedkar, Swami Dayanand Saraswati, Guru Nanak Dev, Babu Jag Jeevan Ram Samajik Samaveshan Adhyayan Peeth, Swami Vivekanand, Mohandas Karamchand Gandhi, Rajiv Gandhi Panchayati Raj Adhyayan Peeth.

<sup>15</sup> Neta Ji Subhash Chander Bose, Mohan Dass Karam Chand Gandhi, Swami Dayanand Saraswati, Guru Nanak Dev, Rajeev Gandhi Panchayati Raj Adhyayan peeth, Babu Jag Jeevan Ram Samajik Samaveshan Adhyayan Peeth, Sanskrit Shodh Kendra Nirmand, Swami Vivekanand, Savitri Bai Phule, Sant Shiromani Guru Ravi Dass, Raja Virbhadra Singh.

<sup>16</sup> Netaji Subhash Chandra Bose, Mohandas Karamchand Gandhi, Guru Nanak Dev, Rajeev Gandhi Panchayati Raj Adhyayan Peeth, Babu Jag Jeevan Ram Samajik Samaveshan Adhyayan Peeth, Sanskrit Shodh Kendra Nirmand, Swami Vivekanand, Dr. Keshav Baliram Hedgewar.

<sup>17</sup> Dr. B R Ambedkar, Dr. Deen Dayal Upadhyay, Dr. Y.S. Parmar, and Dr. Shyama Prasad Mukherjee.

### 2.10.3 Collaborative Activity: Industry-academia connect – Functional Memorandum of Understandings (MoUs)

Academia and Industry share a symbiotic relationship. Engagement between universities and industries carry the idea of mutuality and sharing of knowledge and expertise. Research Promotion Policy of HPU also laid emphasis on signing MoUs with outside Institutions, State Departments, Industrial Houses as well as International Institutions/Universities for collaborative activities including research. As per Key Indicator 3.7 of Quality Indicator Framework of NAAC Manual for Self-study Report for Universities 2020, through collaboration, the Higher Educational Institutions (HEIs) can maintain a closer contact with the work field. During accreditation of universities, NAAC awards maximum marks to an institution where 40 and above functional MoUs/linkages were executed with industries, institutions of national/ international importance etc. for internship, on-the-job training, project work, student / faculty exchange and collaborative research.

Audit noticed that 24 MoUs<sup>18</sup> were signed by HPU during 2020-23. However, only five<sup>19</sup> MoUs were functional/active, leaving the objective of deriving benefits like placement of students, Workshop/ Trainings/ Conferences/ Faculty Development Programme, Skill Development Programmes *etc.* unachieved.

Detailed scrutiny of nine MoUs which were inactive revealed that they contained provisions *inter alia* pertaining to research activities. Thus, opportunities provided by MoUs were also not availed, leading to insufficient research efforts, as discussed in **Paragraph 2.10.1.**

Further, apart from International Centre for Distance Education and Open Learning (ICDEOL), University Institute of Technology (UIT) and University Institute of Legal Studies (UILS), none of the test-checked Departments focused on collaboration with industries during 2020-23 due to which students were denied the potential benefits which could have been gained by the collaboration with the industries.

## 2.11 Conclusion

The audit revealed significant shortcomings in the University's human resources, infrastructure, academic governance, and implementation of strategic initiatives. Persistent faculty vacancies—ranging up to one-third—along with instances of non-compliance with University Grants Commission norms in appointments, and limited participation in professional development activities have adversely impacted teaching and research performance. The average research output remains low, with less than one funded project for every ten faculty members.

<sup>18</sup> Department of Law: one, UILS: four, University Institute of Technology: 18 and ICDEOL: one

<sup>19</sup> ICDEOL: one, Department of Law: one, University Institute of Technology: three

Infrastructure deficiencies were also observed. Classrooms lacked ICT facilities, science laboratories were inadequately equipped, and several research instruments remained non-functional for extended periods despite considerable investment. The ERP system remained incomplete despite substantial expenditure.

Academic and governance structures exhibited delays and stagnation. Boards of Studies had not been reconstituted within stipulated timeframes; syllabi revision was pending for up to nineteen years in some cases; and the Choice-Based Credit System had not been implemented in approximately one-third of the programmes. Academic chairs and collaborations with industry remained largely non-functional.

These deficiencies indicate a gap between the University's stated objectives and its actual implementation capacity. Timely and coordinated action is essential to strengthen faculty deployment, infrastructure, and governance mechanisms in order to achieve the institution's stated goals in higher education.

## **2.12 Recommendations**

The State Government may consider:

- (i) Closing the faculty gap and raising capability by adopting a two-year Faculty plan that (a) fast-tracks recruitment to eliminate the current 27-37 per cent vacancy, (b) requires digital verification of every credential before appointment, and (c) links promotion increments to completion of a recognised professional-development programme each year.*
- (ii) Restoring core teaching and research infrastructure by constituting an Infrastructure Restoration Task Force with delegated spending powers to (a) make all high-value laboratory instruments serviceable, (b) lift ICT-enabled classrooms from the current 51 per cent to 100 per cent, and (c) render all 37 ERP modules fully functional within 18 months, prioritising examination, research-management and placement modules that directly affect academic quality. A ring-fenced maintenance budget-drawn from the five per cent overhead already allowed on sponsored projects-may keep the assets usable thereafter.*
- (iii) Re-energising curriculum governance on a fixed calendar by issuing an Academic Council resolution that: (a) reconstitutes every Board of Studies with full statutory representation by the start of the next semester, (b) sets a rolling three-year syllabus review cycle anchored in structured stakeholder feedback, and (c) completes Choice-Based Credit System adoption in all remaining programmes from the 2026-27 session. Compliance can be tracked through an annual "Curriculum Status Report" tabled to the Executive Council.*

- (iv) *Activating research chairs and partnerships for measurable output by merging the eleven dormant academic chairs and inactive MoUs into a University Research & Outreach Cell empowered to (i) relaunch each chair with a competitively selected coordinator and modest seed grant, (ii) convert every MoU into a time-bound action plan (internships, joint projects, or advisory services), and (iii) aim for one externally funded project per five faculty members within three years—a target well inside NAAC expectations. Progress should be published in the annual research report to keep departments accountable.*



**Chapter III**  
**Regulation of Mines and Minerals in**  
**Himachal Pradesh**  
**(including PMKKKY)**





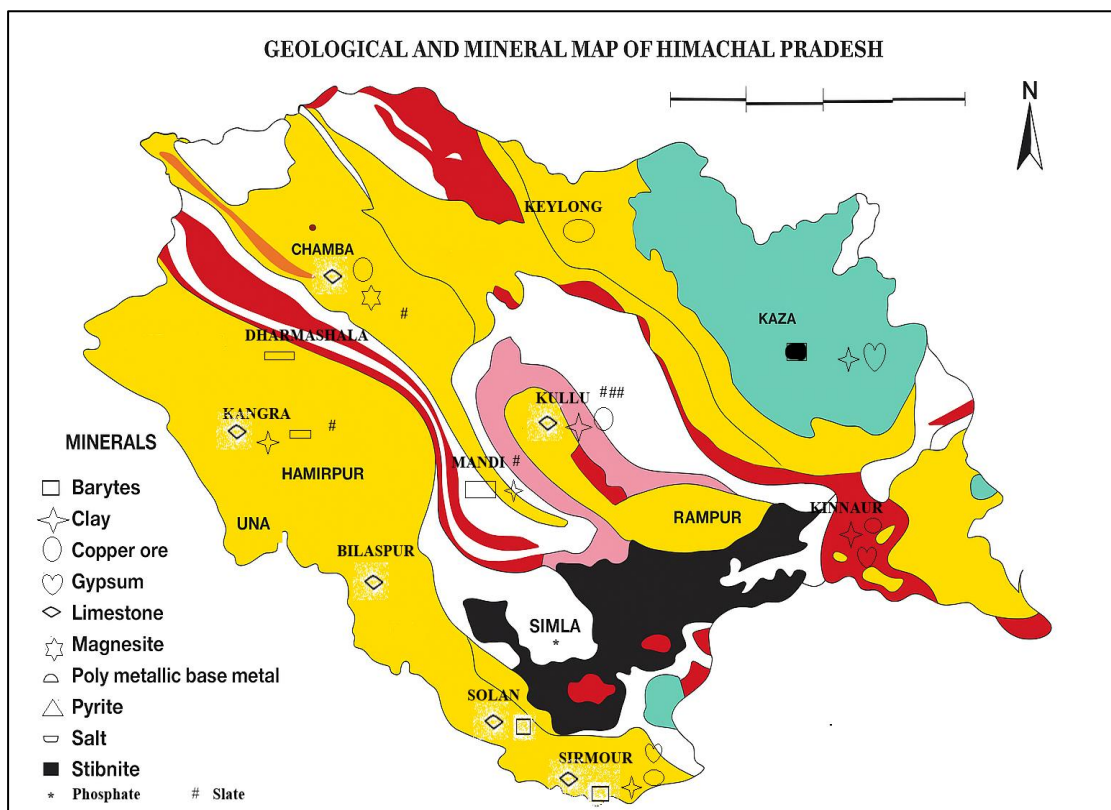
## Chapter III: Regulation of Mines and Minerals in Himachal Pradesh (Including PMKKKY)

### Department of Industries

#### 3.1 Introduction

Himachal Pradesh, which spans 55,673 square kilometers, is endowed with a diverse suite of mineral resources. The State's most extensive deposits include chemical-grade limestone and dolomite, while smaller but commercially significant reserves of barytes and gypsum are also found. Slate and various building materials further enrich the non-metallic mineral portfolio. In all, thirty-seven distinct minerals have been recorded within the State's boundaries, but only barytes, limestone, rock salt and shale currently meet the thresholds of economic viability and support ongoing extraction and processing activities. Together, these resources form a vital foundation for Himachal Pradesh's construction, manufacturing and allied industries.

Mineral profile of Himachal Pradesh is shown in the **Map 3.1**.



Source: Geological wing of Industries Department website.

#### 3.2 Regulatory Framework for Major and Minor Minerals in India

In India, mineral governance is divided into two distinct regimes. The Central Government oversees major minerals—such as iron ore, bauxite, limestone and

dolomite-under the Mines and Minerals (Development and Regulation) Act of 1957, the Mineral Conservation and Development Rules (MCDR) of 2010 and the Mineral Concession Rules of 1960, which together govern their exploration, conservation and development. Under Section 15 of the MMDR Act, 1957, States assume responsibility for minor minerals, including sand, gravel and building stone, and may frame their own regulations. Himachal Pradesh has exercised this power through the Himachal Pradesh Minor Minerals (Concession) and Minerals (Prevention of Illegal Mining, Transportation and Storage) Rules, 2015, which provide a comprehensive framework for sustainable extraction, transportation and storage of minor mineral resources.

Details of mining leases for both major and minor minerals on Government and private lands in Himachal Pradesh, as of March 2023, are given in **Table 3.1**:

**Table 3.1: Details of district-wise major and minor mineral leases in Himachal Pradesh (as of March 2023)**

District	Major Mineral	Minor Mineral	Total Leases
Solan	2	74	76
Bilaspur	1	9	10
Sirmaur	31	58	89
Una	3	68	71
Kangra*	0	86	86
Hamirpur	0	46	46
Shimla	0	50	50
Mandi	1	42	43
Kullu	0	5	5
Kinnaur	0	0	0
Chamba	0	9	9
Lahaul & Spiti	0	2	2
<b>Total</b>	<b>38</b>	<b>449</b>	<b>487</b>

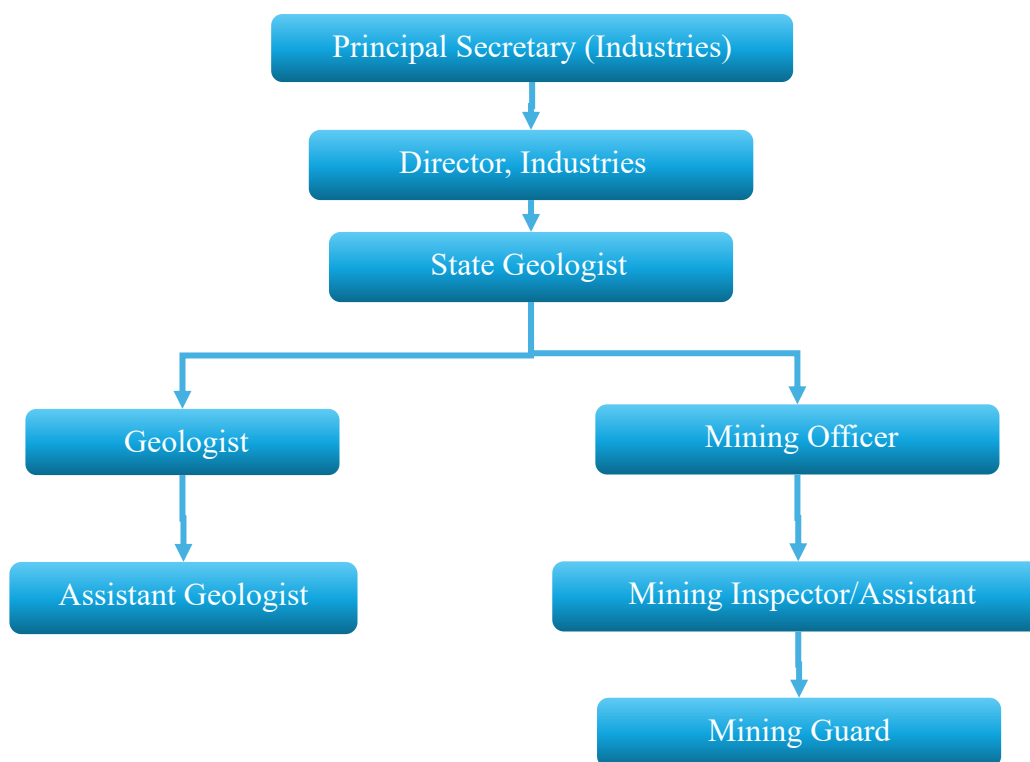
\*District Kangra shown in the table includes Kangra & Nurpur Mining Office

The Geology Wing of the Department of Industries, Himachal Pradesh, oversees all aspects of the State’s mineral resource management. It conducts systematic surveys to identify and evaluate both major and minor mineral deposits and administers the entire life cycle of mining leases—from grant and renewal to termination—under the Himachal Pradesh Minor Minerals (Concession) Rules and the Minerals (Prevention of Illegal Mining, Transportation, and Storage) Rules, 2015. In collaboration with other departments, it enforces regulations designed to deter illegal extraction, unauthorized transport, and unlawful storage of minerals. The wing also assesses and collects royalties, fees, and other dues from mineral concessions, ensuring timely revenue realization that bolsters the State’s non-tax income.

### 3.3 Organizational Setup

The Organizational Chart of Geological Wing under Director of Industries, responsible for mining work in the state is Shown in **Chart 3.1**.

Chart 3.1: Organisational Setup



### 3.4 Trend of revenue from mineral resources

During 2018-19 to 2022-23, the State earned non-tax receipts of ₹1,236.66 crore from mineral concessions, rents, and royalties related to both major and minor minerals, as detailed in Table 3.2.

**Table 3.2: Details of the revenue collection from the mineral concessions, rents, royalties, arising out of mining activities for both major and minor minerals for the period 2018-19 to 2022-23**

(₹ in crore)

Year	Revenue Collection from mineral resources			Total Non-Tax Revenue (NTR) of the State	Percentage of revenue to the total (NTR)
	Royalty	Other <sup>1</sup> dues	Total Revenue		
2018-19	169.66	51.38	221.04	2,830.07	7.81
2019-20	190.10	56.20	246.30	2,501.51	9.85
2020-21	201.14	51.02	252.16	2,188.46	11.52
2021-22	199.82	31.00	230.82	2,612.36	8.84
2022-23	238.40	47.94	286.34	2,876.33	9.97
<b>Total</b>	<b>999.12</b>	<b>237.54</b>	<b>1,236.66</b>	<b>13,008.73</b>	<b>9.51</b>

Source: Departmental records and Finance Accounts for the respective years

<sup>1</sup> Other drilling operations, recovery of over-payment, auction of wastepaper and stock articles, miscellaneous receipts and receipts from PWD.

Between 2018-19 and 2022-23, Himachal Pradesh's earnings from mineral concessions, rents and royalties demonstrated both growth and cyclical variation. In 2018-19, mineral revenues amounted to ₹221.04 crore, representing 7.81 *per cent* of the State's total non-tax receipts; by 2020-21, these collections had increased to ₹252.16 crore and peaked at 11.52 *per cent* of non-tax revenue. Following a modest contraction in 2021-22 to ₹230.82 crore (8.84 *per cent*), collections rebounded strongly in 2022-23 to ₹286.34 crore, or 9.97 *per cent* of non-tax revenue. Over the five-year span, the State accrued a cumulative revenue of ₹1,236.66 crore from mining activities- an average annual contribution of 9.51 *per cent* to its non-tax revenue-underscoring the sector's importance to Himachal Pradesh's fiscal profile.

### **3.5 Audit Objectives**

The Subject Specific Compliance Audit (SSCA) was taken to examine:

- Economical, efficient & environment-friendly resource management of minor minerals
- Granting, renewing, closing & surrendering concessions in accordance with Acts/Rules
- Steps taken to prevent illegal mining & ensuring effective enforcement
- Proper realisation of revenue from mineral concessions
- Implementation of PMKKKY/ Functioning of DMFTs

### **3.6 Audit Criteria**

The Audit criteria for the SSCA was derived from the following Acts/Rules:

1. The Mines and Minerals (Development and Regulation) Act 1957
2. The Mineral Conservation and Development Rules 2010
3. Himachal Pradesh Mineral Policy 2013
4. Himachal Pradesh Minor Minerals (Concession) and Minerals (Prevention of Illegal Mining, Transportation and Storage) Rules 2015
5. Himachal Pradesh District Mineral Foundation Trust Rules 2016
6. National Green Tribunal (NGT) Orders
7. Himachal Pradesh Office Manual, 2011
8. Notifications, orders, and circulars issued by the Central Government, State Government and the concerned Department.

### **3.7 Scope and Methodology of Audit**

The Audit covering the period of five years i.e., 2018-19 to 2022-23 was conducted from August 2023 to July 2024. Four District Mining Offices (*Solan, Bilaspur, Una and Shimla*) were selected on the basis of stratified random sampling. Further, Joint Physical Inspection of 26 mining sites<sup>2</sup> i.e. 10 *per cent* of the total operational mining sites or at least five in the selected districts was conducted. The work of Geo-spatial Survey of 10 leases was also undertaken to assess compliance of the conditions mentioned in mining plans.

For the purpose of test check of utilization of DMFT Funds, 11 out of 17 blocks under these districts and 30 *Gram Panchayats* (GPs) out of 92 *Gram Panchayats* within the selected blocks were selected for asset verification created by using DMFT funds. Accordingly, 68 out of 281 projects were inspected in the selected 30 *Gram Panchayats*. Sampling was done on IDEA software through Simple Random Sampling Without Replacement Method (SRSWR). Additionally, 1,082 beneficiaries associated with these 68 projects were judgmentally selected, based on their availability.

Audit methodology included scrutiny of Departmental records and joint physical inspection of leased sites in the selected districts, Geo Spatial Survey of mining leases and beneficiary survey. The objectives, scope and methodology of audit were discussed with the Secretary of the Mining Department in an Entry Conference held on 04 September, 2023. Audit findings were discussed with the Additional Chief Secretary (Industries) in the Exit Conference held on 22 May 2025 and views of the Government have been appropriately incorporated in this Report.

### **3.8 Planning and Estimation of Mineral Resources**

#### **3.8.1 Annual Action Plan not prepared**

Rule 14.10.1 of the Office Manual of the Government of Himachal Pradesh, 2011 requires every Directorate and Department to draw up an Annual Action Plan (AAP) each January–February and secure its approval by the end of March, setting out a month-wise or quarter-wise sequence of activities for the coming financial year.

Audit scrutiny showed that no AAP in the generic format prescribed by the Office Manual was prepared for any of the five years 2018-19 to 2022-23. The Directorate consequently entered each financial year without a consolidated calendar of statutory inspections, royalty assessments, PMKKKY project milestones, or capacity-building initiatives for lease-holders.

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<sup>2</sup> Bilaspur-five, Shimla- five, Solan-eight and Una-eight.

When the lapse was pointed out, the State Geologist replied in August 2023 that plan formulation lay with the Director of Industries and that the matter would be taken up with the competent authority. No further update had been provided as of May 2025.

During the exit conference (May 2025), Government representatives emphasised that annual revenue targets were nevertheless being met. This contention does not mitigate the non-compliance, because an AAP is intended to spell out how those targets together with environmental surveillance, stakeholder training and DMF project delivery will be achieved, the checkpoints at which progress will be tested, and the contingencies that will trigger corrective action.

In the absence of the mandated AAPs and the supplementary outcome-budget plans, the Directorate forfeited a structured mechanism to align field activity with policy objectives, to monitor utilisation of PMKKKY resources against social impact indicators, and to furnish reliable performance data to the Department of Industries.

### **3.8.2 Incomplete estimation of Mineral Reserves**

The National Mineral Policy, 2019 (Clause 5) provides that every State to maintain and periodically update a scientifically derived, comprehensive inventory of its mineral resources, including deposits in offshore and hill slope areas. Himachal Pradesh's own Mineral Policy (2013) reinforces this duty, assigning the Geological Survey of India and the State's Geological Wing primary responsibility for systematic survey and exploration, and further requires district level survey documents under its Mineral Resources framework.

Audit scrutiny of four sample districts found that, more than a decade after the State policy was issued, no assessment of the overall mineral endowment has been undertaken. The only data available are the District Survey Reports (DSRs), and these cover riverbed aggregates exclusively; potential reserves in hill slope terrain remain unexplored and un-estimated. The Department has therefore not created the comprehensive inventory demanded by national and State policy, undermining evidence-based planning for exploration, environmental safeguards, and revenue mobilisation.

In replies furnished between February and July 2024, Mining Officers stated that Registered Qualified Persons (RQPs) estimate reserves within individual lease areas when preparing mandatory Mining Plans, and that hill slope estimation is impracticable because most concessions there lie on private or barren land. The explanation, however, is unpersuasive as lease specific evaluations, by definition, cannot substitute for a Statewide resource assessment, and the location of concessions does not relieve the Government of its statutory obligation to quantify mineral wealth across all terrains.

During the exit conference (May 2025), the Government asserted that the updated 2024 DSRs meet the requirement for a comprehensive inventory. Examination of those

reports shows that they continue to limit their scope to river-bed minerals, leaving hill slope deposits entirely unaddressed.

The absence of a full inventory inhibits strategic exploration, sustainable resource management and realistic royalty forecasting. A time bound, Statewide survey employing modern remote-sensing, geospatial and geophysical techniques, followed by integration of results into a central mineral-resource database, is essential to close this critical policy-to-practice gap.

### **3.9 Mining and Extraction of Mineral Resources**

#### **3.9.1 Delays and non-disposal of Mineral Concession applications**

The Himachal Pradesh Minor Minerals (Concession) and Mineral (Prevention of Illegal Mining, Transportation and Storage) Rules, 2015 establish a clear, time bound framework for processing applications and executing leases. Rule 7 limits the validity of each mining lease application to three years from its receipt; Rule 10 requires a Joint Inspection Committee (JIC) to visit the proposed site and forward its observations to the State Geologist; Rule 11 mandates that every Mining Officer maintain a lease register in Form 'E'; and Rule 17 stipulates that the sanctioned party must execute a lease deed in Form 'F' within three months of the sanction order, failing which the grant should lapse and the application fee be forfeited.

Audit scrutiny in the selected districts revealed systemic departures from these provisions. Of the 73 applications disposed of during the period under review, fourteen<sup>3</sup> were not decided until between 71 and 1184 days after the stipulated period of three years from receipt. In no file could the audit team locate the correspondence explaining why the mandated inspections had not been completed in time, suggesting shortcomings in inter-departmental coordination rather than unavoidable external delays. Compounding these lapses, none of the districts maintained the compulsory Form 'E' lease register, depriving the Department of a real time trail of applications, sanctions and expiries. In execution of lease deeds, it was observed that in five<sup>4</sup> sanctioned cases the deed was signed six to 282 days beyond the three month limit.

While admitting these delays, the Department attributed them to the JIC procedure, which requires the presence of officers from several line departments and the securing of various statutory clearances. However, the files contained no evidence such as inspection schedules, reminders, or requests for clearance that would substantiate the claim that external agencies were the primary bottleneck. Instead, the absence of even basic record keeping points to weak internal control mechanism.

During exit conference (May 2025), the Government acknowledged the audit findings.

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<sup>3</sup> Shimla-four, Solan-six and Una-four.

<sup>4</sup> Solan-three and Una-two.

### **3.9.2 Irregular grant of open sale leases in border areas**

Paragraph 8.3 of Annexure-A to the Himachal Pradesh Mineral Policy 2013 expressly prohibits the grant of open or free sale leases on Government land in border areas because of the heightened risk of over exploitation of riverbeds and unauthorised cross-border transportation of minerals. In such locations, the Policy confines extraction for open sale to private land and requires the Department to identify any additional high-risk border stretches through a formal study.

Audit scrutiny established that these safeguards were ignored when the Department auctioned four open-sale leases between October 2017 and February 2018 on the Government owned Swan riverbed in Tehsil Una, District Una an area contiguous with Punjab . It was noticed that the leases awarded for ten years at a collective bid value of ₹2.05 crore, exhibited violations like large scale mechanical and unscientific mining, absence of demarcation pillars and encroachment upon the Swan River channel embankment. The Mining Office, Una suspended operations in July 2021 and, in August 2022, the Director of Industries cancelled all four leases. Security deposits amounting to ₹53.24 lakh were forfeited from three lessees as given in **Appendix 3.1** and ₹10 lakh remains outstanding from the fourth lessee.

The Department in its reply (July 2024) stated that mining operations had been terminated. However, it does not address the central issue of why leases were issued in a notified border area in the first place, nor does it explain the failure to recover the remaining security or to assess environmental damage.

During the exit conference (May 2025) it was stated that no leases for open sale had been granted on Government land after the Policy took effect.

The reply of the Government is not satisfactory as, records of the Una leases contradict this claim. Further, the mandated study to map other vulnerable border zones has still not been initiated, leaving the State without a comprehensive risk framework more than a decade after the Policy's adoption.

### **3.10 Monitoring and Regulation of Mining Activities**

Section 4 of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) prohibits the conduct of mining operations except under a duly granted mining lease; Section 21 prescribes penalties for contraventions, including the seizure of vehicles used to transport minerals without authorised transit passes and the auction of seized material. The National Green Tribunal, by its order dated 19 February 2020, reinforced these statutory provisions by directing every State to seize and confiscate vehicles and equipment involved in illegal mining, authorising release only on payment of the prescribed penalty and where the offender is a repeat violator on payment of not less than fifty *per cent* of the vehicle's showroom value.



Consistent with the MMDR Act, Section 23-C empowers State Governments to frame rules to prevent illegal extraction, transport and storage of minerals. In Himachal Pradesh, the Himachal Pradesh Minor Minerals (Concession) Rules, 2015 (Rules 73 and 81)<sup>5</sup> allow first and second time offences to be compounded but require the authorised officer to lodge a complaint before a competent court for any subsequent breach. Officials from the Mining, Police, Forest and other departments<sup>6</sup> have been empowered to initiate such proceedings.

### 3.10.1 Persistence of Illegal Mining

An examination of departmental data for the five year period 2018-19 to 2022-23 revealed that 40,757 cases of illegal mining were detected in Himachal Pradesh. Annual detections fluctuated between 6,284 cases in 2021-22 to 9,804 cases in 2018-19 as depicted in the **Table 3.3**.

**Table 3.3: Detection of Illegal Mining Cases in Himachal Pradesh (2018-23)**

Year	No. of cases detected by			
	Total	Mining Department	Police	Other Departments
2018-19	9,804	2,631 (27)	6,958 (71)	215 (2)
2019-20	9,712	2,422(25)	6,804 (70)	486 (5)
2020-21	6,506	2,850 (44)	3,638 (56)	18 (0.27)
2021-22	6,284	2,870 (46)	3,383 (54)	31 (0.4)
2022-23	8,451	3,701 (44)	4,568 (54)	182 (2)
<b>Total</b>	<b>40,757</b>	<b>14,474</b>	<b>25,351</b>	<b>932</b>

Note: The figures in the parenthesis represent percentage.

Although the National Green Tribunal’s directive was intended to enhance deterrence, the trend suggests that enforcement has not achieved a lasting reduction in illegal activity. The decline in 2020-21 and 2021-22 appears to coincide with pandemic related mobility restrictions rather than with stronger regulatory action, as evidenced by the resurgence to 8,451 cases in 2022-23. The continuing predominance of police detections implies that the Mining Department’s surveillance whether through field inspections, check-posts or technology-based monitoring remains insufficient. Thus, the existing framework for mitigating the illegal mining activities remained deficient.

These findings were acknowledged by the Government during the exit conference (May 2025), with an assurance that an action plan would be formulated to address the identified deficiencies.

### 3.10.2 Illegal Mining in test-checked districts

The audit examined enforcement records for the financial year 2023-24 in four selected districts and found pervasive weaknesses in the State’s control framework for minor-

<sup>5</sup> Up to imprisonment for a term up to two years or fine up to ₹ 25,000/- or both.

<sup>6</sup> Industries, Revenue, Police, HPPWD, Jal Shakti Vibhag and Rural Development Department.

mineral regulation. Out of total 4,839 violations<sup>7</sup> detected (858 for unauthorised extraction and 3,981 for unauthorised transportation) the deterrent effect of the legal regime was substantially undermined by limited escalation to judicial proceedings, inadequate tracking of repeated offenders and the almost routine decision to let violators retain both mineral and vehicle against a modest compounding fee.

Although 104 vehicles<sup>8</sup> or individuals were implicated on more than one occasion, they continued to be fined at first time offender rates (₹4,500 to ₹ 25,000 depending upon the type/ loading capacity of the vehicle). The Department acknowledged, in its June 2024 reply, that it lacks a centralised database to flag repeat violators across district boundaries, so field officials working in isolation remained unaware of an offender's history. Consequently, the mandatory escalation to the competent court prescribed under Rule 54(2) of the Himachal Pradesh Minor Minerals (Concession) Rules, 2015 was not triggered, and the higher sanction up to ₹ 25,000 or imprisonment remained unapplied.

Compounding practices further diluted deterrence. In 3,034 of the 3,981 transportation cases<sup>9</sup>, neither the 21,870 metric tonnes of mineral nor the associated conveyances were seized, contrary to Rule 56 of the HP MMCR and the National Green Tribunal's order of 16 April 2019, which requires confiscation and release only after payment of a minimum penalty of ₹ two lakh. The State thus regularised the very activity it seeks to prohibit, sustaining a direct revenue loss of ₹ 83.11 lakh (₹ 65.61 lakh representing the assessed value of mineral retained by offenders and ₹ 17.50 lakh in forgone royalty).

Underlying these lapses is a policy vacuum. The Government has yet to issue the enabling notification that would allow field officers to impose the NGT mandated penalty. In its absence, officers continue to apply the lower rates set out in the 2015 Rules, leading to arbitrary and inconsistent fines, as confirmed by a review of challans in the test-checked districts. The Department's explanation (June 2024) that minerals were not seized because no secure storage space is available does not address the statutory non-compliance or the resulting fiscal and environmental risks.

At the exit conference (May 2025), the Government accepted the audit findings and assured to issue the requisite notification.

### **3.10.3 Shortfall in statutory inspections**

The audit identified a persistent and sizeable gap between inspection targets<sup>10</sup> and achievements during 2018-23. In Bilaspur and Una districts, inspections fell short of

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<sup>7</sup> Bilaspur: 665 cases, Shimla: 975 cases, Solan: 1,782 cases and Una: 1,417 cases.

<sup>8</sup> Bilaspur: eight cases, Shimla: 35 cases, Solan: 52 cases and Una: nine cases.

<sup>9</sup> Bilaspur:615, Shimla:882, Solan:1,433 and Una:1,051.

<sup>10</sup> **Mining Guards, Mining Inspector & Assistant Mining Inspectors:** 100 per cent of total granted mines in their respective jurisdiction on monthly basis; **Mining Officer:** 100 per cent of total granted mines in the district on quarterly basis, **Officers from Hqrs:** 15 per cent of total granted mines in districts.

the prescribed schedule by 19 to 94 *per cent* across all levels, while in Shimla and Solan the respective Mining Officers did not furnish any inspection data.

A primary cause of this deficiency was the acute shortage of field personnel. Against 324 sanctioned posts, only 186 were in position as of July 2023, leaving 43 *per cent* of posts vacant, some are for more than a decade. At the field level, vacancies stood at 58 *per cent* for Mining Officers, an estimated 66 *per cent* for Mining Inspectors, 21 *per cent* for Assistant Mining Officers and 39 *per cent* for Mining Guards.

During departmental correspondence between December 2023 and July 2024, the Mining Officers attributed the inspection shortfall to understaffing, excessive workload and the non-availability of vehicles. Inadequacy of inspections affected monitoring of extraction and transportation of minerals, mining beyond lease boundaries, over exploitation and other unscientific practices.

In the exit conference (May 2025), the Government concurred with the audit findings and assured to initiate corrective measures to address the identified gaps.

#### **3.10.4 Single Window Portal out of sync with physical records**

Audit scrutiny of the Single Window Clearance System (SWCS) revealed a systemic mismatch between the portal's data and the information recorded in the corresponding physical files. Although the SWCS was instituted to give investors a transparent, time-bound platform for submitting, paying for, tracking, and processing applications, the absence of real-time synchronisation with departmental records compromised the reliability of the information displayed online. This disconnect negated the portal's stated objective of ensuring accurate and upto date disclosures.

On being pointed out (August 2023), the State Geologist acknowledged that responsibility lay with the Directorate and reported that the matter had been referred for remedial action.

During the exit conference (May 2025), the Government accepted the audit findings and assured to implement appropriate corrective measures.

#### **3.10.5 Geo-spatial Survey and Joint Physical Inspections**

The Himachal Pradesh Minor Minerals (Concession) Rules, 2015 oblige every lessee to erect and maintain boundary pillars that correspond exactly with the revenue map, to preserve a five metre safety zone along hill slopes, to quarry hill faces by forming benches, and to install a reliable pit head weighbridge. Each lease deed incorporates these covenants, together with any ancillary obligations such as electronic surveillance.

To verify compliance, the audit team examined geo-spatial outputs for 10 leases obtained from the Aryabhata Geo-Informatics & Space Application Centre as detailed

in Table 3.4 and carried out joint physical inspections of 26 mines, 25 minor-mineral and one major-mineral spread across four districts.

**Table 3.4: Findings of Geo-Spatial Survey**

Sr. No.	Name of lease	Boundary Pillars	Safety Zone	Mining beyond lease boundary	Benching	Incorrect co-ordinates
1	M/s R. Industries, Shimla	✘	✘	Yes	✘	No
2	M/s Gupta Stone Crusher, Solan	✘	NA	Yes	NA	Yes
3	M/s Rama Stone Crusher, Solan	✘	NA	No	NA	No
4	M/s Bajrang Stone Crusher, Solan	✘	✘	Yes	✘	No
5	M/s HSD Stone Crusher, Una	✓	NA	No	NA	Yes
6	M/s Jaswal Stone Crusher, Una	✘	NA	Yes	NA	No
7	M/s Mahadev Stone Crusher, Una	✓	✘	Yes	✘	No
8	M/s ACC Barmana, Bilaspur	✓	✓	No	✓	No
9	M/s Naina Stone Crusher, Bilaspur	✘	NA	Yes	NA	No
10	M/s Sharma Stone Crusher, Solan	✘	✓	No	NA	No
<b>Total cases of non-compliance of mining lease</b>		<b>7</b>	<b>3</b>	<b>6</b>	<b>3</b>	<b>2</b>

NA: Not applicable.

The satellite layer and the ground survey produced broadly convergent results. Seven of the 10 sites, and 21 of 26 inspected sites, lacked permanent boundary demarcation.

**Pictures 3.1** and **3.2** depicting absence of Permanent Boundary Pillars at the lease site.

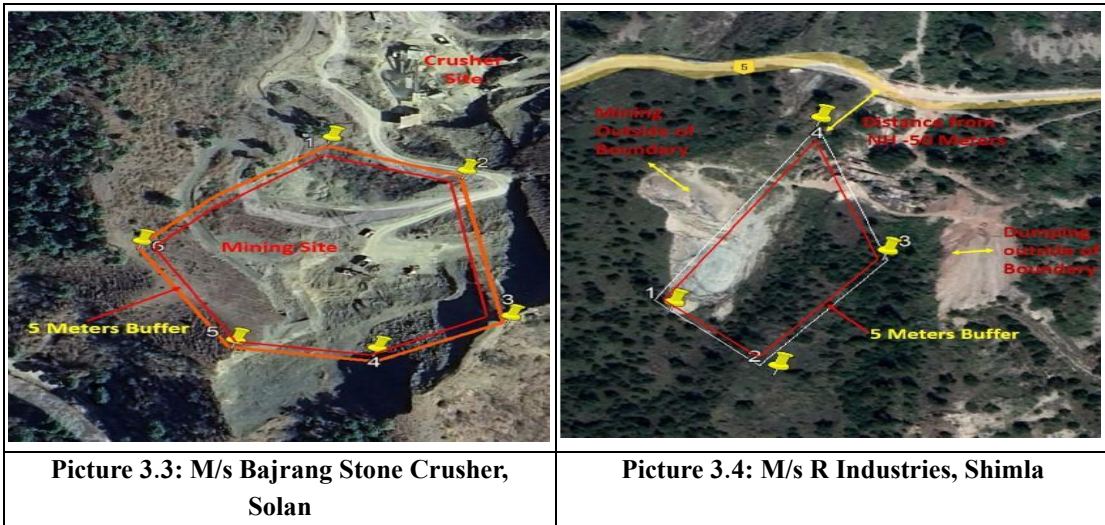


**Picture 3.1: M/s Gupta Stone Crusher, Solan**

**Picture 3.2: M/s Jaswal Stone Crusher, Una**

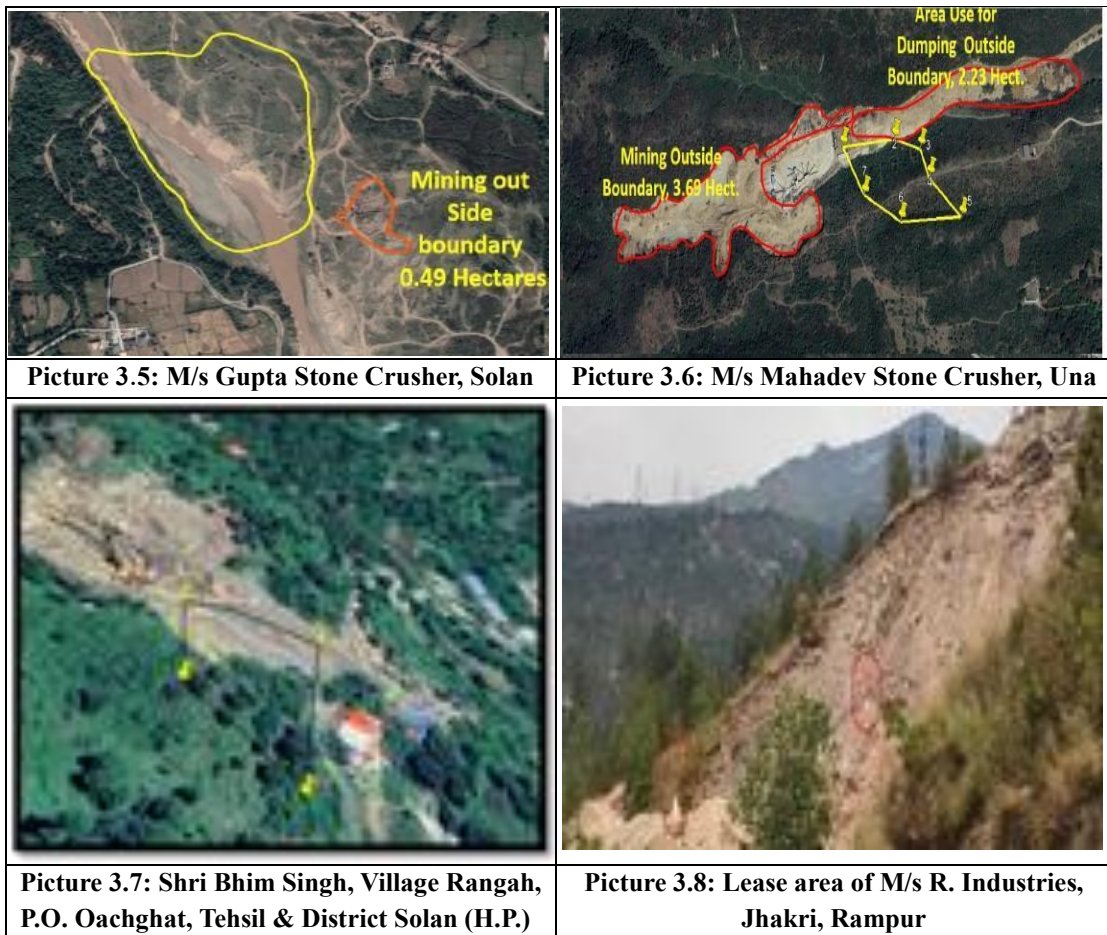
In the hill slope leases, no operator had set aside the mandatory buffer strip, and excavation frequently reached or crossed the external perimeter.

Pictures 3.3 and 3.4 depicting absence of Buffer Zone



Six leases were extracting material outside their sanctioned co-ordinates, a pattern corroborated on the ground in additional sites in Shimla and Solan as shown in **Pictures 3.7 and 3.8**, where quarry faces extended well beyond the authorised footprint. In one striking instance, M/s Mahadev Stone Crusher in Una, the actual mined area measured 3.69 hectares against an approved 1.36 hectares as shown in **Picture 3.6**.

Pictures 3.5 and 3.6 showing instances of mining outside lease boundary



Field inspection also revealed disregard of the benching requirement<sup>11</sup>. Several workings displayed continuous cuts of 35–40 feet on steep slopes, an unscientific practice that exacerbates the likelihood of landslip and soil erosion. Two leases were operating on mis-plotted co-ordinates, indicating systemic weaknesses in the Department’s validation of mining plans.

**Pictures 3.9, 3.10, 3.11 and 3.12 of three different mining leases showing unscientific mining practices**



**Pictures 3.9 and 3.10: M/s R Industries, Shimla**



**Picture 3.11: Unique Stone Crusher, Bilaspur**

**Picture 3.12: Subhash Thakur, Bilaspur**

Ancillary control infrastructure was equally deficient. Twenty-three of the 26 sites had no pit head weighbridge, making it impossible to verify tonnage dispatched or to detect overloading. Only fourteen sites were equipped with CCTV cameras, leaving the remainder without real-time monitoring and rendering enforcement against unrecorded dispatches or repeat vehicle movements largely nominal.

The Directorate accepted (July 2024) and assured to issue corrective instructions, as on date of audit no weighbridge had been installed in the sampled districts and no evidence of sustained remediation was forthcoming. During the exit conference (May 2025),

<sup>11</sup> As per Rule 41(1) of HPMMC Rules 2015, the Minor mineral quarries in hill slopes shall be performed by formation of benches.

Government representatives acknowledged the audit findings and promised remedial action.

### 3.10.6 Check-Post Functioning Deficiencies

The audit examined whether the network of mineral check posts established under Rule 80 of the Himachal Pradesh Minor Minerals (Concession) Rules, 2015 is achieving the Mineral Policy 2013 objective of curbing unauthorised mining and preventing revenue leakage.

A review of records in the three border districts Bilaspur, Solan and Una showed that six<sup>12</sup> check posts were constructed between October 2020 and March 2021 at a capital cost of ₹105.87 lakh<sup>13</sup>, financed entirely from District Mineral Foundation Trust (DMFT) resources. Five of these facilities are situated in Una district, while a single post was erected in Solan. The Solan post remained idle for 39 months due to non-deployment of staff. No check post has been set up in Bilaspur, even though the district shares a heavily trafficked interstate corridor with Punjab.

Audit analysed detailed logs from the five functioning Una mineral check posts for the period March 2021 to March 2024. Over these three years, officials inspected 35,679 vehicles and issued 84 challans, realising compounded fines of ₹ 10.10 lakh as detailed in **Table 3.5**. Further, the Department's separate enforcement wings reported far larger numbers of illegal-transportation cases during the same period, indicating that evasive traffic is bypassing the fixed posts rather than being deterred by them.

**Table 3.5: Details of the number of vehicles issued challan vis-à-vis cost of installation and operation of check posts in Una district**

	(₹ in lakh)					
Name of check-post	Pandoga	Batheri	Polian	Mehatpur	Gagret	Total
Construction cost	40.26	28.04	27.56	2.27	2.27	<b>100.4</b>
Wages & electricity expenses	30.20	35.26	29.87	33.93	32.07	<b>161.33</b>
Total no. of checked vehicle	6,022	271	5,608	695	23,083	<b>35,679</b>
Total no. of vehicles issued challan	8	52	7	3	14	<b>84</b>
Total fine compounded	1.05	6.78	0.50	0.15	1.62	<b>10.10</b>

It was found that coverage of the mineral check post is also inadequate. The Regional Transport Office, Una, lists 15 interstate roads connecting the district to Punjab, yet only one-third of those routes are monitored.

The Department acknowledged in February 2024 that staffing constraints have rendered the Solan post non-functional and that reliance on *ad hoc* surprise raids is unavoidable under current resource levels.

<sup>12</sup> Solan: one (Swaraj Majra, Baddi); Una: five (Pandoga, Batheri, Polian, Mehatpur & Gagret).

<sup>13</sup> Solan: ₹ 5.45 lakh and Una: ₹ 100.42 lakh.

At the exit conference (May 2025), the Government accepted the audit observations and assured to address both staffing shortages and technological shortcomings.

Despite an aggregate expenditure of ₹ 267.20 lakh (including construction, wages and electricity expenses), the present system of check posts has delivered negligible deterrence and limited revenue protection. Unless the idle Solan post is operationalised, additional posts are sanctioned for high-risk corridors such as Bilaspur, and technology enabled monitoring (e-transit passes, automatic number plate recognition, real-time data linkage with the e-Challan portal) is introduced, the State will continue to incur operating costs without materially reducing illegal mineral transport or safeguarding royalty revenue.

### 3.10.7 Systemic gaps in institutional and technological controls

Audit examination disclosed a systematic failure to deploy the institutional and technological safeguards envisaged for regulating minor-mineral operations in the State. The observations are detailed below in the **Table 3.6**.

**Table 3.6: Enforcement and Monitoring of Minor Mineral Mining**

Sr. No.	Observation	Requirement	Audit Evidence & Impact	Department's reply / Exit Conference
1	<b>District-Level Task Forces (DLTFs) not constituted</b>	Every district must have a DLTF to monitor mining and assess ecological damage.	None of the test-checked districts had formed a DLTF as of March 2024 which indicated lack routine surveillance and inter-agency response.	Not specifically addressed. Government accepted the observation (May 2025) and assured to institute DLTFs.
2	<b>Mining Surveillance System (MSS) not operational for minor minerals</b>	MSS triggers (satellite-detected anomalies) must be mapped to every lease and verified in the field.	Mapping for minor minerals is pending state-wide. Two MSS triggers detected in 2018-19 were never verified, leaving them unresolved. Thus, the principal e-surveillance tool remains dormant despite a rising trend of illegal mining.	Not addressed. Government agreed to operationalise MSS (May 2025).
3	<b>Central Flying Squad not formed</b>	A mobile, State level team should conduct surprise raids.	No Central Flying Squad has been notified or staffed.	Not addressed. Government accepted the lapse (May 2025).
4	<b>GPS based vehicle tracking not implemented</b>	As per MoEF&CC 2020 Guidelines, all sand carrying vehicles must be registered and fitted with GPS units.	None of the selected Mining Offices had enforced GPS installation; no roadmap exists as of November 2024.	Department admitted non-existence of the system (July 2024); promised future action.
5	<b>Acute shortage of field staff</b>	Sanctioned posts at field level remain substantially vacant.	Lack of manpower affected ground verification and inspections.	Department stated (July 2024) that proposals to fill vacancies were sent to higher authority.



In absence of key institutional (DLTFs, Flying Squads) and technological (MSS, GPS tracking) controls coupled with manpower shortages; illegal mining of minor minerals, environmental damage and revenue loss cannot be ruled out. Time bound action against the above is essential to restore effective oversight.

### **3.11 Under realisation of revenue from mineral concessions**

#### **3.11.1 Short-Realisation of Royalty**

Rule 18(1) of the Himachal Pradesh Minor Minerals (Concession) and Minerals (Prevention of Illegal Mining, Transportation and Storage) Rules, 2015 requires every mining-lease holder to pay royalty in advance at the rates<sup>14</sup> prescribed in the Second Schedule. To ensure uniform assessment for stone crusher units, the Geological Wing of the Industries Department directed in December 2002 that royalty be calculated on the basis of actual production derived from electricity consumption, fixing a conversion factor of seven kilowatt hours (kWh) per tonne of grit/ bajri. This factor was revised to five kWh per tonne in November 2023.

Audit scrutiny covered 70 of the 131 active leases in the districts<sup>15</sup> of Bilaspur, Shimla and Una for the five-year period 2018-23. Electricity consumption records were obtained in each case and production was recomputed based on the applicable conversion factor. The royalty payable on this recomputed production amounted to ₹ 14.57 crore, whereas departmental records showed that only ₹ 12.76 crore had been realised. This resulted in short realisation of ₹ 1.81 crore (₹ 180.94 lakh) which was spread over 27 leases: four in Bilaspur (₹ 19.45 lakh), 14 in Shimla (₹ 71.91 lakh) and nine in Una (₹ 89.58 lakh) as detailed in **Table 3.7**.

**Table 3.7: Details of shortfall in realisation of royalty**

**(₹ in lakh)**

<b>Sr. No.</b>	<b>Name of District</b>	<b>Total no. of leases</b>	<b>Total no. of cases scrutinised</b>	<b>Total No. of cases wherein shortfall noticed</b>	<b>Royalty as per kWh</b>	<b>Royalty realised</b>	<b>Shortfall</b>
1	Bilaspur	10	10	4	91.46	72.01	19.45
2	Shimla	50	30	14	444.83	372.92	71.91
3	Una	71	30	9	920.94	831.36	89.58
<b>Total</b>		<b>131</b>	<b>70</b>	<b>27</b>	<b>1,457.23</b>	<b>1,276.29</b>	<b>180.94</b>

The shortfall indicates systemic weaknesses wherein timely and comprehensive reconciliation of electricity consumption data with payments is not carried out. The demand notices were not issued promptly when advance deposits are exhausted. The supervisory review at the district level was also inadequate.

<sup>14</sup> For building stone, masonry stone including boulders & shingle, ordinary sand & stone dust, bajri: ₹ 60 per MT up to 09.02.2022 and thereafter ₹ 80 per MT.  
<sup>15</sup> In fourth district (Solan), no royalty registers containing lease-wise monthly production data of minerals w.r.t. electricity consumption were maintained.

The Department accepted the audit findings in August 2024, explaining that royalty is indeed calculated from electricity data and that recovery of the balance is under process; it was also noted that some lessees had remitted royalty in advance for future periods.

During the exit conference (May 2025), the Government agreed to the audit observations and assured to strengthen monitoring arrangements and expedite recovery of the outstanding royalty. In view of the deficiencies observed, there is need for an automated monitoring mechanism that draws monthly electricity data directly from the distribution companies, recalculates royalty on the five kWh per tonne norm and issues immediate demand notices whenever a shortfall arises.

### 3.11.2 Dead Rent and Interest not collected

Rule 19-1(a) of the Himachal Pradesh Minor Mineral Concession Rules, 2015 requires every mining lessee to pay royalty in advance on the quantity of minor minerals extracted at the rates prescribed in the Second Schedule. For periods when no extraction takes place, the lessee must instead pay an annual dead rent<sup>16</sup> determined under the Third Schedule; if extraction does occur, the lessee is liable for whichever amount (royalty or dead rent) is higher, but never both. The rule further empowers the Government to levy simple interest at 24 *per cent* per annum on any delayed payment.

Examination of records in the Bilaspur and Una district mining offices showed that four leases remained active even though no mining operations had been undertaken during the years under review. Because the leases were not formally surrendered, the lessees became liable for dead rent, yet none of them remitted the amounts due or the applicable interest. Calculations made in accordance with the Third Schedule and its subsequent amendments indicate that dead rent of ₹ 70.08 lakh accumulated between the date each lease remained idle and interest at 24 *per cent* per annum on the overdue sums yields an additional liability of ₹ 4.73 lakh. Consequently, the total recoverable dues stood at ₹ 74.81 lakh as detailed in **Table 3.8**.

**Table 3.8: Details of cases of dead rent due and interest thereof**

(₹ in lakh)			
Name of district	No of cases	Amount of dead rent due	Amount of interest on delayed payment
Bilaspur	2	10.64	3.83
Una	2	59.44	0.90
<b>Total</b>	<b>4</b>	<b>70.08</b>	<b>4.73</b>

The Department acknowledged the lapses in August 2024 and reported that recovery action had commenced. However, the dues remain outstanding.

<sup>16</sup> @ ₹ 10,000 per hectare in case of private land. Govt. land: ₹ 10,000 up to five hectares, ₹ 15,000 from five hectares upto 10 hectares, ₹ 20,000 from 10 hectares upto 20 hectares, ₹ 25,000 more than 20 hectares. From February 10, 2022, rates were revised to amount equivalent to 60 *per cent* of royalty of mineral reserves approved in Mining Plan on annual basis.

During the exit conference (May 2025), the Government accepted the audit findings and assured to expedite recovery.

### 3.11.3 Non -recovery of Surface Rent

Himachal Pradesh Minor Minerals (Concession) Rules, 2015 fixes a surface-rent of ₹1,000 per hectare per annum on all Government owned land leased for mining, payable in addition to royalty or dead rent. An examination of the Demand and Collection Registers and connected files in the test-checked districts disclosed that the mandated levy had not been realised in fourteen cases. Thirteen of these leases were in Solan district and one in Una district, leaving surface rent of ₹7.27 lakh in arrears, as summarised in **Table 3.9**.

**Table 3.9: Details of Surface rent due**

Name of district	No. of cases	Amount of surface rent due (₹ in lakh)
Solan	13	6.72
Una	1	0.55
<b>Total</b>	<b>14</b>	<b>7.27</b>

Audit observed that the respective Mining Officers did not raise timely demands, to enforce payment as required under Rule 41, which also prescribes interest on delayed remittances. As a result, Government revenue of ₹7.27 lakh remained unrealised for periods ranging from one to four years.

In its response of January 2024, the Department acknowledged the audit observation and stated that steps were being initiated to recover the dues.

During the exit conference (May 2025), the Government reiterated its concurrence with the audit findings and assured that recovery action would be expedited

### 3.12 Implementation of PMKKKY / Functioning of DMFTs

The Government of Himachal Pradesh operationalised the Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) through the Himachal Pradesh District Mineral Foundation Trust (HP DMFT) Rules, 2016, as amended in 2020. Exercising the enabling powers under sections 9B, 15(4) and 15A of the Mines and Minerals (Development and Regulation) Act, 1957, the State constituted District Mineral Foundation Trusts in all twelve districts in August 2016 and prescribed a uniform governance architecture for each trust. A Governing Council<sup>17</sup>, chaired by the Deputy Commissioner and comprising elected representatives, local bodies, mining-affected Gram Sabhas and line department officials, is responsible for setting policy, approving

<sup>17</sup> Members of the Governing Council are as follows: Deputy Commissioner – Chairperson, Conservator of Forest – Member, Superintending Engineer, PWD – Member, Superintending Engineer, Jal Shakti Vibhag – Member, Chief Medical Officer – Member, General Manager, DIC – Member, Two representatives from Geological Wing- Member, Two eminent persons from Forest Department/ Pollution Control Board/ Geology Department – Member, and Mining Officer – Member Secretary

annual action plans and budgets, and sanctioning high value projects. A Managing Committee<sup>18</sup> also chaired by the Deputy Commissioner but staffed by executive officers and technical specialists discharges day to day administrative functions, executes the approved projects and monitors fund utilisation.

Funding is sourced from a statutory levy on mining lease holders: 10 *per cent* of royalty for leases granted on or after 12 January 2015 and 30 *per cent* for leases granted before 2015. The HP DMFT Rules explicitly require that all expenditures advance the two strategic pillars laid down by PMKKKY: high priority areas (drinking water, health care, education, sanitation, welfare of women, children, aged and disabled people, skill development, and environment preservation and pollution control) and other priority areas (physical infrastructure, irrigation, energy and watershed development, measures for enhancing the environment quality in mining areas).

The audit noticed that, by embedding PMKKKY within a district owned trust mechanism, the State has created an institutional pathway that links mineral revenue to local socio-economic outcomes. However, the absence of time bound targets and measurable performance indicators in several district action plans dilutes the accountability framework envisaged in the DMFT Rules 2016.

### 3.12.1 Only 38.4 *per cent* of DMFT collections sanctioned for projects

The audit revealed that, during 2018-19 to 2022-23, the twelve District Mineral Foundation Trusts (DMFTs) in Himachal Pradesh collected ₹ 279.53 crore from mining-lease holders but sanctioned only ₹ 107.52 crore to various implementing agencies<sup>19</sup>—an overall allocation rate of 38.4 *per cent* as detailed in **Table 3.10**.

**Table 3.10: District-wise details of funds collected under the DMF and subsequently sanctioned to executing agencies in Himachal Pradesh for the period from 2018-19 to 2022-23**

(₹ in crore)

Sr. No.	Name of district mining office	DMFT collection <sup>20</sup>	Funds sanctioned from the District Mineral Trust to the executing agency
1	Bilaspur	71.80	43.25
2	Chamba	0.58	0.13
3	Hamirpur	3.62	0.72
4	Kangra	6.26	5.11
5	Kinnaur	0.92	0
6	Kullu	0.92	0.04

<sup>18</sup> Members of the Managing Committee are as follows: Deputy Commissioner – Chairperson, General Manager (District Industries Centre) – Member, Superintending Engineer (Jal Shakti Vibhag) – Member and Mining Officer – Member Secretary

<sup>19</sup> HPPWD, Jal Shakti Vibhag, Police Department, Forest Department, Block Development Officer, Gram Panchayat.

<sup>20</sup> Including the interest earned on the funds kept in the bank accounts.

Sr. No.	Name of district mining office	DMFT collection <sup>20</sup>	Funds sanctioned from the District Mineral Trust to the executing agency
7	Lahaul & Spiti	0.46	0.23
8	Mandi	1.03	0.14
9	Solan	152.98	38.23
10	Sirmaur	26.52	14.59
11	Shimla	1.71	0.21
12	Una	12.73	4.87
<b>Total</b>		<b>279.53</b>	<b>107.52</b>

Source: Information supplied by the Department.

Resource mobilisation and utilisation were highly uneven across districts. Further, retention of balances delays the socio-economic benefits intended for mining-affected communities.

Solan, which alone raised 55 per cent of the state-wide corpus (₹ 153 crore), sanctioned barely a quarter of its collections, thereby retaining an idle balance of ₹ 114.80 crore. Bilaspur displayed a similar pattern, with ₹ 28.55 crore lying unutilised. Several districts most notably Kinnaur and Kullu approved negligible or no projects despite holding accumulated resources, pointing to gaps in project identification, technical capacity for preparing detailed project reports, and internal oversight.

### 3.12.2 Just 20 per cent of DMFT receipts translated into expenditure

The sanction orders for DMFT projects require that every work reach completion within the same financial year or, at most, within twelve months of approval.

An examination of the flow of District Mineral Foundation Trust (DMFT) funds during 2018-19 to 2022-23 reveals disconnect between resource mobilisation and actual service delivery. The details of DMFT funds and sanctioned there against of selected district is given in Table 3.11.

**Table 3.11: Details of flow of funds in the Trust fund of selected four districts during the period 2018-19 to 2022-23**

(₹ in crore)					
Sr. No.	Name of DMFT	Total funds received <sup>21</sup>	Total funds sanctioned for works/projects	Funds released to Implementing Agency <sup>22</sup> till March 2023	Per cent utilisation
1	Bilaspur	71.80	43.25	22.33	31
2	Shimla	1.70	0.21	0.21	12
3	Solan	152.98	38.23	19.62	13
4	Una	12.73	4.87	4.87	38
<b>Total</b>		<b>239.21</b>	<b>86.56</b>	<b>47.03</b>	<b>20</b>

Source: Departmental records

<sup>21</sup> Total funds are inclusive of the interest received in the savings bank accounts.

<sup>22</sup> HPPWD, Jal Shakti Vibhag, Police Department, Forest Department, Block Development Officer, Gram Panchayat.

Across the four test-checked districts, only ₹47.03 crore equivalent to 20 *per cent* of the ₹239.21 crore received was translated into ground expenditure<sup>23</sup>. This under-utilisation was not uniform: Una registered the highest spending ratio at 38 *per cent*, whereas Solan and Shimla deployed a mere 12 *per cent* and 13 *per cent* respectively, and Bilaspur achieved just 31 *per cent*. The shortfall originated well before execution; barely 36 *per cent* of receipts (₹86.56 crore) progressed to the sanction stage and an even smaller 20 *per cent* (₹47.03 crore) was released to implementing agencies.

The Department stated (July 2024) that the DMFT funds are utilised as per the proposals received from the executing agencies.

### **3.12.3 Mining affected areas and persons not identified**

Rule 8 of the Himachal Pradesh District Mineral Foundation Trust (DMFT) Rules 2016 obliges every DMFT to compile and maintain an upto date register of both the geographical areas and the population directly or indirectly affected by mining activities. This register is a prerequisite for prioritising and approving Trust expenditure.

Audit scrutiny showed pervasive non-compliance. In Solan and Una, no exercise had been undertaken to identify either affected areas or affected persons up to July 2024. Bilaspur and Shimla performed only slightly better: they mapped affected areas belatedly during 2021-22 after delays of 62 and 59 months respectively yet had still not enumerated affected persons. Despite the absence of this foundational information, Solan and Una approved projects totalling ₹43.10 crore, while Bilaspur and Shimla incurred expenditure of ₹1.79 crore. Consequently, Audit was unable to confirm whether these works benefited the intended beneficiaries.

The Department ascribed the delays in Shimla to COVID-19 disruptions, and the Mining Officer, Solan, cited an acute staff shortage. These explanations do not withstand scrutiny: in all four districts, expenditure decisions were taken without first establishing the statutory baseline of who and where the beneficiaries are, thereby undermining the very purpose of the DMFT.

During the exit conference in May 2025, the Government acknowledged these shortcomings and assured to institute remedial measures.

### **3.12.4 Irregularities in meetings of Governing Council and Managing Committee**

Rule 10 of the Himachal Pradesh District Mineral Foundation Trust Rules, 2016 stipulates that the Governing Council (GC), chaired by the Deputy Commissioner and includes other members<sup>24</sup>, must meet at least once every six months, while the

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<sup>23</sup> Funds released from the accounts of the Mining Offices have been treated as expenditure in its accounts.

<sup>24</sup> Conservator of forest, Superintending Engineer, PWD, Superintending Engineer, JSV, Chief Medical Officer, General Manager (District Industries Centre), Two representative from Geological Wing, Two eminent person from Forest Department/Pollution Control Board/Geology are members and the Mining Officer as member secretary.

Managing Committee (MC), headed by the Deputy Commissioner and including other members<sup>25</sup>, is required to convene quarterly. An examination of records for 2018-19 to 2022-23 in Bilaspur, Shimla, Solan and Una revealed persistent non-compliance with these statutory intervals. During the five-year review period each district should have conducted twelve GC and 24 MC meetings. Thus, shortfalls ranged from 17 to 75 per cent for GC meetings and from 58 to 87 per cent for MC meetings, undermining the governance structure envisaged in the Rules as details are given in **Table 3.12**.

**Table 3.12: Details of the meeting of GC and MC held during the period 2018-19 to 2022-23**

Name of District	Meetings of Governing Council		Meetings of Managing Committee	
	Number of meetings to be held as per the Rule	Number of meetings actually held	Number of meetings to be held as per the Rule	Number of meetings actually held
Bilaspur	12	5 (42)	24	6 (25)
Shimla	12	3 (25)	24	3 (13)
Solan	12	10 (83)	24	10 (42)
Una	12	4 (33)	24	7 (29)

*Source: Information supplied by the Department.*

*Note: Figures in parenthesis represent percentage.*

The Department stated that prescribed number of meetings were not held due to the COVID-19 pandemic and delays occasioned by the induction of new members.

However, the meeting frequencies were deficient even in the two years preceding the pandemic and did not improve after restrictions were lifted; moreover, Rule mandated periodicity is not contingent upon membership changes.

At the exit conference (May 2025), the Government acknowledged the audit findings and assured to implement corrective measures. It indicated that annual calendars for GC and MC sittings would henceforth be issued at the start of each financial year.

### **3.12.5 Three-Quarters of sanctioned DMFT works remain incomplete**

Between 2018-19 and 2022-23 the DMFTs sanctioned 281 works with an aggregate outlay of ₹ 86.56 crore as given in **Table 3.13**. The Trusts issued administrative approvals and released the funds, while tendering, award and field supervision were delegated to the respective line department implementing agencies<sup>26</sup>.

<sup>25</sup> General Manager (DIC), Superintending Engineer, JSV of the concerned district as members and the Mining Officer of the district concerned as member secretary.

<sup>26</sup> HPPWD, Jal Shakti Vibhag, Police Department, Forest Department, Block Development Officer, Gram Panchayat.

**Table 3.13: Year-wise status of sanctioned, completed, and incomplete works:  
Financial and Execution Overview**

Year	Total No. of works sanctioned	Total value of works sanctioned (₹ in crore)	Total no. of works cancelled	Total no. of works taken up	Total no. of works completed	Total no. of incomplete works (as of July 2024)	Value of incomplete works (₹ in crore)
2018-19	15	2.65	1	14	4	10	2.25
2019-20	27	5.40	4	23	13	10	2.77
2020-21	42	22.93	2	40	10	30	18.74
2021-22	37	1.75	0	37	16	21	0.56
2022-23	160	53.83	13	147	8	139	37.38
<b>Total</b>	<b>281</b>	<b>86.56</b>	<b>20</b>	<b>261</b>	<b>51</b>	<b>210</b>	<b>61.70</b>

Source: Departmental records.

Note: District-wise sanctioned, cancelled and completed projects are detailed in **Appendix 3.2**.

Of the 281 sanctioned works, 20 were subsequently cancelled, leaving 261 projects that ought to have proceeded to execution. Progress, however, was limited: by July 2024 only 51 works (20 per cent of those taken up) had been completed, whereas 210 works (75 per cent of the original sanctions and 80 per cent of the works taken up) remained incomplete.

The year-wise distribution of sanctions reveals a sharp escalation in 2022-23, when 160 works accounting for ₹53.83 crore (62 per cent of the five-year financial outlay) were approved. Yet only eight of these projects had been finished by July 2024, leaving 139 incomplete and highlighting the limited absorptive capacity of the implementing agencies.

During the exit conference held in May 2025, the Government accepted these audit observations and assured to take corrective measures.

### **3.12.6 Five per cent of amount sanctioned for Ineligible works in violation of Government directives**

The sanction orders for DMFT projects require that every work reach completion within the same financial year or, at most, within twelve months of approval. Rule 15 of the Himachal Pradesh DMFT Rules, 2016 confines the Trust Fund's use to the social and economic upliftment of communities adversely affected by mining. The 2020 amendment further prescribed that 60 per cent of the development allocation (itself limited to 80 per cent<sup>28</sup> of the Trust Fund) be channelled to high priority<sup>29</sup> sectors, with the remaining 40 per cent reserved for other priority<sup>30</sup> sectors.

<sup>27</sup> Works in which UCs/CCs are yet to be furnished by the Implementing Agencies.

<sup>28</sup> As per DMF Rules 10 per cent of the total fund shall be deposited in a Nationalized bank for future use. and not more than 10 per cent shall be utilized for the administrative expenses of the trust.

<sup>29</sup> Drinking water facility, Health care, Education, Sanitation etc.

<sup>30</sup> Physical Infrastructure, Irrigation, Energy and Watershed management etc.



Audit scrutiny of four sampled districts Bilaspur, Shimla, Solan and Una showed systemic departures from these directives between 2018-19 and 2022-23. Out of 281 sanctioned works valued at ₹ 86.56 crore, only 51 were completed and 20 were formally cancelled<sup>31</sup>; 210 projects<sup>32</sup>, representing three-quarters<sup>33</sup> of the sanctioned portfolio, remained unfinished<sup>34</sup> well beyond the mandated timelines. The DMFTs had already released ₹ 47.03 crore for these works, effectively immobilising funds that should have translated into timely benefits for mining-affected populations.

An additional irregularity was observed in sanctioned activities. Fourteen<sup>35</sup> (five *per cent*) works, costing ₹4.59 crore, fell outside the categories recognised either as high priority or other priority under the amended Rules. This expenditure therefore lacked statutory authority and diverted resources from the Trust Fund's intended beneficiaries. The distribution of works and ineligible spending is given in the **Appendix 3.3** and summarised in **Table 3.14**.

**Table 3.14: Details of works sanctioned, amount released, and ineligible works under DMFT funds for the period 2018-19 to 2022-23**

(₹ in crore)						
Sr. No.	Name of District	Total no. of works sanctioned	Value of works sanctioned	Amount released	No. of ineligible works	Amount sanctioned for ineligible works
1	Bilaspur	103	43.25	22.33	6	3.60
2	Shimla	10	0.21	0.21	0	0
3	Solan	107	38.23	19.62	4	0.74
4	Una	61	4.87	4.87	4	0.25
<b>Total</b>		<b>281</b>	<b>86.56</b>	<b>47.03</b>	<b>14</b>	<b>4.59</b>

The Department provided no substantive explanation for the chronic delays, merely stating that the Governing Council (GC) and Managing Committee (MC) had endorsed all projects. Such endorsement, however, cannot override the mandatory provisions of Rule 15 and its 2020 amendment; expenditures that deviate from the prescribed priority framework are *ultra vires* and therefore irregular.

During the exit conference in May 2025, the Government acknowledged these audit observations and assured to initiate corrective measures.

### 3.12.7 Other priority spending exceeds the 40 *per cent* ceiling

Audit scrutiny of four districts Bilaspur, Shimla, Solan and Una revealed a persistent and material breach of Rule 15 of the HPDMFT Amendment Rules, 2020. Between the

<sup>31</sup> Bilaspur:13 and Solan: seven.

<sup>32</sup> Bilaspur-69, Shimla-10, Solan-100 and Una-31.

<sup>33</sup> Bilaspur- ₹ 25.03 crore, Shimla- ₹ 0.21 crore, Solan- ₹ 35.50 crore and Una- ₹ 0.96 crore.

<sup>34</sup> The completeness or incompleteness of the work has been taken on the basis of the UC submitted by the implementing agency to the Mining Officer.

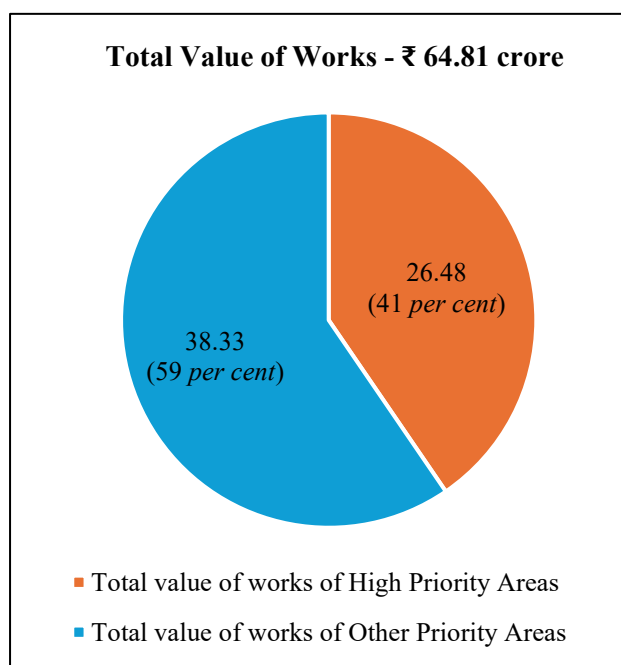
<sup>35</sup> Unmanned Aerial Vehicle (Drone cameras), Installation of CCTV cameras in Police Subdivision, Open Air Gyms in various *Panchayats*, Providing of Teledart gun with accessories for control of wild and stray animal, etc. which does not fall under the permissible category.

introduction of the amended Rules in October 2020 and March 2023, the district mineral foundations sanctioned 218 works amounting to ₹64.81 crore. Of this corpus, only 59 projects valued at ₹26.48 crore (41 per cent of post-amendment spending) were directed to High Priority Areas, while 159 projects worth ₹38.33 crore (59 per cent) were authorised under Other Priority Areas. The latter figure exceeds the statutory ceiling of 40 per cent by a substantial margin, thereby depressing the share of High Priority investments to well below the mandated minimum of 60 per cent. The details are given in **Table 3.15**.

**Table 3.15: Allocation of sanctioned works and expenditure in High and Other Priority Areas (Post-2020 Amendment)**

(₹ in crore)								
Sr. No.	Name of DMFT	Total number of works	Total number of sanctioned works after October 2020	Total value of sanctioned works after October 2020	No. of sanctioned works under High Priority	Total value of works of High Priority Areas	No. of sanctioned works under Other Priority	Total value of works of Other Priority Areas
1	Bilaspur	103	89	41.46	18	20.86 (50)	71	20.60 (50)
2	Shimla	10	10	0.21	2	0.02 (10)	8	0.19 (90)
3	Solan	107	74	21.09	22	4.60 (21)	52	16.49 (78)
4	Una	61	45	2.05	17	1.00 (49)	28	1.05 (51)
	<b>Total</b>	<b>281</b>	<b>218</b>	<b>64.81</b>	<b>59</b>	<b>26.48</b>	<b>159</b>	<b>38.33</b>

Source: Departmental records. Note: The figures in parenthesis represent per cent.



The pattern of non-compliance was consistent across districts. In Shimla, nine-tenths of sanctioned value flowed to Other Priority works; Solan devoted barely one-fifth of its outlay to High Priority projects; and although Bilaspur and Una achieved a more even numerical distribution, their financial allocations still did not meet the prescribed 60:40 ratio. These deviations collectively undermine the central intent of both Rule 15 and the Pradhan Mantri Khanij Kshetra Kalyan Yojana guidelines, which seek to channel

the dominant share of DMFT resources towards high impact interventions in mining-affected communities.

The Department’s explanation that approvals merely reflected proposals submitted by implementing agencies is untenable. Approval authorities are responsible for enforcing statutory norms and should have either rejected or resized proposals that breached the expenditure caps. Consequently, the sanctioning decisions not only contravened legal requirements but also diluted the developmental focus envisaged for High Priority Areas.

During the exit conference in May 2025, the Government acknowledged these audit observations and assured to initiate corrective measures.

**3.12.8 High and Other Priority proposals rejected without rationale**

Rule 15 of the Himachal Pradesh District Mineral Foundation Trust (DMFT) Rules, 2016 stipulates that the Trust’s resources are to be deployed exclusively for the social and economic upliftment of persons and areas affected by mining. Complementing this, Rule 9 (iii) assigns the Governing Council (GC) explicit responsibility for upholding financial discipline and ensuring the timely execution of sanctioned works. Both provisions implicitly demand a transparent appraisal process in which projects are assessed against the severity of mining impact and approved in proportion to the contributing mine’s share of revenue.

Audit scrutiny of two DMFTs (Solan and Shimla) covering the period 2018-19 to 2022-23 revealed substantial deviations from these requirements. The details of proposals received and rejected there against are given in **Table 3.16**.

**Table 3.16: District-wise Analysis of Meetings and Proposal Handling: High and Other Priority Proposals for the period 2018-19 to 2022-23**

Sl. No.	Name of District	Total number of meetings in which projects were sanctioned	Total no. of proposals received		Total no. of proposals accepted		Total no. of proposals rejected	
			High Priority	Other Priority	High Priority	Other Priority	High Priority	Other Priority
1	Solan	7	107	241	36	71	71	170
2	Shimla	1	2	20	2	8	0	12
<b>Total</b>		<b>8</b>	<b>109</b>	<b>261</b>	<b>38</b>	<b>79</b>	<b>71</b>	<b>182</b>

*Source: Departmental records*

Out of 370 proposals placed before the respective GCs, only 117 were approved; the remaining 253, representing 68 *per cent* of the total, were rejected. In Solan, 71 of 107 high priority submissions and 170 of 241 other priority submissions were declined. In Shimla, although the absolute numbers were smaller, the rejection rate remained high, with 12 of 22 proposals set aside. Despite repeated requests, neither GC could produce records such as appraisal notes, comparative analysis, or minutes explaining the grounds for individual rejections. The absence of such documentation precludes any independent verification that the decisions complied with the prioritisation mandate or that funds were allocated in proportion to each mine’s contribution.

During the exit conference (May 2025), the Government acknowledged these shortcomings and committed to take corrective measures.

### 3.12.9 Advance of ₹0.74 crore not recovered from implementing agencies

Examination of the records of the DMFT, Solan, shows that between 2018-19 and 2022-23 the Trust approved 107 projects and released cumulative ₹ 19.62 crore to various implementing agencies. Within this total, ₹ 0.74 crore was advanced for seven projects that were ultimately cancelled<sup>36</sup> in December 2020. Nearly four years later, as of July 2024, the whole of this advance remained with the agencies: neither expenditure statements nor refund vouchers had been produced, and DMFT Solan had not pressed any formal demand for recovery. The details are shown in **Appendix 3.4**.

The Department stated that the agencies will be instructed to remit the unspent balances.

During the exit conference (May 2025), the State Government acknowledged the audit observation and committed for immediate remedial action, both to secure reimbursement of the outstanding ₹ 0.74 crore and to tighten mechanisms that prevent a recurrence of such lapses.

### 3.12.10 Duplicate funding for identical project under SCSP and DMFT

The audit observed that the Government of Himachal Pradesh sanctioned an identical piped water supply scheme for *Gram Panchayat* Solag Jurasi under two separate funding windows. In February 2022, an amount of ₹ 89.98 lakh was approved against Demand No. 32 of the Scheduled Castes Sub-Plan (SCSP). One month earlier, in January 2022, the same detailed project report costed at virtually the same level had already been cleared by the DMFT Governing Committee for ₹ 89.58 lakh, with formal sanction by the Managing Committee following in May 2022. Consequently, aggregate approvals reached ₹ 179.56 lakh. The details are given in **Table 3.17**.

**Table 3.17: Details of source-wise allocation, budget, and expenditure for drinking water facility project**

(₹ in lakh)			
Source	Sanctioned amount	Amount released to implementing agency	Expenditure
Demand No 32 (SCSP)	89.98	9.00	1.53
DMFT	89.58	89.58	7.71
<b>Total</b>		<b>98.58</b>	<b>9.24</b>

Of this, the executing agency drew ₹ 98.58 lakh: ₹ nine lakh from the SCSP head and the entire ₹89.58 lakh from DMFT. Yet expenditure booked up to March 2024 amounted to only ₹ 9.24 lakh, leaving ₹ 89.34 lakh idle in project bank accounts. Such dual financing contravenes Rule 41 of the HPFR 2009, which mandates the surrender of savings and precludes duplicate funding for the same work. The department contended that DMFT support was sought because SCSP funds were insufficient;

<sup>36</sup> The works were cancelled as funds were received from an alternative scheme, or the works had already been executed by another agency before the release of DMFT funds.

however, this explanation is unsustainable because the initial SCSP sanction already covered the full estimated cost and remained largely undisbursed.

At the exit conference (May 2025), the State Government accepted the audit conclusions and assured to recover or adjust the surplus funds.

### **3.12.11 No DMFT Websites to meet transparency obligations**

Rule 24 of the Himachal Pradesh District Mineral Foundation Trust (Amendment) Rules, 2020 obliges every DMFT to establish and maintain a dedicated district level website that discloses, on a continuing basis, the trust's composition, the notified mining-affected areas, the quantum of contributions received, the minutes of meetings, approved annual action plans, the physical and financial progress of projects, beneficiary lists and all material released under the Right to Information Act.

The audit found that none of the sampled DMFTs had even initiated such a web portal, with the result that all statutory information remained outside the public domain. This absence of digital disclosure not only contravenes the explicit mandate of the amended Rules but also diminishes transparency, public oversight and accountability for the funds channelled through these trusts.

In response, the Department stated that website development was in progress.

During the exit conference in May 2025, Government representatives accepted the substance of the audit's observations and assured to expedite remedial action.

### **3.12.12 Absence of Master Plans or Vision Documents for DMFTs**

Rule 12(iii) of the Himachal Pradesh District Mineral Foundation Trust (HPDMFT) Rules, 2016 requires every Managing Committee (MC) to prepare a district specific Master Plan (Vision Document) to guide Trust activities.

Audit scrutiny showed that in all four sampled districts no such Master Plan / Vision Document had been prepared up to March 2023. Consequently, works were approved solely based on available budget and proposals received from implementing agencies<sup>37</sup>, without any structured assessment of the needs of mining-affected areas or persons. This *ad hoc* approach prevented development activities from being taken up in a planned and integrated manner.

During field audit, the respective Mining Officers (January – July 2024) accepted the observation and assured to prepare the required Master Plans / Vision Documents. However, as of July 2024 neither the MCs had prepared the documents, nor had they obtained approval from the Governing Council.

<sup>37</sup> HPPWD, Jal Shakti Vibhag, Police Department, Forest Department, Block Development Officer, Gram Panchayat.

At the exit conference (May 2025) the Government endorsed the audit findings and assured that corrective action would be taken.

### **3.12.13 Annual Budgets, Action Plans and Reports not prepared**

Rule 9 (ii) of the HPDMFT Rules 2016 makes the Governing Council (GC) responsible for drawing up and approving the Annual Action Plan and Annual Budget. Rule 12 (ix) further requires the Managing Committee (MC) to place an Annual Report before the GC within 60 days of the close of each financial year.

Audit scrutiny showed that none of the selected DMFTs prepared or obtained GC approval for their Annual Budgets and Action Plans for the five-year period 2018-19 to 2022-23, in breach of the above provisions. Likewise, Annual Reports covering the same period were neither prepared nor presented to the GC.

At the exit conference (May 2025), the Government accepted the audit findings and assured to implement corrective measures.

### **3.12.14 Annual Accounts not prepared or audited for DMFTs**

Rule 16(3) & (4) of the Himachal Pradesh District Mineral Foundation Trust Rules, 2016 stipulate that the Trust must

- maintain proper books of account and related records;
- prepare, at the close of every financial year, an Annual Statement of Accounts comprising an Income & Expenditure Account and a Balance Sheet, in the format prescribed by the Government in consultation with the Accountant General (AG), Himachal Pradesh; and
- have these accounts audited annually by the AG.

Audit scrutiny (August 2023) showed that none of the selected DMFTs had prepared the required annual accounts, nor had they subjected their records to audit since the Trusts' inception in 2016.

The Department accepted the observation and assured to address the lapse; yet, even after seven years of operation, the accounts remain neither prepared nor audited.

In the Exit Conference (May 2025), the Government concurred with the audit findings and assured that corrective action would be taken.

### **3.12.15 Short realization of DMFT Fund**

Rule 13 of the Himachal Pradesh District Mineral Foundation Trust Rules, 2016 requires each mining lessee to contribute a fixed share of royalty or a per tonne levy to

the District Mineral Foundation (DMF), depending on the category of mineral and the date on which the lease was granted.

An examination of 70<sup>38</sup> active leases in three districts<sup>39</sup> Bilaspur, Shimla and Una for the five-year period 2018-19 to 2022-23 revealed cases of non-compliance with this obligation. Against an assessed liability of ₹ 4.33 crore, the lessees collectively deposited only ₹ 3.47 crore, leaving ₹ 0.86 crore outstanding. The under payment was most pronounced in Una district, where 14 of the 30 scrutinised leases accounted for nearly three-quarters of the overall shortfall; Shimla recorded the next highest deficiency, while Bilaspur showed comparatively minor arrears as detailed in **Table 3.18**.

**Table 3.18: Details of the DMF funds due, collected, and the shortfall in collection, along with the interest amount accrued due to delayed collection during 2018-19 to 2022-23**

(₹ in lakh)

Sr. No.	Name of DMFT	No. of cases scrutinized	Number of cases where shortfall was noticed	DMFT fund due	DMFT fund realized	Shortfall
1	Bilaspur	10	04	9.40	7.34	2.06
2	Shimla	30	20	85.53	65.87	19.66
3	Una	30	14	338.65	273.99	64.66
<b>Total</b>		<b>70</b>	<b>38</b>	<b>433.58</b>	<b>347.20</b>	<b>86.38</b>

The short realisation arose because the Department refrained from issuing timely demand notices, did not invoke the penal and interest provisions prescribed under Rule 17, and allowed lessees to remit contributions at their discretion. Consequently, the DMFT not only lost principal revenue but was also deprived of the interest that would have accrued had payments been made regularly.

During the course of audit the Department stated that it would issue notices after further scrutiny of records.

At the exit conference (May 2025), the Government accepted the audit observations and assured to recover the outstanding dues with interest and to strengthen its monitoring mechanism.

### **3.13 Response of beneficiaries**

A beneficiary survey was conducted in the selected DMFTs to assess the impact of assets created under the DMFT. Out of the total 281 sanctioned projects, 68 projects were selected for the survey. However, seven of these projects were subsequently cancelled, leaving 61 projects for which the survey was conducted. For each project, 15 to 25 beneficiaries were selected, and their responses were recorded. In total, the survey

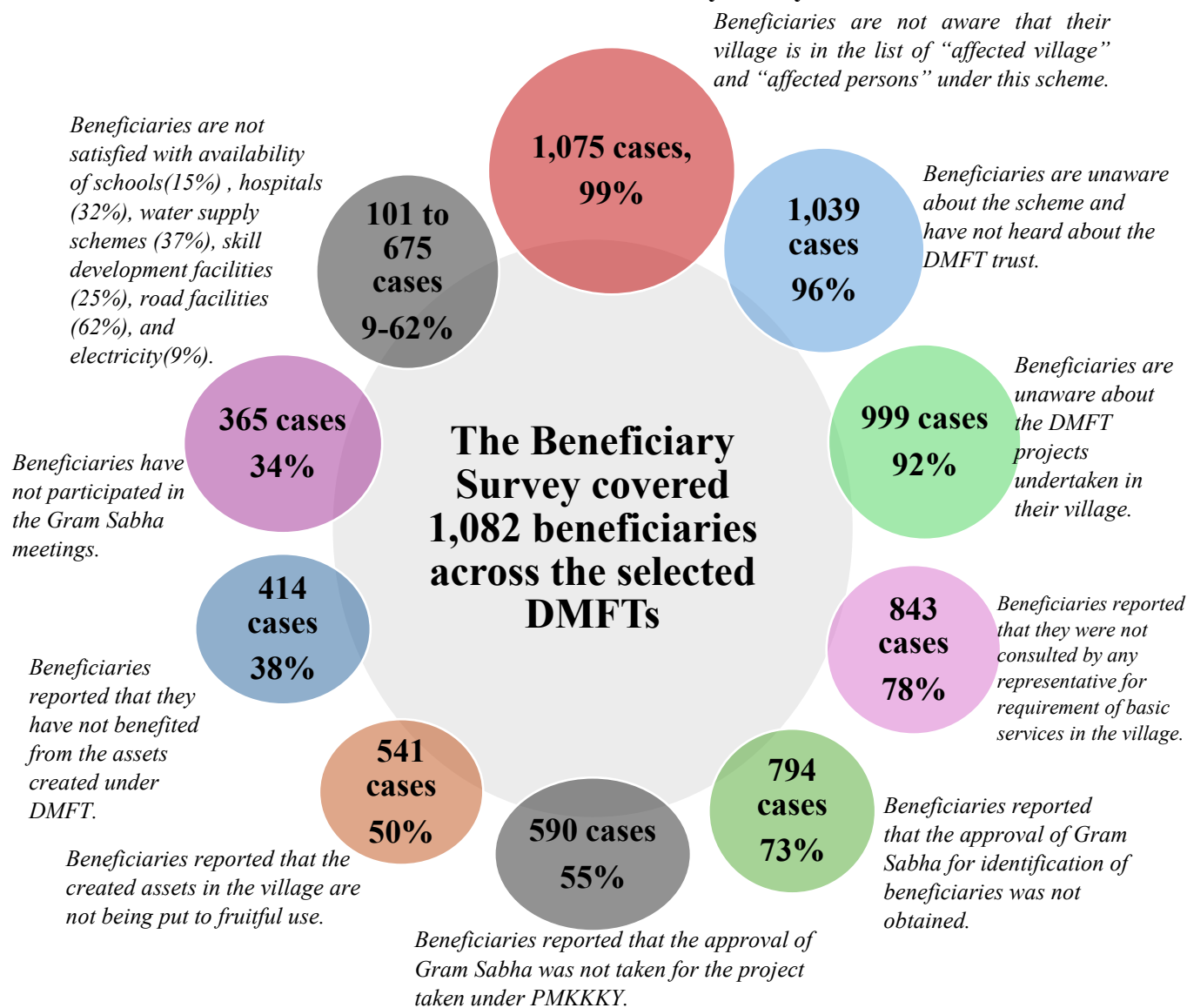
<sup>38</sup> Bilaspur-10, Shimla-30 and Una-30

<sup>39</sup> MO Solan had not maintained DMFT fund registers containing lease-wise monthly production data of minerals.

covered 1,082 beneficiaries across the selected DMFTs<sup>40</sup>. The detailed responses are tabulated in **Appendix 3.5**.

The observations of beneficiary survey are depicted in the **Chart 3.2**.

**Chart 3.2: Observations of beneficiary survey**



Note: 407 to 981 cases (38 to 91 per cent) people were found to be satisfied with school, hospitals, water supply, skill development, roads, etc. set up under the DMFT.

The department should focus on (i) adequacy of IEC and outreach mechanisms, (ii) adherence to *Gram Sabha* approval requirements, (iii) monitoring of asset utilisation, and (iv) effectiveness of feedback mechanism to ensure that projects align with local priorities and deliver intended benefits.

<sup>40</sup> Bilaspur - 327, Shimla - 120, Solan - 384, and Una - 251



In the exit conference (May 2025), the Government agreed to the audit findings and assured to take further corrective actions.

### **3.14 Conclusion**

Audit scrutiny revealed lack of planning, evident from the absence of an Annual Action Plan, inadequate assessment of mineral wealth, and delayed disposal of mineral concession applications. The department did not comply with the extant rules and regulations in allotment of mining sites, and in preventing illegal mining and transportation. Monitoring and enforcement was inadequate, with a shortfall in inspection activities, issues with royalty and mining dues, and non-compliance with mining lease conditions. Additionally, the department's infrastructure was insufficient, with inadequate check-posts and lack of essential bodies like the District Level Task Force, Central Flying Squad, and Mining Surveillance System. The utilization of DMFT funds was poor, with low utilization rates and incomplete works. There was a lack of transparency and accountability, with no website or portal for DMFT information and unprepared annual accounts. There was significant shortfall in convening meetings of the Governing Council and Managing Committee.

### **3.15 Recommendations**

The State Government may:

- (i) Prepare Annual Action Plans and establish a robust monitoring mechanism to ensure timely disposal of mineral concession applications.*
- (ii) Conduct a comprehensive study to identify high-risk border areas and adhere to the H.P. Mineral Policy 2013.*
- (iii) Conduct regular inspections, establish a centralized database to track offenses, and implement a robust mechanism for seizure and auction of illegally mined minerals.*
- (iv) Ensure timely realization of mining dues, expedite recovery of outstanding dead rent and interest, and strengthen mechanisms for timely compliance.*
- (v) Establish district specific DMFT websites, maintain accurate fund registers, and convene regular Governing Council and Managing Committee meetings.*
- (vi) Constitute District Level Task Forces, implement the Mining Surveillance System, and enforce GPS based tracking systems for vehicles transporting minerals.*



**Chapter IV**  
**Execution of Minor Irrigation Schemes**  
**in Himachal Pradesh**



## Chapter IV: Execution of Minor Irrigation Schemes in Himachal Pradesh

### Jal Shakti Vibhag

#### 4.1 Introduction

Irrigation plays a critical role in improving agricultural growth and farm incomes. Out of a population of 68.65 lakh (as per 2011 Census), about 57 *per cent*<sup>1</sup> of the entire workforce of Himachal Pradesh has direct employment via agriculture. Agriculture is a major driver of the State's economy. The total geographical area of the State is 55.67 lakh hectares (ha); however, only 5.83 lakh ha is suitable for cultivation (total cultivable area) of which 3.35 lakh hectare area has been identified for irrigation (Cultivable Command Area/CCA). Irrigation schemes are classified into three categories viz., Major, Medium and Minor Irrigation. Schemes which have a Cultivable Command Area (CCA) of more than 10,000 ha are termed as Major schemes, those which have a CCA of less than 10,000 hectares but more than 2,000 ha are termed as Medium schemes and those Irrigation schemes which have a CCA of 2,000 ha or less are known as Minor schemes.

In Himachal Pradesh, irrigation facilities are being created under *Pradhan Mantri Krishi Sinchayee Yojana*<sup>2</sup> (PMKSY), Loan from National Bank for Agriculture and Rural Development (NABARD) - Rural Infrastructure Development Fund (RIDF), Command Area Development (HIMCAD) scheme launched (2017-18) by the State Government and also under other State Sector Schemes. PMKSY (Centrally Sponsored Scheme) was launched with the aim to enhance physical access of water on farm and expand cultivable area under assured irrigation, improve farm water use efficiency, introduce sustainable water conservation practices etc. The central assistance (CA) will be in the form of Central grant. The funding pattern for Himachal Pradesh is 90 (Central): 10 (State).

As of March 2023, 3.01 lakh ha CCA has been created through one major (Shahnehar Major Irrigation Project), eight medium and 2,682 minor irrigation schemes. Minor irrigation schemes have larger social impact as they account for 2.63 lakh ha<sup>3</sup> (87 *per cent*), out of the total created CCA of 3.01 lakh hectare in the State.

The Jal Shakti Vibhag (JSV) is responsible for development, operation and maintenance of water related infrastructure including irrigation needs of the State. The Department also executes water supply schemes, flood protection works, and sewerage schemes in the State.

<sup>1</sup> Economic Survey Himachal Pradesh 2022-23.

<sup>2</sup> PMKSY scheme was introduced in 2015-16 and 'Accelerated Irrigation Benefit Programme (AIBP)' was merged with it.

<sup>3</sup> JSV: 1.63 lakh ha and other departments: 1.00 lakh hectare.

The Secretary (JSV) is the administrative head of the Department who is assisted by two Engineers-in-Chief (E-in-C)<sup>4</sup>, Chief Engineers (CEs) of four Zones<sup>5</sup> and Superintending Engineers (SEs) of 14 Circles<sup>6</sup>. The execution of the schemes is carried out by the Executive Engineers (EEs) of 61 divisions.

## **4.2 Audit Objectives**

Audit objectives were to ascertain and assess whether:

- Execution and maintenance of the works under the schemes/projects are done in accordance with Detailed Project Reports (DPRs)
- Institutional mechanisms for monitoring and evaluation of schemes are in place and functioning as per the guidelines of the schemes
- Financial management of the schemes is as per the guidelines of the schemes.

## **4.3 Audit Criteria**

Audit criteria were derived from the following sources:

- National Water Policy, 2012 and Himachal Pradesh Water Policy, 2013
- Central Public Works (CPW) Accounts code and Central Public Works Department (CPWD) Works Manual
- Himachal Pradesh Office Procedure Manual
- Detailed Project Reports of Minor Irrigation Schemes
- Terms and conditions stipulated in administrative approvals/ expenditure sanctions, technical sanctions and working estimates
- Himachal Pradesh Financial Rules, 2009 and Himachal Pradesh Treasury Rules, 2017
- Orders and instructions issued by the Government of India and State Government.
- Guidelines of PMKSY, National Bank for Agriculture and Rural Development (NABARD) and Central Water Commission (CWC)

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<sup>4</sup> Engineer-in-Chief (JSV) and Engineer-in-Chief (Projects).

<sup>5</sup> Dharamshala, Hamirpur, Mandi and Shimla.

<sup>6</sup> Bilaspur, Chamba, Dharampur, Dharamshala, Hamirpur, Kullu, Nahan, Nurpur, Reckong Peo, Rohru, Shimla, Solan, Sundernagar and Una.

#### 4.4 Audit Scope and Methodology

The Audit of Minor Irrigation Schemes covering the period 2019-23 was conducted in JSV in the offices of the Engineer-in-Chief, Chief Engineers of two (out of four) zones, Superintending Engineers of four circles (out of seven) from the selected zones, and Executive Engineers of eight (out of 17) divisions from the selected circles<sup>7</sup>. The selection of zones, circles and divisions was made on the basis of stratified random sampling method using IDEA software.

The audit methodology included scrutiny of records, analysis of Departmental replies, and Joint Physical Inspection of three schemes (two completed and one incomplete) per selected division (total 24 schemes selected on the basis of quantum of expenditure). Survey of 408 beneficiaries in the selected 24 schemes was also carried out to assess feedback of scheme implementation. An Entry Conference was held in August 2023 with the Principal Secretary (JSV) to the Government of Himachal Pradesh and the officers from JSV (Department) to discuss audit objectives, criteria, scope, methodology and selection of samples. The Audit findings were discussed with the Additional Chief Secretary/ACS (JSV) in the Exit Conference held in May 2025. The ACS admitted the audit findings and assured compliance thereof at the earliest possible. The views of the Government have been incorporated in the Report, wherever appropriate.

#### Audit Findings

#### 4.5 Planning, execution and maintenance of Minor irrigation schemes

The process involved in execution of irrigation schemes includes planning, survey and investigation, availability of encumbrance free site, preparation of detailed project reports (DPRs), approval of DPRs, technical sanction, tendering process, contract management, expeditious execution of works, etc.

District Irrigation Plans (DIPs) are the cornerstone for planning and implementation of PMKSY and present holistic irrigation development perspective of the district, outlining medium to long term development plans integrating three components viz., water sources, distribution network and water use applications. State Irrigation Plans (SIPs) are prepared after the consolidation of DIPs.

Audit noticed that as per SIP prepared during the year 2015, total plan of PMKSY for the period 2016-17 to 2019-20 was ₹ 7,602.95 crore for all the components of PMKSY (AIBP, Har Khet Ko Pani (HKKP), Per drop more crop and water shed) including convergence with MGNREGA. Out of this, ₹ 4,512.16 crore (56.14 per cent) was planned under HKKP for 6,478 number of schemes. Total, 129 schemes costing

<sup>7</sup> CEs: Shimla and Mandi, SEs: Kullu, Nahan, Rohru and Sundernagar, EEs: Jubbal, Karsog, Kullu-I and Kullu-II, Nahan, Nohradhar, Rohru and Sundernagar.

₹ 804.51 crore have been sanctioned during the years 2017-18, 2018-19 and 2021-22. However, no schemes were sanctioned during the years 2019-20 and 2020-21.

#### **4.5.1 Detailed Project Report**

Detailed Project Report (DPR) of each minor irrigation scheme is to be prepared by the concerned Department in consultation with Panchayati Raj Institutions (PRIs). The Point IV to X of the Section 01 of Guidelines of Central Water Commission for preparation of DPRs for irrigation schemes provide for conduct of detailed survey and investigation including topographical, geological, hydrological/meteorological survey.

Audit noticed that for the 24 selected schemes in the test-checked divisions:

- The topographical survey was conducted only for four schemes in two divisions<sup>8</sup>, geological survey was not conducted for any of the schemes and hydrological and meteorological data had been obtained for two schemes in two divisions<sup>9</sup> only.
- Data regarding rainfall, temperature, gauge and discharge was taken into account in five schemes in two divisions<sup>10</sup>. Weekly, fortnightly crop water requirement was assessed in 12 schemes in four divisions<sup>11</sup>.

The Executive Engineers concerned stated (during August 2023 to November 2023) that detailed survey was not conducted.

Due to not conducting of survey/investigations before preparation of DPRs, instances of schemes lying incomplete, damages to schemes works (usually caused by flood), not functioning of the completed projects, etc. as indicated in **Paragraph 4.5.9** were noticed during the course of audit.

#### **4.5.2 Benefit Cost Ratio**

Benefit Cost Ratio (BCR) in respect of minor irrigation schemes is to be calculated on the basis of net benefits/profits and annual maintenance cost of the scheme. The BCR is helpful in determining the economic feasibility of an irrigation scheme. For approval of DPRs of irrigation schemes, minimum BCR should be one or above. It was expected that following completion of the schemes, beneficiaries would shift to the envisaged cropping patterns and that the benefit of irrigated land would produce higher crop yields.

Audit noticed that in respect of 24 selected schemes in eight test-checked divisions, the Executive Engineers concerned had calculated the BCR of the schemes in the DPRs.

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<sup>8</sup> Nohradhar three, Rohru one.

<sup>9</sup> Nohradhar one, Rohru one.

<sup>10</sup> Nohradhar three, Rohru two.

<sup>11</sup> Kullu-I three, Kullu-II three, Rohru three and Sundernagar three.



However, after completion of the schemes, the divisions had neither ascertained the change in cropping pattern, nor conducted evaluation of the productivity of the area covered under the schemes. Due to non-collection/maintenance of data regarding change in the cropping pattern from Agriculture and Horticulture Departments, achievement of BCR ratio could not be ascertained and verified in the Audit.

The Executive Engineers concerned stated that (July 2023-November 2023) there was no mechanism in JSV to evaluate the crop yield after commissioning of the minor irrigation schemes. The reply is not satisfactory, as due to not evaluating of benefits accrued after completion of the scheme, the calculation of BCR at the DPR stage for determining the economic feasibility of the schemes remained a futile exercise.

During the Exit Conference held in May 2025, the Additional Chief Secretary (ACS) accepted the audit findings and instructed the Engineer-in-Chief to conduct a study and evaluate the productivity of the irrigation schemes upon their completion.

#### **4.5.3 Convergence with other Water Conservation and Management Programmes/ Schemes**

As per Paragraph 19 of operational guidelines of PMKSY, the Department was to ensure convergence with all rural assets/infrastructure-based programmes related to water conservation and management programmes/schemes like Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). In most cases, the labour-intensive works like earth works for source creation may be taken up under MGNREGA. Emphasis should be given for utilising MGNREGA fund for de-silting of ponds, canals, defunct water bodies like old ponds, *Jal Mandir, kuhl, tanka* etc. to improve storage capacity and creating scopes for water availability for irrigation purposes. An outlay of ₹ 210.24 Crore for MGNREGA convergence for the period 2016-17 to 2019-20 was also kept in the State Irrigation Plan (SIP) of PMKSY.

Audit noticed that in all test-checked divisions, no convergence with MGNREGA had been undertaken by JSV. No reason for non-convergence was provided by the Department. Thus, Government of India's initiative to facilitate sustainable development through convergence of PMKSY with the other programs/schemes suffered.

During the Exit conference (May 2025), the ACS admitted the fact and directed Engineer-in-Chief to issue instructions to all sub-divisions to identify check dams, ponds, other perennial sources of water for revival/ recharging and maintenance through convergence works.

#### **4.5.4 Water User Associations/KisanVikas Sanghs**

The State Water Policy of Himachal Pradesh, 2013 provides for participatory approach in planning, design, development and management of water related schemes by formation of Water User Associations (WUAs) or *Kisan Vikas Sanghs* (KVSs) and their

inputs shall be an essential component of the scheme's DPR. The WUAs/KVSs are to function as community-led bodies for water management within the CCA after completion of the irrigation schemes.

Audit noticed that:

- WUAs/KVSs were formed in 14 schemes (out of 24 test-checked schemes) and were functional only in seven schemes. Further, neither any framework had been prescribed for water management by these WUAs/KVSs like schedule (*warabandi*<sup>12</sup>) for efficient and equitable distribution of water to beneficiaries, nor functions (like reports on distribution of water, interface between WUAs/KVSs and the Department for periodic review of status of schemes and need for repairs and maintenance) were performed.
- Assets/facility created were not handed over by the eight test-checked divisions to WUAs/KVSs and Panchayati Raj institutions or user groups for management purposes.

Thus, the planning, design, development, and management of minor irrigation schemes lacked a participatory approach, reflecting the Department's indifference towards promoting stakeholder involvement in achieving the objectives outlined above.

During the Exit conference (May 2025), the Engineer-in-Chief accepted the findings and stated that although WUAs/KVS were formed in most of the cases but they were largely non-functional. The ACS instructed to link the WUAs/KVSs with Farmer Producer Organization (FPO).

#### **4.5.5 Inter-district disparities in the approval of projects under PMKSY**

Para 11(e) of operational guidelines of PMKSY stipulates that there should not be inter-district disparities with respect to the financial patterns/subsidy assistance in the irrigation projects which is to be ensured by the State Level Sanctioning Committee (SLSC<sup>13</sup>).

District-wise details of schemes sanctioned under PMKSY shelves<sup>14</sup> (under component - HKKP are given in **Table 4.1**.

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<sup>12</sup> *Warabandi* - System of rotation of supply of water to ensure equitable water distribution among farmers.

<sup>13</sup> The committee is formed for providing technical advice and guidance on various projects and schemes related to irrigation/water sources/ public health.

<sup>14</sup> The number of schemes proposed for approval in the financial year from sanctioning authorities under PMKSY.

**Table 4.1: District-wise details of schemes sanctioned under HKKP during 2017-22**

(₹ in crore and CCA in hectare)

Sr. No.	District	Strategic action plan as per SIP*		Schemes Approved			Percentage of the approved schemes w.r.t. total planned		Cumulative achievement up to 31 March 2023	
		Cultivable Command Area (CCA)	Cost	Number	Cost	CCA	Cost	CCA	Financial	Physical (CCA)
<b>Shelf-I 2017-18</b>										
1	Bilaspur	4,091	75.30	3	4.54	193.00	6.03	4.72	4.54	188.00
2	Chamba	11,190.94	478.56	1	1.74	70.00	0.36	0.63	1.69	59.00
3	Hamirpur	344.02	13.84	2	1.23	88.87	8.89	25.83	1.23	88.87
4	Kangra	57,136.52	1,201.93	40	75.07	4,711.52	6.25	8.25	72.56	4,329.31
5	Kinnaur	4,196.50	46.29	1	6.52	262.00	14.09	6.24	6.52	262.00
6	Kullu	14,321.45	229.65	13	48.75	2,164.90	21.23	15.12	33.24	1,346.50
7	Lahaul and Spiti	8,050.50	151.75	2	1.16	65.00	0.76	0.81	1.16	65.00
8	Mandi	10,543.76	276.65	8	22.41	925.98	8.10	8.78	22.32	785.08
9	Shimla	21,725.27	486.83	28	154.84	8,413.70	31.81	38.73	145.29	6,836.21
10	Sirmaur	27,730.43	736.80	9	13.98	594.99	1.90	2.15	13.38	548.73
11	Solan	14,050.95	328.87	2	0.86	38.90	0.26	0.28	0.86	38.90
12	Una	31,611.28	485.69	2	7.07	352	1.46	1.11	7.07	352
<b>Total</b>		<b>2,04,992.62</b>	<b>4,512.16</b>	<b>111</b>	<b>338.17</b>	<b>17,880.86</b>	<b>7.50</b>	<b>8.72</b>	<b>309.86</b>	<b>14,899.60</b>
<b>Shelf-II 2018-19</b>										
1	Mandi	10,543.76	276.65	3	81.62	3,304.09	29.50	31.34	81.82	3,304.09
2	Kinnaur	4,196.50	46.29	1	5.73	230.00	12.38	5.48	3.37	0
<b>Total</b>				<b>4</b>	<b>87.35</b>	<b>3,534.09</b>	<b>27.05</b>	<b>23.98</b>	<b>85.19</b>	<b>3,304.09</b>
<b>Shelf-III 2021-22</b>										
1	Mandi	10,543.76	276.65	14	378.99	9,665.18	136.99	91.67	45.00	0
<b>Grand total (All districts shelf I+II+III)</b>		<b>129</b>			<b>804.51</b>	<b>31,080.13</b>	<b>17.83</b>	<b>15.16</b>	<b>439.84</b>	<b>18,203.69</b>
<b>Mandi (Shelf- I+II+III)</b>		<b>10,543.76</b>	<b>276.65</b>	<b>25</b>	<b>483.02</b>	<b>13,895.25</b>	<b>174.60</b>	<b>131.79</b>	<b>149.14</b>	<b>4,089.17</b>

Source: Information supplied by the Department. \*State Irrigation Plan.

It can be seen from **Table 4.1** that during 2017-22, three shelves of 129 schemes for creation of CCA of 31,080.13 ha at a cost of ₹ 804.51 crore under the component - HKKP of PMKSY were approved by the JSV. However, there were huge inter-district disparities in approval of schemes and allocation of funds in the districts.

- During 2017-18, against the CCA of 2.05 lakh ha targeted for creation under HKKP, 111 Schemes were approved for creating CCA of 0.18 lakh ha in 12 districts, at cost of ₹ 338.17 crore. However, there was no uniform pattern in approving the Schemes. For three districts i.e., Hamirpur, Kullu and Shimla, the CCA approved to be created during 2017-18 ranged between 15.12 and 38.73 per cent of the CCA targeted in the SIP; whereas, in the remaining nine districts it ranged between 0.28 and 8.78 per cent.
- During 2018-19, four Schemes were sanctioned for ₹ 87.35 crore for two districts only (Mandi: three and Kinnaur: one).
- During 2021-22, all 14 Schemes were sanctioned for ₹ 378.99 crore for Mandi

district only. Thus, against the planned CCA of 10543.76 ha at a projected financial outlay of ₹ 276.65 crore for Mandi district as per the State Irrigation Plan (SIP), the CCA of 13895.25 ha (131.79 *per cent*) was approved for creation at a total cost of ₹ 483.02 crore (174.60 *per cent*) which was 60.04 *per cent* of the total allocated funds under component HKKP of PMKSY during the period 2017-22.

On this being pointed out (July 2023) in Audit, the Engineer-in-Chief stated (July 2023) that the schemes were included in the shelves as per approval of State Technical Advisory Committee (STAC<sup>15</sup>) and SLSC. However, the Engineer-in-Chief had not explained the reasons for disparities in approval of projects and sanctioning of funds in the State under the PMKSY.

During the Exit conference (May 2025), the ACS directed the Engineer-in-Chief to take care to avoid such discrepancies.

#### **4.5.6 Non-Execution of Micro Irrigation works under HIMCAD**

The JSV had created huge irrigation potential but there was gap between the irrigation potential created and utilised, therefore, the State Government had started a new scheme HIMCAD during 2017-18 for better water conservation, crops diversification and integrated farming to provide last mile connectivity to the farmers' fields. Further, Paragraph 6.2 of State Water Policy, 2013 stipulates that all irrigation schemes are to be progressively moved away from flood irrigation and open channel irrigation to micro irrigation<sup>16</sup> and piped supply, except where not feasible. Paragraph 10.2 of the State Water Policy further provides that new techniques like drip and sprinkler irrigation may be promoted, wherever feasible.

As per the STAC meeting (August 2017), the scope for micro irrigation for 10 *per cent* minimum to 30 *per cent* maximum of Irrigation Potential be made and the works thereof were to be executed by the Agriculture Department.

Details of shelves consisting of 723 schemes for estimated cost of ₹ 488.12 crore approved under HIMCAD during 2017-22 are given in **Table 4.2**.

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<sup>15</sup> The committee is formed for providing technical advice and guidance on various projects and schemes related to irrigation/water sources/ public health.

<sup>16</sup> Micro-irrigation, also called Micro-spray, localized, low-volume, low-flow, or trickle irrigation, is an irrigation method with lower water pressure and flow than a traditional sprinkler system.

Table 4.2: Details of schemes sanctioned under HIMCAD during 2017-22

(₹ crore and CCA in ha)

Shelf details	No. of schemes approved	Total CCA	Total estimated cost	Works to be executed by JSV		Micro Irrigation Works to be executed by Agriculture Department	
				CCA proposed	Estimated Cost	CCA proposed	Estimated cost
1 <sup>st</sup> shelf (2017-18)	274	15,590.94	131.01	11,534.78	101.01	4,056.16	30.00
2 <sup>nd</sup> shelf (2019-20)	379	25,285.10	310.52	19,038.59	253.53	6,246.51	56.99
3 <sup>rd</sup> shelf (2021-22)	70	3,796.54	46.59	3,082.60	37.76	713.94	8.83
<b>Total</b>	<b>723</b>	<b>44,672.58</b>	<b>488.12</b>	<b>33,655.97</b>	<b>392.3</b>	<b>11,016.61</b>	<b>95.82</b>

Source: Information supplied by the Department.

Funds were not allocated to the Agriculture Department for micro irrigation works as envisaged in State Water Policy, *ibid*. This indicated that micro irrigation works under HIMCAD were not executed as of July 2023.

In the reply, the Executive Engineer (Monitoring & Planning) stated (July 2023) that HIMCAD works had been executed by the Department as per budget allocation. The reply does not explain the non-allocation of funds to the Agriculture Department for carrying out the micro irrigation activities as provided in the State irrigation policy/STAC recommendations.

During the Exit conference (May 2025), ACS instructed that the Agriculture and Horticulture department will be asked to execute micro irrigation works as decided in STAC meeting.

#### 4.5.7 Status of execution of schemes

The Engineer-in-Chief, JSV, the administrative and technical/professional head of the Department in the State, is responsible for efficient working of the Department and shall exercise all administrative and financial powers as delegated upon the heads of the Department in the Himachal Pradesh Government from time to time.

The consolidated records of the schemes taken up for execution, those completed and those remaining incomplete at the State level during 2019-23 had not been maintained/updated at Engineer-in-Chief level.

The details of execution of schemes during 2019-23 in the test-checked divisions are given in **Tables 4.3** and **4.4**.

**Table 4.3: Details of execution of schemes during 2019-23 in the test-checked divisions (as of July-November 2023)**

(₹ in crore)

Year	Schemes approved		Schemes not started		Schemes completed		Schemes incomplete/ ongoing	
	No.	Approved Cost	No.	Approved cost	No.	Expenditure	No.	Expenditure
Prior to March 2019	65	200.82	1	0.10	47	116.39	17	70.47
2019-20	18	18.60	0	0	3	0.57	15	9.44
2020-21	44	26.85	1	0.47	16	2.77	27	11.13
2021-22	17	19.77	1	0.20	6	1.16	10	7.19
2022-23	19	37.98	2	6.17	0	0	17	3.46
<b>Total</b>	<b>163</b>	<b>304.02</b>	<b>5</b>	<b>6.94</b>	<b>72</b>	<b>120.89</b>	<b>86</b>	<b>101.69</b>

Source: Information supplied by the Department.

**Table 4.4: Details of time and cost overrun during 2019-23 in the test-checked divisions (as of January 2024)**

Schemes	No. of cases of time overrun	Time overrun (in months)	No. of cases of cost overrun	Cost overrun (in lakh)
Schemes completed	31	9 to 45 months	18	882.82
Schemes incomplete	10	3 to 46 months	3	103.43
Schemes not started	5	11 to 64 months	Not applicable	Not applicable
<b>Total</b>	<b>46</b>		<b>21</b>	<b>986.25</b>

- Out of the 163 approved schemes, only 72 schemes could be completed and among these completed schemes, 31 schemes were completed with a delay of 9 to 45 months. Besides, there was a cost overrun of ₹ 8.83 crore in 18 schemes.
- Out of 86 incomplete/ ongoing schemes, 10 schemes were not completed despite a delay of more than 3 to 46 months. These schemes were lying incomplete due to land dispute (in two cases), failure in getting forest clearance (in two cases), and not providing of power supply (in one case). In the remaining five irrigation schemes, reasons were not furnished by the Department. Besides, there was a cost overrun of ₹ 1.03 crore in three schemes.
- The works for five schemes sanctioned for ₹ 6.94 crore were not started even after a lapse of 11 to 64 months from the month of sanction.

#### 4.5.8 Deficiencies in respect of schemes selected for Detailed Scrutiny

Detailed scrutiny of records of 24 selected schemes (two completed and one incomplete in each test-checked division) (**Appendix 4.1**) revealed the following shortcomings:

##### 4.5.8.1 Irregular splitting of works into smaller jobs

As per Departmental instructions (April 2012), works should not be split up into smaller jobs to avoid e-tendering or to avoid publication through press or to keep the amount below certain amount (one lakh without publication and five lakh without e-tendering)

so as to avoid approval of higher authorities. Further, as per the State Government notification (September 2016), no work should be split up to avoid sanction of the higher authority.

Audit noticed that in the test-checked eight divisions, eighteen schemes for tendered amount of ₹ 48.25 crore<sup>17</sup> were split up into 214 agreements irregularly, without taking prior approval of the competent authority, as detailed in **Appendix 4.2**. Most of the schemes were split up just to keep the limit below ₹ five lakh to avoid e-tendering or competitive rates.

In reply, Executive Engineers concerned stated (July to November 2023) that necessary split up sanctions will be obtained from competent authorities soon.

The reply is not satisfactory as approval must be obtained before execution of the works.

During the Exit conference (May 2025), ACS admitted the fact and directed to issue necessary instructions to all Executive Engineers to look into the matter and send detailed compliance report.

#### **4.5.8.2 Delay in award of works**

As per Paragraphs 3.2.1 and 3.2.2 of guidelines of PMKSY, the irrigation schemes are to be completed in two years starting from the financial year of first release of Central Assistance and excluding the year of first release. Though the guidelines do not provide any timeline for award of works, the implied condition is that the works should be awarded within a reasonable period of time from the date of approval, so as to ensure their completion within the stipulated time.

Audit noticed that works in respect of 13 test-checked schemes (out of 24) sanctioned (between December 2014 and September 2021) for ₹ 92.85 crore<sup>18</sup> in respect of six test-check divisions were awarded (between February 2016 and July 2023) by taking a time period ranging between 11 and 66 months from the date of sanction (**Appendix 4.3**). As a result, there was a time overrun of 12 to 48 months in 12 schemes and cost overrun of ₹ 6.62 crore in seven schemes, in five test-checked divisions<sup>19</sup>.

#### **4.5.8.3 Non-levy/non-recovery of compensation for delay from contractors in execution of works**

Para 33.1 CPWD Works Manual 2014 (adopted by JSV Himachal Pradesh) and Clause 2 of bidding document (agreement) stipulates that for slow performance or delay in the

<sup>17</sup> Jubbal ₹6.70 crore, Karsog ₹3.27 crore, Kullu-I ₹ 0.98 crore, Kullu-II ₹ 5.69 crore, Nahan ₹ 0.65 crore, Nohradhar ₹6.87 crore, Rohru ₹ 18.51 crore, Sundernagar ₹5.58 crore.

<sup>18</sup> Jubbal: ₹ 33.92 crore, Karsog: ₹ 0.83 crore, Kullu-I: ₹ 15.63 crore, Kullu-II at Larji: ₹ 11.99 crore, Rohru: ₹ 23.15 crore and Sundernagar: ₹ 7.33 crore.

<sup>19</sup> Jubbal, Karsog, Kullu-I and Kullu-II at Larji and Rohru.

completion of the work, compensation, subject to a maximum of 10 *per cent* of the tendered value, is recoverable.

The audit noticed that:

- In four test-checked divisions, 18 works of 11 schemes were not completed by the contractors even after lapse of eight to 69 months over and above the stipulated time. The contractor neither reported any hindrances in execution of work, nor applied for extension of time. The Department had not levied compensation of ₹ 3.17 crore<sup>20</sup> on the contractor as per clause of the agreement and rules *ibid* (**Appendix 4.4**). The non-levy of compensation resulted in the extension of undue financial benefits to the contractors. Besides, the non-completion of the works within the stipulated period deprived the beneficiaries of the intended benefits.
- In three test-checked divisions, the compensation of ₹ 1.24 crore<sup>21</sup> levied on the contractors as per clause-2 of the agreement *ibid* (**Appendix 4.4**) had not been recovered, which reflected extension of undue favour to the contractors.

The Executive Engineers of the two divisions stated (July - November 2023) that notices were issued to the contractors and necessary action would be taken and compensation would be imposed and recovered. The Executive Engineers of the other divisions stated that delay was not attributed to the contractors or contractors applied for the extension but the fact remained that time extensions were not given to the contractors.

The replies do not explain the reasons for not completing of the works by the contractors within the stipulated time and not initiating of action against the contractors in terms of the provisions of the contract.

During the Exit conference (May 2025), the ACS took serious note on the issue and directed Engineer-in-Chief to issue necessary instructions.

#### **4.5.9 Joint Physical Inspection and Beneficiary Survey**

During Joint Physical Inspection of the 24 minor irrigation schemes (16 complete and eight incomplete) (**Appendix 4.1**) conducted (July-November 2023) in test-checked divisions, major deficiencies noticed in nine schemes have been discussed in the succeeding paragraphs.

##### **(i) Lift Irrigation Scheme Nagal Suketi in Nahan Tehsil**

- The scheme was non-functional as a portion of booster stage had been completely destroyed and washed away due to flood as it was constructed

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<sup>20</sup> Karsog: ₹ 0.21 crore, Kullu-I: ₹ 1.17 crore, Nahan: ₹ 0.02 crore and Rohru: ₹ 1.77 crore.

<sup>21</sup> Jubbal: ₹ 0.68 crore, Kullu-I: ₹ 0.12 crore and Kullu-II at Larji: ₹ 0.44 crore.



without proper survey and investigation. Beneficiaries confirmed that water was not coming to the main stage.

**(ii) *Lift Irrigation Scheme Chakhana Tumman in Gram Panchayat (GP) Gawalpur Tehsil Karsog***

- Constructed portions including pump house, pumping machinery, main channel and gravity main, retaining walls and transformer were washed away/damaged due to flood in August 2023 as the site for construction of pump house, sump well, transformer etc. was selected without conducting geological and topography survey.

**(iii) *Flow Irrigation Scheme Chirdi Dhar, Bodhal, Chandru, Chambi, Khaterwari and Bharari in Tehsil Sundernagar***

- Gravity main pipe of phase-II constructed alongside *Jawala khad* was washed away due to heavy rain during July 2023 due to laying of the gravity main alongside the *khad* without conducting any geological and topography survey and investigation. Resultantly, phase-II of the scheme was not functional, depriving the beneficiaries concerned of the intended irrigation facilities.

**(iv) *LIS to GP Bhaliyani, Bhumteer and Brahaman in Tehsil and district Kullu***

- Only sump well and foundation of pump house was constructed at site and the work was stopped (August 2021) due to unavailability of forest clearance and other local site dispute as division had not ensured encumbrance free site before award of work of the scheme. The Division had submitted (April 2021) the case for diversion of forest land for non-forestry purpose to the Divisional Forest Officer, Kullu which was awaited, as of November 2023.
- The work was rescinded (August 2021), after incurring a total expenditure of ₹10.12 crore and the balance work was not re-awarded, as of November 2023.
- The contractor/firm had contested (December 2021) the case in arbitration and the arbitrator awarded (June 2023) a claim of ₹ 1.64 crore (plus interest) in favour of the contractor/firm.
- Pumping machinery procured for both stages at cost of ₹ 68.73 lakh was not found at site.
- Overall, the inability of the Department to ensure encumbrance free site for the scheme had resulted in unfruitful expenditure of ₹10.12 crore, avoidable arbitration award liability of ₹ 1.64 crore, plus interest.

**(v) Lift Irrigation Scheme Bhami Nallah in GP Naraish, Hurla, Diyar in Tehsil Bhunter (District Kullu)**

- 50 per cent of the scheme had been completed after incurring expenditure of ₹ 7.19 crore in a period of six years from the date of sanction (October 2017). The works of intake structure, desilting tanks and lying rising main of third stage found completed whereas only 40 per cent work of pump houses of first and second stage was completed. Pumping machinery purchased at ₹ 95.61 lakh was lying uninstalled. Balance work was not re-awarded as of November 2023.

**(vi) LIS Chagawonti Khad to GP Kalbog Nagan**

- One completed sump well (out of two) and three partially completed pumphouses (one each in all three phases) and partially completed distribution network in all three phases of the scheme were found during Joint Physical Inspection. The work of construction of main delivery tank has not been started. About 60 per cent of work was found completed after incurring an expenditure of ₹ 16.77 crore, upto October 2022.
- Pumping machineries for all three phases purchased at ₹ 45.48 lakh were not found at site.
- No work was executed after October 2022 due to unavailability of suitable encumbrance free site for the purpose. The work was lying in suspended state, as of August 2023.

**(vii) Lift Irrigation Scheme Horticulture area Dhamwani to Jamuti, covering Kharot and group of villages Tehsil Chirgaon**

- The scheme, sanctioned in September 2017, was to be constructed in five stages of two phases.
- Scrutiny of records and Joint Physical Inspection revealed that civil structures such as pump houses, sump wells and rising main of all stages had been completed at a cost of ₹ 7.51 crore. However, the scheme was incomplete, as the construction of work of some storage tanks was still incomplete.
- Pumping machineries of all stages had been installed but supply of power by HPSEBL in four stages (out of five) was not ensured (July 2023), despite advance payment of ₹ 1.07 crore (August 2019).
- First Stage of Phase-I where supply of power had been made, was found non-functional since September 2022 due to theft of the transformer.
- Thus, the scheme remained non-functional.

**(viii) Lift Irrigation Scheme for Horticulture Pebber to Kulgaon and surrounding area in GP Jangla Tehsil Chirgaon**

- The scheme was sanctioned in September 2017 to be constructed in three stages.
- As per the quarterly physical and financial report ending March 2023, sent by the Department to the GoI, the scheme was shown as complete. However, only civil work was completed after incurring an expenditure of ₹ 9.74 crore as of July 2023 and supply of power connection for the second and third stage was not provided by HPSEBL (July 2023).
- The scheme was completed for stage 1<sup>st</sup> only but the intake chamber of this stage was also not constructed and water was tapped directly from the *Khadd*.
- Thus, completion was falsely reported to Government of India (GoI) by the Department as the scheme was incomplete.

**(ix) LIS for Horticulture Land from Khilawan Khadd Pujarli**

- Civil work of LIS scheme was completed in July 2022 for ₹ 9.36 crore.
- The scheme was found non-functional due to heavy damage (July 2023) during physical inspection. As per logbooks, the scheme had run for one month only (June 2023).
- Beneficiary survey showed that the water was not coming to various storage tanks in the vicinity.
- Overall, the Department could not deliver the output, as required.

**Beneficiaries' survey**

As stated earlier, survey of 408 beneficiaries in the test-checked 24 schemes was also carried out to assess feedback on scheme implementation.

Survey revealed that

- Only 45 *per cent* of beneficiaries were satisfied with the quantity of water supplied for irrigation.
- 49 *per cent* beneficiaries reported that KVS had been constituted and only 12 *per cent* beneficiaries were satisfied with the water distribution management by KVS.
- None of the beneficiaries stated changes in economic status and living standard after completion of the irrigation scheme.

- Only eight *per cent* of beneficiaries stated that *girdawari*<sup>22</sup> was done at fields, clearly showing that the Department did not make efforts to assess the crops actually grown in the fields.
- Only six to seven *per cent* of beneficiaries reported a change in cropping pattern of Rabi-Kharif crops respectively, after completion of the scheme.

## **Monitoring**

### **4.6 Pradhan Mantri Krishi Sinchayee Yojna**

#### **4.6.1 Inter Department Working Group (IDWG) Activities not carried out**

Operational Guidelines of PMKSY provide that SLSC chaired by the Chief Secretary of the State will be vested with the authority to sanction specific projects recommended by the Inter Departmental Working Group (IDWG) in a meeting attended by representatives of the Government of India. The IDWG will be responsible for day-to-day coordination and management of the Scheme activities within the State.

Audit noticed that above activities were not being carried out by the IDWG in the State. The Engineer-in-Chief stated (July 2023) that regular meetings of IDWG were not convened.

#### **4.6.2 Social audit**

Paragraph 11(j) of PMKSY guidelines provides for active involvement of Panchayati Raj Institutions (PRIs) in implementation of PMKSY, especially in selection of beneficiaries, conducting social audit etc. Further, para 18 of PMKSY guidelines also stipulates that the accounts of all the assets created will have to be put before the Gram Sabha for social audit.

Audit noticed that social audit of the minor irrigation schemes was not conducted by community-based organisations (user groups)/PRIs/beneficiaries etc. in any of the test-checked divisions. The accounts of all the assets created were also not put before the Gram Sabha for social audit.

Thus, due to the non-conducting of social audits, the assets created and the expenditure incurred thereon could not be verified by the Gram Sabha or PRIs. This reflects inadequate public awareness and limited community participation in the schemes and assets created.

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<sup>22</sup> A harvest inspection conducted regularly by the Revenue officials to record details about land cultivation and crops.

### 4.6.3 Inventory management

As per paragraph 16 of guidelines of PMKSY, inventory of the assets created under PMKSY projects except for those for individual farmers, etc. should be carefully preserved and assets that are no longer required should be transferred to the Nodal Department (Agriculture Department) for its use and redeployment, where possible.

Audit noticed that in none of the test-checked divisions, inventory for assets created was maintained during 2019-23. The Executive Engineers concerned stated (August-November 2023) that necessary inventory/ records would be maintained in future.

## 4.7 Financial Management

Funds for the minor irrigation schemes are mainly provided under the PMKSY, State Government by-NABARD Loans and other State schemes. In order to provide last mile connectivity to the farmer's fields, a new scheme HIMCAD was launched during year 2017-18 by providing CAD activities in the State. Funds under PMKSY and other State schemes are routed through the State budgetary process.

### 4.7.1 Budget allocation and Expenditure

Details of the Budget and Expenditure for minor irrigation schemes in the State during 2019-23 are given in Table 4.5.

**Table 4.5: Details of Budget and Expenditure for Minor Irrigation Schemes under PMKSY during 2019-23**

(₹ in crore)

Year	Budget			Expenditure		
	GoI share	State share	Total	GoI	State	Total
2019-20	147.91	16.43	164.34	147.91	16.43	164.34
2020-21	59.80	6.64	66.44	59.80	6.64	66.44
2021-22	60.31	6.70	67.01	60.31	6.70	67.01
2022-23	40.50	4.50	45.00	40.50	4.50	45.00
<b>Total</b>	<b>308.52</b>	<b>34.27</b>	<b>342.79</b>	<b>308.52</b>	<b>34.27</b>	<b>342.79</b>

**Table 4.6: Details of budget and expenditure for State Minor Irrigation schemes during 2019-23**

(₹ in lakh)

Year	Budget				Expenditure			
	State	NABARD	HIMCAD	Total	State	NABARD	HIMCAD	Total
2019-20	22.66	113.94	34.28	170.88	22.83	109.28	33.81	165.92
2020-21	30.54	124.23	43.12	197.89	26.98	100.05	33.01	160.05
2021-22	32.78	137.69	81.03	251.50	32.13	125.41	41.43	198.97
2022-23	27.33	158.95	74.65	260.93	19.94	149.19	57.02	226.15
<b>Total</b>	<b>113.31</b>	<b>534.81</b>	<b>233.08</b>	<b>881.20</b>	<b>101.88</b>	<b>483.93</b>	<b>165.27</b>	<b>751.09</b>

Source: Information supplied by the Department.

### 4.7.2 Diversion of funds towards other schemes/ works

Rule 14 of Himachal Pradesh Financial Rules, 2009 provides that the expenditure should be incurred for the purpose for which the funds have been provided.

Audit noticed that in 16 selected schemes of eight divisions, the Executive Engineers had diverted funds under PMKSY, NABARD and HIMCAD amounting to ₹ 2.34 crore<sup>23</sup> outside the scope of the programmes to 38 schemes/purposes, as detailed in **Appendix 4.5**. These funds were diverted for office equipment, hiring of vehicles and repair maintenance and execution of works of other schemes.

The Executive Engineers concerned stated (August-November 2023) that works were executed at different sites due to their urgency, in public interest. The reply is not satisfactory as the funds were diverted to other works and were not utilized for the purpose for which the same were sanctioned.

#### **4.7.3 Avoidable payment of demand charges on nil consumption of electricity**

As per General Conditions of Tariff of the Himachal Pradesh State Electricity Board Limited (HPSEBL), consumers under two part tariff, whose energy consumption is billed/ charged in Rs/kVAh (Kilo volt Ampere Hour), shall in addition to the kVAh charges, be also charged at the rates as per part-III, the ‘Demand charges’ (in Rs./VA/month), calculated on the actual maximum demand (in kVA) recorded on the energy meter during any consecutive 30-minutes block period of the month or at 90 *per cent* of the contract demand (in kVA), whichever is higher but up to a ceiling of contract demand as currently applicable.

Audit noticed that in five test-checked divisions, an amount of ₹ 0.94 crore was paid by the Divisions concerned (between April 2019 and March 2023) to HPSEBL for demand charges in respect of 14 lift irrigation schemes where the consumption of electricity was nil, as detailed in **Appendix 4.6**. The electricity bills of the scheme were being paid on account of demand charges only. Meter charges mentioned in the bill indicated that these schemes were not running/ functioning during the billing months. The Executive Engineers concerned had not reviewed the cases and taken up the matter with HPSEBL in time for change of contract demand/ disconnection of the meters of the non-functional schemes. As a result, the Department had to bear the demand charges for nil power consumption, which could have been avoided, had these cases been reviewed.

The Executive Engineers concerned stated (August-November 2023) that the matter would be taken up with the HPSEBL for disconnection of the meters.

During the Exit conference (May 2025), the ACS instructed the Department to issue instructions to all Executive Engineers to revise the contract demand in cases where schemes were non-functional.

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<sup>23</sup> Jubbal: ₹ 11.09 lakh, Karsog: ₹ 9.49 lakh, Kullu-I: ₹ 162.91 lakh, Kullu-II at Larji: ₹ 21.20 lakh, Nahan: ₹ 1.05 lakh, Nohradhar: ₹ 10.27 lakh, Rohru: ₹ 14.50 lakh, and Sundernagar: ₹ 3.13 lakh.

#### 4.7.4 Fictitious booking of material and suspected pilferage

As per para no. 7.1.3 of CPWA Code, fictitious stock adjustments are strictly prohibited such as, (i) debiting to a work the cost of materials not required or in excess of actual requirements, (ii) debiting to a particular work for which funds are available, the value of materials intended to be utilized on another work for which no allotment has been sanctioned or (iii) writing back the value of materials used on a work to avoid excess outlay over appropriation.

The Audit noticed that:

(i) Under a scheme “Providing Irrigation facility to Horticulture land of Darkoti and Gareog from Girttu Nallah” in Jubbal division:

- The Junior Engineer (J.E.) issued 251 number of cement bags (₹ 79,316/-) from the stock. However, the concerned J.E. of the scheme showed only 240 cement bags in the Material at Site (MAS) register resulting in short accountal of 11 cement bags valuing ₹ 3,476/-.
- As per the MAS Register 41 (Page-99), 950 number of cement bags were shown as issued vide indent NKS-kk-Darkoti-A to the work, but as per copy of the indent no. NKS-kk-Darkoti-A of March 2019, only 550 cement bags were issued and consumed vide MB 961 p-20 of the concerned JE. There was suspected misappropriation/ pilferage of 400 cement bags at the rate of ₹ 316/- per bag valuing ₹ 1,26,400/-.
- Steel 8 mm and 10 mm (50 quintal each) valuing ₹ 5.00 lakh has been issued from the store to the concerned Junior Engineers vide indent no. NKS Kk-Darkoti of June 2019 but the same was neither shown issued to the contractor from MAS register, nor the material was shown as consumed in the Measurement Books (MBs), and the balance quantity of the material was shown as nil or not taken in concerned MAS register. The concerned Junior Engineer could not show the accountal of material. Thus, misappropriation of material could not be ruled out.

The Executive Engineer concerned stated (August-November 2023) that the material was booked to utilize the available budget and reconciliation will be done with store/stock to find out the actual accountal of material.

The reply is not satisfactory as there was short accountal of material in MAS register of the concerned scheme and chances of misappropriation/ pilferage could not be ruled out.

#### 4.7.5 Abiana charges

Guidelines 6.5 of Himachal Pradesh State Water Policy 2013 provides that the age-old method of determining *abiana* charges (user charges) shall be replaced by a more

scientific billing-based system on the irrigation potential created. As per Guidelines 8.7 of National Water Policy 2012, a suitable percentage of the costs of infrastructure development may be set aside along with collected water charges, for repair and maintenance.

Audit noticed that:

- The *abiana* charges are notified by the State Government at the prescribed rate per acre per crop separately for lift irrigation schemes and flow irrigation schemes. These rates were to be revised on an annual basis at the rate of 10 per cent from the 1<sup>st</sup> April every year. The State had notified the rates of *abiana* charges @ ₹ 53.79 per acre per crop for lift irrigation schemes (LIS) and ₹ 26.90 per acre per crop for flow irrigation schemes (FIS) in March 2018, but these were not revised after 2018.
- Details of *abiana* charges to be raised with reference to the CCA created and actually raised as per rates notified during March 2018 are given in **Table 4.7**.

**Table 4.7: Details of collection of *abiana* charges in the State during 2019-23**

(*Abiana* Charges ₹ crore)

Year	CCA created upto beginning of year (in hectare)	CCA created upto beginning of year (in acre)*	CCA created during the year (in hectare)	Annual CCA for <i>Abiana</i> charges (for Rabi and Kharif)	<i>Abiana</i> charges calculated by Audit**	<i>Abiana</i> charges raised by the Department	Less raised
A	B	C	D	E=C*2	F=E*₹26.90	G	H
2019-20	1,75,722	4,34,226	4,640	8,68,452	2.34	0.12	2.22
2020-21	1,80,362	4,45,692	5,441	8,91,384	2.40	0.06	2.34
2021-22	1,85,803	4,59,137	8,031	9,18,274	2.47	0.07	2.40
2022-23	1,93,834	4,78,983	6,040	9,57,966	2.58	0.12	2.46
<b>Total</b>					<b>9.79</b>	<b>0.37</b>	<b>9.42</b>

Source: Information supplied by the Department. \*one hectare=2.4711 acre \*\* at the lower rate of ₹26.90 per acre for FIS

The department failed to raise the *abiana* charges as per CCA created in the State.

- The position of *abiana* charges raised and collected vis-à-vis the expenditure on repair and maintenance of the schemes in the State during 2019-23 is given in **Table 4.8**.

**Table 4.8: Position of *abiana* vis-à-vis expenditure on repair and maintenance of Minor Irrigation Schemes in the State during 2019-23**

(₹ crore)

Year	Status of <i>abiana</i> charges raised and collected				Expenditure on repair and maintenance	Percentage of <i>abiana</i> charges collected to expenditure on repair and maintenance
	Opening balance	<i>Abiana</i> charges raised	<i>Abiana</i> charges collected	Outstanding <i>abiana</i> charges		
2019-20	1.64	0.12	0.08	1.68	23.05	0.34
2020-21	1.68	0.06	0.06	1.68	22.56	0.26



Year	Status of <i>abiana</i> charges raised and collected				Expenditure on repair and maintenance	Percentage of <i>abiana</i> charges collected to expenditure on repair and maintenance
	Opening balance	<i>Abiana</i> charges raised	<i>Abiana</i> charges collected	Outstanding <i>abiana</i> charges		
2021-22	1.68	0.07	0.07	1.68	29.56	0.24
2022-23	1.68	0.12	0.07	1.73	15.20	0.46
<b>Total</b>		<b>0.37</b>	<b>0.28</b>		<b>90.37</b>	<b>0.31</b>

Source: Information supplied by the Department.

The outstanding *abiana* charges with beneficiaries was ₹ 1.73 crore as of March 2023. There was a gap between *abiana* charges raised and collected in each financial year which reflected an increasing trend in outstanding balance at the end of year during 2019-23.

*Abiana* charges collected by the State are very less (0.31 per cent) and are not commensurate with expenditure on repair and maintenance of minor irrigation schemes.

During the Exit conference (May 2025), the ACS directed to issue instructions to all divisions to realize the outstanding *abiana* charges.

#### Status of *Abiana* Charges in the test-checked divisions

The Audit noticed that:

- Total irrigation potential created in test-checked divisions was 10,938.27 hectares (27,017.52 Acre). However, against *abiana* charges of 14.53 lakh<sup>24</sup> to be collected during 2019-23 in test-checked divisions as calculated by the Audit, only ₹ 6.39 lakh were collected.
- *Abiana* charges have been collected by the concerned divisions after assessment of crops in the CCA by Patwari posted in the divisions. However, most of the divisions had neither raised nor collected, or collected very less *abiana* charges during the period 2019-23 due to shortage/non-posting of staff (Patwaris).
- The position of *abiana* charges raised and collected vis-à-vis the expenditure on repair and maintenance of the schemes in the test-checked divisions during 2019-23 is given in **Table 4.9**.

<sup>24</sup> *Abiana* calculated = total CCA created\*2 (*Rabi and Kharif*) x ₹26.90 (minimum rate, keeping in view FIS rate for *abiana* charges)

**Table 4.9: Details of the collection of *abiana* charges in the test-checked divisions during 2019-23****(₹ lakh)**

Division	<i>Abiana</i> raised and collected				Expenditure on repair and maintenance	Percentage of <i>abiana</i> charge collected to expenditure on repair and maintenance
	Opening balance on 1 April 2019	<i>Abiana</i> charges raised during 2019-23	<i>Abiana</i> charges collected during 2019-23	Outstanding <i>abiana</i> charges as on 31-03-2023		
Rohru	0.43	0.57	0.87	0.13	112.65	0.77
Jubbal	0.07	0	0	0.07	124.19	0
Nahan	2.72	0	0	2.72	120.98	0
Nohradhar	0	0	0	0	135.37	0
Karsog	0.06	0.36	0.03	0.40	151.73	0.24
Sundernagar	1.73	0	0	1.73	285.96	0
Kullu-I	1.25	2.61*	3.05	0.81	154.62	1.69
Kullu-II Larji	4.96	2.40*	2.44	4.92	147.79	1.62
<b>Total</b>		<b>5.94</b>	<b>6.39</b>	<b>10.78</b>	<b>1,233.29</b>	<b>0.52</b>

Source: Information supplied by the Department.

\* Outstanding *abiana* transferred to Kullu division due to merging of Shamshi Sub-division from Larji to Kullu.

Total *abiana* charges received during the year 2019-23 in the test-checked divisions was merely ₹ 6.39 lakh, whereas the repair and maintenance expenditure on minor irrigation schemes during the same period was ₹ 12.33 crore.

The Executive Engineers concerned stated (August-November 2023) that *abiana* was not raised due to shortage/non-posting of staff (Patwaris).

The reply does not address the issue of the charges raised/collected by the Department being much lower than the expenditure incurred on repair and maintenance of irrigation schemes.

#### 4.8 Conclusion

The audit revealed that several schemes commenced without adequate preparatory work. Essential geological, topographical, and hydrological surveys required for the preparation of Detailed Project Reports were not conducted. The absence of such foundational studies adversely affected project implementation, leading to incomplete works, flood-damaged structures, and construction in unsuitable locations.

Out of 163 schemes examined during 2019–23, less than half were completed. Completed schemes experienced delays of up to 45 months, and 18 incurred additional expenditure amounting to ₹8.83 crore. The remaining 86 schemes were yet to be fully executed. In multiple instances, contracts were awarded after delays exceeding five years from the date of administrative sanction. Despite significant delays, contractual penalties were not imposed in 18 cases (₹3.17 crore), and ₹1.24 crore in levied penalties remained unrecovered, indicating weak contract management and enforcement.

Even where execution progressed, issues relating to quality and functionality were observed. Joint inspections indicated that several schemes remained non-functional due to lack of power supply, missing equipment, or damage caused by natural events, rendering the associated investments largely unproductive. Beneficiary feedback revealed that only 45 *per cent* of farmers expressed satisfaction with water availability, and no significant improvements were noted in cropping intensity or farm incomes. Local Water-User Associations (WUAs), envisaged as key institutions for water distribution, were largely inactive.

Oversight and monitoring mechanisms were inadequate. Regular meetings of the Inter-Departmental Working Group (IDWG) were not convened, and the Engineer-in-Chief did not maintain consolidated records of scheme-wise progress, limiting the ability of policymakers to monitor implementation and address issues in a timely manner.

Fund allocation and convergence efforts were ineffective. Allocation was concentrated in a few districts, contrary to the equity principles outlined in scheme guidelines. Further, the HIMCAD component could not be operationalised due to non-release of funds to the Agriculture Department.

*Abiana* charges collected by the State are less than one *per cent* and are not commensurate with expenditure on repair and maintenance of minor irrigation schemes.

#### 4.9 Recommendations

The State Government may:

- (i) *Mandate the conduct of comprehensive pre-project surveys—including geological, topographical, and hydrological investigations—prior to preparation and sanction of Detailed Project Reports (DPRs) and ensuring certification of such technical parameters by the Engineer-in-Chief to avoid technically flawed and unviable projects.*
- (ii) *Ensure timely execution of schemes by tightening contract discipline through milestone-linked payments.*
- (iii) *Establish mechanisms to recover levied but uncollected compensation, and to prevent cost escalations through timely administrative and financial approvals by linking payment tranches with MIS-verified milestones so that liquidated damages are deducted directly from the running bill once a completion date is breached.*
- (iv) *Undertake quality assurance measures and ensure functional completion of schemes by resolving issues such as pending power connections, installation of pumps, and repairing flood-damaged components before declaring projects as complete.*

- (v) Convert Water-User Associations (WUA) into the primary maintenance arm, and make it mandatory to hand over schemes, along with warabandi schedules to a registered WUA/Kisan Vikas Sangh before final payment.*
- (vi) Strengthen monitoring and oversight mechanisms by capturing fortnightly financial and physical progress. This will be supported by conducting periodic reviews through the inter-departmental working group and maintaining consolidated scheme-level records at the level of Engineer-in-Chief for informed decision-making and timely corrective actions.*
- (vii) Review district-wise fund allocation norms and ensure convergence with Agriculture and Rural Development Departments for implementation of micro-irrigation works under HIMCAD.*

**Chapter V**  
**Utilisation of State Disaster Response**  
**Fund/National Disaster Response**  
**Fund**



## Chapter V: Utilisation of State Disaster Response Fund/ National Disaster Response Fund

### Department of Revenue

#### 5.1 Introduction

The State Disaster Response Fund (SDRF), constituted in January 2011 under Section 48(1)(a) of the Disaster Management Act, 2005, is the primary fund available with the State Government for responses to the notified disasters. SDRF shall be used only for meeting the expenditure for providing immediate relief to the victims. National Disaster Response Fund (NDRF) is the fund constituted in September 2010 by the Government of India (GoI) under Section 46 of the Act to supplement funds from SDRF of the State to facilitate immediate relief in case of calamities of a severe nature. Himachal Pradesh is prone to various hazards, both natural and man-made viz., Landslides, Flash floods, Earthquakes, Avalanches, Forest fires, Road accidents, Stampedes, Building vulnerability and Drought etc.

#### 5.2 Organisational setup

The Himachal Pradesh State Disaster Management Authority (HP SDMA) under the chairmanship of the Chief Minister is *inter alia* responsible for laying down State Disaster Management Policy, approving State Plan and disaster management plans prepared by the Departments, coordinating the implementation of the State Plan, recommending provisions of the fund for mitigation and preparedness measures etc.

State Executive Committee (SEC) has been constituted under HP SDMA, with Chief Secretary as its Chairman and four other members, to assist SDMA. SEC prepares the State Plan, coordinates and monitors implementation of the State plan, National plan and acts as coordinating and monitoring body for management of disasters in the State, lays down guidelines for preparation of disaster management plans by the Departments and District Authorities and monitors their implementation, coordinates response in the event of threatening situation or disaster, advises the State Government regarding all financial matters in relation to disaster management etc.

Besides, Disaster Management Cell (DMC) functions under the Revenue Department. It facilitates disbursement of the funds to the Districts, Departments and other executive agencies after approval of the competent authority. It also maintains the accounts of receipts and disbursements under SDRF and NDRF at State Level.

At District level, Deputy Commissioner (DC) acts as the Chairman of District Disaster Management Authority (DDMA) and is assisted by Additional District Magistrate in coordination with other line Departments.

### **5.3 Audit Objectives, Scope and Methodology**

The Audit was conducted to ascertain whether expenditure from SDRF/NDRF was incurred as per items and norms stipulated under SDRF/NDRF guidelines and timely assistance under NDRF/SDRF was provided for quick response, relief and restoration of immediate nature of damaged infrastructure as per norms.

The Audit covered the period from 2019-20 to 2022-23 and involved test-check of the records of the office of Himachal Pradesh State Disaster Management Authority/ Disaster Management Cell, Shimla and Deputy Commissioners (DCs) of three Districts - Bilaspur, Kangra and Kullu, out of 12 Districts in the State.

Besides, Block Development Officers (BDOs) of two Blocks<sup>1</sup> each from the selected three Districts, Sub Divisional Officers (SDO) (Civil)<sup>2</sup> under Revenue Department, Himachal Pradesh Public Works Department (HPPWD) Divisions<sup>3</sup>, Himachal Pradesh Jal Shakti Vibhag (HPJSV) Divisions<sup>4</sup> falling under the selected Blocks and three *Gram Panchayats*<sup>5</sup> (GPs) from each selected Block were also test-checked. The selection of the Districts and Blocks was made on the basis of stratified random sampling using IDEA software and that of GPs on the basis of highest number of works/ funds sanctioned by the DCs concerned.

An Entry Conference was held with the Principal Secretary (Revenue) to the Government of Himachal Pradesh on 25 August 2023 to discuss the scope and objectives of audit. An Exit Conference was held on 02 May 2025 with the Additional Chief Secretary (Revenue).

### **Audit Findings**

#### **5.4 Allocation, release and utilization of funds**

The SDRF was set up in Himachal Pradesh in January 2011. The ratio of contribution of SDRF fund between the Central Government and the State Government is 90:10. The annual Central contribution is released in two equal instalments, as per the recommendations of the Finance Commission for financing post calamity relief assistance under SDRF guidelines framed by the Government of India (GoI). NDRF is classified in the Public Account 'Reserve Funds not bearing interest' of GoI under the Major Head 8235 - 'General and other Reserve Funds'. Relief assistance from NDRF to a State not having adequate balance in its SDRF is made available by the Ministry

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<sup>1</sup> Bilaspur: Ghumarwin and Jhandutta; Kangra: Kangra and Dehra; and Kullu: Nirmand and Banjar.

<sup>2</sup> Bilaspur: Ghumarwin and Jhandutta; Kangra: Kangra and Dehra; and Kullu: Nirmand/Anni (records of SDO Civil Anni was also checked as office of SDO Civil Nirmand was created during September 2021) and Banjar.

<sup>3</sup> Bilaspur: Ghumarwin and Jhandutta; Kangra: Kangra and Dehra; and Kullu: Nirmand and Banjar.

<sup>4</sup> Bilaspur: Ghumarwin and Jhandutta; Kangra: Shahpur and Dehra; and Kullu: Anni and Larji.

<sup>5</sup> Ghumarwin: Auhar, Panoh and Gahar; Jhandutta: Damli, Samoh and Vijaypur; Kangra: Haler Kalan, Jhikli Ichhi and Tiara; Dehra: Kaller, Mohal and Rajol; Nirmand: Shilee, Nore and Chayal; Banjar: Shainsher, Suchaihan and Shanghad.



of Home Affairs (MHA), GoI, as per approved guidelines and the approved items and norms of assistance and the same is based on assessment of the request from the State by a National Executive Committee (NEC) and approval from a High Level Committee (HLC). On receipt of funds from the NDRF, the State Government shall treat them as a receipt along with the receipts of Central/State shares of SDRF and would make suitable budget provisions. The State's SDRF account should distinctly show the receipts of assistance from NDRF apart from Centre and State shares of SDRF, return on investments and redemption of investments.

The Disaster Management Cell (on behalf of the State Disaster Management Authority) releases SDRF/NDRF fund to all the Deputy Commissioners and various Departments after taking prior approval of the Principal Secretary (Revenue-DM) to the Government of Himachal Pradesh.

Details of assistance under SDRF as recommended by the Finance Commission (FC), receipt of assistance (Central and State) against the recommendations made by the FC and further disbursements under SDRF and NDRF in the State during 2019-23 are given in **Table 5.1**.

**Table 5.1: Details of receipts and disbursements under SDRF and NDRF during 2019-23**

(₹ in crore)

Year	SDRF recommendations by the Finance Commissions			Opening balance (OB)		Receipts during the year			Funds released (through treasury) for relief works			Undrawn Balance in treasury	
	Central share	State share	Total	SDRF	NDRF	SDRF (incl. State share)	NDRF	Total (4+5+6+7)	SDRF	NDRF	Total (9+10)	SDRF (4+6-9)	NDRF (5+6-10)
	1	2	3	4	5	6	7	8	9	10	11	12	13
2019-20 <sup>6</sup>	258.3	28.7	287	1	0.92	225.93	518.06	745.91	225.93	518.06	743.99	1	0.92
2020-21	409	45	454	1	0.92	454	0	455.92	447.12	0	447.12	7.88	0.92
2021-22	327.20	35.80	363	7.88	0.92	363	0	370.88	321.09	0.6	321.69	49.79	0.32
2022-23	342.40	38.40	380.80	49.79	0.32	380.8	214.26	645.17	375.04	198.62	573.66	55.55	15.96
<b>Total</b>						<b>1423.73</b>	<b>732.32</b>		<b>1369.18</b>	<b>717.28</b>	<b>2086.46</b>		

Source: Information provided by the Disaster Management Cell.

#### **5.4.1 Loss of central assistance under SDRF**

Audit noticed that during the year 2019-20, the Central Government released ₹ 197.23 crore against the recommended centre share of ₹ 258.30 crore under SDRF. An amount of ₹ 61.07 crore was withheld by the Central Government due to misutilisation of SDRF by the State Government. However, the State Government released its full share of ₹ 28.70 crore on the recommended ₹ 287 crore (Centre share: ₹ 258.30 crore + State share: ₹ 28.70 crore).

<sup>6</sup> Relief assistance of ₹ 518.06 crore from NDRF and ₹ 225.93 crore (including State share of ₹ 28.7 crore) from SDRF along with the opening balance was not booked as expenditure by the Office of the Principal Accountant General (A&E) Himachal Pradesh due to non-submission of requisite bills/vouchers and other documents and was kept under OB suspense (total ₹ 743.99 crore) in the Finance Accounts of the State Government for the year 2019-20. The same was finally cleared in the Accounts for the year 2021-22.

The withholding of assistance by the Central Government should be seen in light of the fact that issue of misutilisation of SDRF by the State Government was persistently highlighted in different Audit Reports<sup>7</sup> of the Comptroller and Auditor General of India (CAG) on Social, General and Economic Sectors (Non-PSUs) of the Government of Himachal Pradesh for the years ended from March 2016 to March 2019. The tendency of misutilisation of SDRF funds, however, still persisted during 2019-23, as mentioned in **Paragraphs 5.4.6** and **5.4.7**, which is indicative of the fact that the State Government had not taken remedial steps even after loss of central assistance of ₹ 61.07 crore on account of misutilisation of SDRF funds.

The State Government in reply (May 2025) admitted the facts and stated that the Department of Revenue (Disaster Management Cell) had repeatedly requested the Ministry of Home Affairs, GoI, to release the withheld funds. In response, the MHA, GoI has advised that the matter be pursued only after all audit observations/paras are resolved, and they have been directed to take up the matter after settlement of all the audit paras.

The tendency of misutilisation of SDRF funds due to which funds had been withheld by the GoI, still persisted during the period of current audit i.e., 2019-23.

#### **5.4.2 Loss of central assistance under NDRF**

Para 7.1 (v) of Guidelines (July 2015) on constitution and administration of the National Disaster Response Fund (NDRF) provides that the release of assistance from NDRF will be subject to adjustment of 50 *per cent* of the balance in the SDRF as on 31 March of the preceding financial year.

Audit noticed that the Government of India (GoI) had sanctioned assistance of ₹ 254.73 crore<sup>8</sup> under NDRF to the State during 2020-22. But taking into account the opening balances of ₹ 745.91 crore and ₹ 752.79 crore available in the SDRF as per the Finance Accounts of the State as on 01 April of 2020 and 2021 respectively, the sanctioned funds were not released to the State. In view of 50 *per cent* of the available SDRF funds being above the approved NDRF amount, the net outgo from NDRF to the State during 2020-21 and 2021-22 was nil. These huge opening balances shown in the Accounts were result of non-clearance of OB-suspense head because of failure in submission of requisite bills/vouchers by the concerned authorities of the State to the Pr. AG (A&E)<sup>9</sup>, Himachal Pradesh. The OB balances were finally cleared during 2021-22. Thereafter, MHA released funds amounting to ₹ 189.27 crore in August 2023.

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<sup>7</sup> Paragraph 2.4.7.3 (₹ 18.96 crore) of the CAG's audit report for the year ended March 2016, Paragraph 3.22 (₹ 26.12 crore) of the CAG's audit report for the year ended March 2017, Paragraph 3.17 (₹ 2.19 crore) of the CAG's audit report for the year ended March 2018 and Paragraph 3.12 (₹ 14.63 crore) of the CAG's audit report for the year ended March 2019.

<sup>8</sup> March 2021: ₹ 121.17 crore and March 2022: ₹ 133.56 crore.

<sup>9</sup> Principal Accountant General (Accounts and Entitlement), Himachal Pradesh.

Resultantly, the relief assistance from NDRF had been delayed by a period of one to two years.

In addition to the above, the Ministry of Home Affairs (MHA) considered inaccurate notional balances on account of SDRF for the Financial Year 2019-20 and 2020-21, and released (August 2023) assistance of ₹ 189.27 crore only from NDRF by deducting ₹ 61.02 crore in excess, as detailed in **Table 5.2**.

**Table 5.2: Details of loss of central assistance under NDRF**

(₹ in crore)						
Sanction year	Assistance approved by MHA	50 per cent of notional balance of SDRF considered by MHA	Net assistance under NDRF released	50 per cent of notional balance as per the statement of Pr. AG (A&E) HP (SDRF Balance)	NDRF assistance admissible as per the notional balance of Pr. AG (A&E)	Excess deduction made by the MHA
2020-21	121.17	0.96	120.21	0.50 (1.00)	120.67	0.46
2021-22	112.19	64.50	58.01	3.94 (7.88)	108.88	50.87
	21.37		11.05		20.74	9.69
<b>Total</b>	<b>254.73</b>	<b>65.46</b>	<b>189.27</b>	<b>4.44</b>	<b>250.29</b>	<b>61.02</b>

It can be seen from **Table 5.2** that the notional balance under SDRF as on 1 April 2020 was ₹ 1.00 crore and as on 1 April 2021 was ₹ 7.88 crore as per the Statement of Pr. AG (A&E) Himachal Pradesh. But the MHA considered notional balances of ₹ 1.92 crore and ₹ 129.00 crore as on 1 April 2020 and 1 April 2021 respectively, and accordingly after deducting 50 per cent of these notional balances, released assistance of ₹ 189.27 crore, against the admissible assistance of ₹ 250.29 crore from NDRF, resulting in short release of ₹ 61.02 crore. The State needed to take up the matter with the MHA to release the balance assistance of ₹ 61.02 crore from NDRF, considering the notional balances furnished by the State Pr. AG (A&E) Office. However, no correspondence was made with the MHA regarding the release of balance funds of NDRF.

The Department stated (October 2023, April 2024 and May 2025) that the assistance under NDRF funds was not released by GoI due to non-clearance of OB balances by the Pr. AG (A&E), Himachal Pradesh due to non-submission of bills/vouchers. Further, on being pointed out by Audit, the matter of short release of NDRF assistance was referred to the MHA and the Ministry has released ₹ 60.10 crore (August 2024). The reply must be seen in the light of the fact that the Department could not settle the outstanding OB balances from the Pr. AG (A&E), Himachal Pradesh on time, so as to receive the allocated funds during the relevant years.

In Exit conference, the Additional Chief Secretary stated that after being pointed out in Audit, the matter was taken up with the Ministry and the State has obtained allocation of the balance fund under NDRF from the Ministry.

### 5.4.3 Non-investment of SDRF balances

Para 20 of SDRF Guidelines (April 2015) envisages investment of SDRF in one or more instruments such as Central Government dated Securities, Auctioned Treasury Bills, and Interest Earning Deposits and Certificates of Deposits with Scheduled Commercial Banks. Para 29.2 of SDRF Revised Guidelines (January 2022) further stipulates that the State Government shall be liable to recoup SDRF an amount equal to loss accrued due to non-investment of funds, from its own sources.

Audit noticed that out of total funds of ₹ 2,086.46 crore drawn from the treasury (Table 5.1), an amount of ₹ 122.27 crore pertaining to different minor heads of assistance under SDRF/NDRF had been kept in saving bank account by the DMC, in violation of the provisions under guidelines, as shown in Table 5.3.

**Table 5.3: Details of SDRF/NDRF funds in bank account maintained by DMC during 2019-23**

(₹ in crore)

Year	Opening Balance in bank	Amount drawn from treasury and deposited in bank	Interest credited by bank and returned by Executing Agencies	Total funds available in Bank	Expenditure incurred/ funds released from bank	Closing Balance
1	2	3	4	5	6	7
2019-20	16.09	2.57	8.26	26.92	18.29	8.64
2020-21	8.64	45.4	5.68	59.72	12.06	47.66
2021-22	47.66	22.72	8.08	78.46	69.33	9.13
2022-23	9.13	51.58	16.33	77.04	41.56	35.48
<b>Total</b>		<b>122.27</b>	<b>38.35</b>		<b>141.24</b>	

Source: Information provided by the Disaster Management Cell.

Out of total funds of ₹ 176.71 crore (including opening balance of 2019-20 and total interest) of SDRF and NDRF deposited in bank, ₹ 141.24 crore were released during 2019-23 to the Deputy Commissioners/other Departments for capacity building, relief and restoration of infrastructure damaged due to natural calamities. However, entire funds released were not fully spent during particular years and funds remained unspent with the test-checked Districts/Blocks at the end of each financial year during 2019-23, as indicated in the succeeding Paragraph 5.4.4.

Audit further noticed that the unutilised balances under SDRF ranging between ₹ 17.09 crore as on 1 April 2019 (Undrawn funds in treasury ₹ one crore + Funds in Bank ₹ 16.09 crore) and ₹ 58.92 crore<sup>10</sup> as on 1 April 2022 (Undrawn funds in treasury ₹ 49.79 crore + Funds in Bank ₹ 9.13 crore) (Table 5.1 and Table 5.3) during 2019-23 were not invested by the State in any of the permitted instruments, which resulted in loss of interest.

<sup>10</sup> Opening balances as on 01 April 2019: ₹ 17.09 crore, as on 01 April 2020: ₹ 9.64 crore, as on 01 April 2021: ₹ 55.54 crore, and as on 01 April 2022: ₹ 58.92 crore.

Besides, the State Government had not recouped any interest to the SDRF for non-investment of funds available under SDRF.

The Department stated (October 2023 and May 2025) that the matter regarding investment of funds is under process. The reply is not satisfactory, as the SDRF balances should have been invested as per the guidelines.

In Exit conference, the Additional Chief Secretary stated that the matter has been taken up with the Reserve Bank of India to open the Account for the investment of funds.

**5.4.4 Fund Position in the test-checked Districts and Blocks**

Details of funds allocated under SDRF and NDRF and drawn by the test-checked Deputy Commissioners and further released to the concerned Blocks/ Divisions/ Sub-divisions during 2019-23 are given in **Table 5.4**.

**Table 5.4: Availability of funds and expenditure in the test-checked Districts during 2019-23**

(₹ in crore)

Year	Availability of funds				Interest Refunded to SDMA	Expenditure (Funds released)	Closing Balance (5-6-7)
	Opening balance	Funds received/ allocated	Misc. receipts	Total (2+3+4)			
1	2	3	4	5	6	7	8
2019-20	10.16	76.26	2.22	88.64	0.32	60.91 (69)	27.41
2020-21	27.41	58.26	1.26	86.93	0.55	68.10 (78)	18.28
2021-22	18.28	72.72	0.35	91.35	2.02	84.00 (92)	5.33
2022-23	5.33	82.13	1.16	88.62	0.11	71.07 (80)	17.44
<b>Total</b>		<b>289.37</b>	<b>4.99</b>			<b>284.08</b>	

*Source: Information supplied by the test-checked DCs.*

*Figures in parenthesis represent per cent of expenditure incurred against available funds.*

Utilisation of available funds in the test-checked Districts during 2019-23 ranged between 69 and 92 per cent.

Further, availability of funds in the test-checked Blocks is detailed in **Table 5.5**.

**Table 5.5: Availability of funds in the test-checked Blocks (BDOs) during 2019-23**

(₹ in crore)

Year	Availability of funds				Interest Refunded to DCs	Expenditure	Closing Balance (5-6-7)
	Opening balance	Receipts	Miscellaneous receipts	Total (2+3+4)			
1	2	3	4	5	6	7	8
2019-20	4.86	5.96	0.18	11	0.02	3.7 (34)	7.28
2020-21	7.29	3.44	0.24	10.97	0.02	4.34 (40)	6.61
2021-22	6.62	5.68	0.25	12.55	0	4.88 (39)	7.67
2022-23	7.68	6.15	0.17	14	0.14	6.02 (43)	7.84
<b>Total</b>		<b>21.23</b>	<b>0.84</b>			<b>18.94</b>	

*Source: Information supplied by the test-checked Blocks.*

*Figures in parenthesis represent per cent of expenditure incurred against available funds.*

Funds were further released by the BDOs to the *Gram Panchayats* (GPs). Utilisation of funds in the test-checked Blocks in each year during 2019-23 ranged between 34 and 43 *per cent*.

The State Government stated (May 2025) that the funds utilized under Capacity Building head were as per the gravity of training programmes, awareness generation activities, setting DEOCs<sup>11</sup>, Action Work plans etc. and expended accordingly. Further, district funds are released to respective BDOs on the basis of demand raised/forwarded by GPs through BDOs. All the BDOs are being repeatedly directed to utilize the sanctioned funds immediately and upload the Utilisation Certificates of completed works on SMIS portal. Moreover, the funds of the works which could not be started owing to unavoidable reasons, are also being refunded by the concerned BDOs.

Reply is not satisfactory as the unspent balances lying in the bank accounts of the concerned DCs and BDOs indicates lack of planning and oversight.

#### **5.4.5 Irregular deduction of contingency charges**

As per point 5 of the sanction orders for SDRF works issued by the DCs of the test-checked Districts, the estimates of the proposed works should not contain Departmental charges.

Audit noticed that in four (out of six) test-checked Blocks, the BDOs had deducted contingency charges of ₹ 5.12 lakh<sup>12</sup> (up to two *per cent* of the sanctioned amount) during 2019-23 in contravention of the provision of sanction orders.

The BDOs concerned stated (September 2023-January 2024) that the contingency charges were deducted for office expenses to meet incidental expenditure and it would not be deducted henceforth.

The State Government stated (May 2025) that directions will be issued to the respective authorities for not deducting the contingencies from SDRF/NDRF sanctions.

#### **5.4.6 Sanction of funds in excess of approved items and norms**

Government of India approved list of items and norms of assistance (April 2015 and October 2022) from the SDRF/NDRF which provides for assistance items in the sectors like Roads and Bridges, Drinking Water Supply, Irrigation, Schools, Primary Health Centres, Community assets owned by the *Panchayats*, etc. Any amount spent by the State over and above the ceiling would be borne out of the resources of the State Government and not from the SDRF/NDRF.

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<sup>11</sup> District Emergency Operation Centres

<sup>12</sup> Ghumarwin: ₹ 2.27 lakh, Jhandutta: ₹ 0.53 lakh, Kangra: ₹ 0.32 lakh and Dehra: ₹ 2.01 lakh.

Audit noticed the following instances of sanction of funds in excess of the approved norms for restoration of roads and restoration of rain damages in the drinking water supply and minor irrigation schemes and other items in the test checked Districts:

**(i) Repair and restoration of roads:**

- Audit noticed that against ₹ 2.75 crore admissible as per SDRF/NDRF norms, the DCs of the test-checked Districts had sanctioned ₹ 8.07 crore to PWD Divisions during 2019-23 for execution of 340 works of repair and restoration of damaged roads, resulting in excess sanction/release of ₹ 5.32 crore.

In case of 45 works, road distance was not mentioned in the estimates. However, ₹ 1.12 crore were sanctioned for the execution of these works, indicating lack of proper scrutiny of the estimates.

- Out of SDRF/NDRF funds received by the test-checked Divisions of PWD directly from the Engineer-in-Chief (E-in-C), the Executive Engineers (EEs) had incurred an expenditure of ₹ 7.96 crore on execution of 232 works relating to restoration of roads during 2019-23, against the admissible amount of ₹ 1.62 crore as per approved items and norms of SDRF/NDRF, resulting in excess expenditure of ₹ 6.34 crore on these works. The excess amount could have been allocated to other damaged works requiring immediate restoration.

The Executive Engineers concerned stated (August 2023-January 2024) that the amounts specified in the approved items and norms were not sufficient to complete the restoration works for hilly terrain and funds were sanctioned according to estimates for the works.

The State Government stated (May 2025) that in the light of gravity of damage due to natural calamity, it became a compelling factor on the part of district Administration to sanction funds in excess of the laid down limit/parameters under SDRF/NDRF for immediate restoration of common public life. Furthermore, the allocation and utilization of funds were carried out after due assessment and careful consideration of the urgency, the extent of damage, and the immediate needs on the ground. Any delay or withholding of financial intervention at that stage would have resulted in aggravated damages, increased restoration costs in the future, and prolonged disruption to normal life and related activities.

The reply is not satisfactory because the excess amount sanctioned over and above the norms should have been spent from the resources of the State Government.

**(ii) Repair and restoration of drinking water supply and minor irrigation schemes:**

Approved norms of assistance for repair of damaged water supply/minor irrigation schemes provide for assistance at the rate of ₹ 1.50 lakh per scheme (up to 2021-22) which was revised to ₹ 2.00 lakh from 2022-23 onwards.

- Against ₹ 10.00 lakh admissible as per SDRF/NDRF norms, the DCs of the two test-checked Districts had sanctioned ₹ 29.50 lakh during 2022-23 for execution of five works for restoration of drinking water supply schemes and minor irrigation schemes, resulting in excess sanction/release of ₹ 19.50 lakh.

The DCs concerned stated (September 2023 and January 2024) that funds were sanctioned due to emergent nature of restoration works to restore normalcy of life, and the amount specified in the approved items and norms was not sufficient to complete the restoration work for hilly terrain.

- In test-checked Jal Shakti Vibhag (JSV) Divisions, the Executive Engineers had executed 36 works of ₹ 1.16 crore under SDRF/NDRF, against admissible amount of ₹ 0.61 crore as per approved items and norms of SDRF, resulting in excess expenditure of ₹ 0.55 crore. The excess amount spent on above works could have been allocated to other restoration works damaged due to natural calamity. The Executive Engineers concerned of JSV Division stated (August 2023-January 2024) that the amount specified in the approved items and norms was not sufficient to complete the restoration works in a hilly state.

The State Government said (May 2025) that funds were sanctioned for restoration, repair and maintenance of damaged roads/bridges, Drinking Water and Supply, Irrigation, Schools, primary health centres, community assets owned by the *Panchayats* etc. as the State Government had not provided sufficient funds to the concerned departments for repair and restoration of these works and excess funds were sanctioned to complete the damaged works. These funds were sanctioned and released on the genuine requirement of the concerned departments.

In Exit conference, Additional Chief Secretary stated that the matter to revise the norms of Repair and Restoration of Roads and drinking water supply and minor irrigation schemes has been taken up with the Ministry of Home Affairs. Further, the Additional Chief Secretary directed the DCs concerned to sanction the funds as per the norms of SDRF/NDRF.

**(iii) Miscellaneous assistance/ payment:**

Government of India (GoI) norms (April 2015) provide for SDRF assistance at the rate of ₹ 1,01,900 per house (fully damaged) for hilly terrain, partially damaged houses at the rate of ₹ 5,200 and damaged cattle shed at the rate of ₹ 2,100 per shed. This assistance was further revised (October 2022) by the GoI from the year 2022-23 to ₹ 1,30,000 for fully damaged house, ₹ 6,500 for partial damage and ₹ 3,000 per cattle shed. Relief of ₹ 1,800 per family for loss of clothing and ₹ 2,000 per family for loss of utensils/ household goods is also admissible as per April 2015 norms which were revised to ₹ 2,500 and ₹ 2,500 vide October 2022 norms. These norms also provide for



assistance for the loss of small milch animals<sup>13</sup> and *Ex-gratia* payment under Gratuitous Relief at prescribed rates<sup>14</sup>. Further, these norms do not provide for assistance from the SDRF for belonging of shops.

Audit noticed that SDOs (Civil) of the test-checked Districts had sanctioned excess amount of ₹ 39.20 lakh in 558 cases over and above the approved items and norms of SDRF as detailed in **Table 5.6**.

**Table 5.6: Detail of excess sanctioned over and above the approved items and norms of SDRF**

(₹ in lakh)					
Sl. No.	Items	No. of cases	Amount sanctioned	Amount admissible	Excess amount sanctioned
1	Fully/partially damaged houses	209 <sup>15</sup>	37.75	21.81	15.94
2	Damaged cattle sheds	227	16.42	4.89	11.53
3	Damaged shops and their belongings	59	10.04	0	10.04
4	Small milch animals	1	1.44	0.90	0.54
5	Ex-gratia payments for grievous injury	62	7.60	6.45	1.15
<b>Total</b>		<b>558</b>	<b>73.25</b>	<b>34.05</b>	<b>39.20</b>

The SDOs (Civil) concerned stated (August 2023-January 2024) that the assistance was sanctioned at the rates approved by the State Government, as in some items, rates were increased by the State. The reply is not satisfactory, as though the State Government had increased rates of some items, the excess amount sanctioned over and above the GoI norms was to be spent from resources of the State Government and not from the SDRF. Further, the State Government had added some items viz., loss for belongings of shops, loss/damage to business premises etc. which were not approved under SDRF norms of GoI and, therefore, expenditure on these inadmissible items should have been borne out of resources of the State. But the expenditure was incurred from the SDRF.

The State Government stated (May 2025) that in future, admissible assistance will be released strictly in consonance with the provisions of Himachal Pradesh Relief Manual 2012 and instructions issued by the Government time to time.

In Exit conference, Additional Chief Secretary agreed that the assistance for damaged house/cattle sheds should be as per the norms of the State Government and there should be no excess disbursement.

<sup>13</sup> At the rate of ₹ 3,000/- per animal (sheep/goat/pig) to be restricted to actual loss of economically productive animals and subject to a ceiling of 30 small milch animals per household.

<sup>14</sup> At the rate of ₹ 12,700/- to person suffered grievous injury requiring hospitalisation more than a week and ₹ 4,300/- per person requiring hospitalisation less than a week.

<sup>15</sup> Including 12 fully damaged houses alongwith belongings.

#### **5.4.7 Misutilisation of SDRF/NDRF for execution of inadmissible works**

As per approved items and norms of SDRF of Government of India (April 2015 and October 2022), State Government buildings viz., Residential quarters, buildings of educational institutions (Higher secondary/ Middle schools, Colleges, etc.), long term/permanent restoration work etc. are not covered under SDRF. Further, SDRF/NDRF funds were to be utilized for repair/restoration of immediate nature of the damaged infrastructure. Audit noticed the following deficiencies:

##### **(i) Sanctioning of inadmissible works by the DCs**

During 2019-23, the DCs of the test-checked Districts had sanctioned ₹ 4.54 crore from SDRF for execution of 229 works for ordinary repair of routine nature works, which were not admissible as per norms. While funds were misutilised on inadmissible works, timely assistance was not provided to disaster affected beneficiaries, as indicated in **Paragraph 5.4.8.**

Further analysis of such works in Kullu District revealed that the DC had sanctioned (March 2023) ₹ 18.75 lakh from SDRF on the basis of 15 separate estimates (₹ 1.25 lakh each) submitted by the PWD Division Manali for a single work namely, “Special Repair of Circuit house to Shan orchard road Km 0.0 to 2.0 for providing laying interlocking paver blocks km 1.300 to 1.990” (total road length: 0.690 km). The work was not only inadmissible as per the SDRF norms, but the work involving repair of less than one km (450 metre portion of the road) was split into 15 works of 30 meters each, to obtain more funds, which resulted in misutilisation of SDRF funds to the tune of ₹ 18.75 lakh.

The DCs concerned stated (September 2023-March 2024) that funds were sanctioned due to emergent nature of restoration works.

The Additional Chief Secretary forwarded (May 2025) the replies of concerned DCs stating that the expenditure on the works was incurred only in pursuance of the allocated budget under the said heads due to immediate circumstances/ nature and requirement of that time, not of routine nature. However, in future it will be ensured that this fund will be used only as per the prescribed rules and instruction issued by the Government from time to time.

##### **(ii) Execution of inadmissible works by PWD Divisions**

In test-checked PWD Divisions, the Executive Engineers had sanctioned funds of ₹ 4.43 crore during 2020-23 for execution of 167 works towards new works, routine periodic repair and maintenance of roads, fixing road plastic studs cat eye, reflector/speed breaker, court fee, shifting of high tension (HT) line, patch works, bituminous work, purchase of stationery etc. not covered under SDRF guidelines/approved norms.

Analysis of one such work revealed that in PWD Division Banjar, an expenditure of ₹ 11.99 lakh was incurred (March 2021) from SDRF for work “Metaling and Tarring on Balagad to Bhartidhar road km 0.0 to 4.500” for providing and laying Granular Sub Base (GSB) in km 2.800 to 4.200, which was not admissible from SDRF.

The Executive Engineers concerned stated (August 2023-January 2024) that the restoration works were of emergent nature and immediate restoration was required.

The Additional Chief Secretary forwarded (May 2025) the replies of concerned departments stating that expenditure was to restore/ safeguard the existing infrastructure damaged due to excessive rains during rainy season. However, the point has been noted for future compliance. Sincere efforts to follow the SDRF/NDRF guidelines and provision of Himachal Pradesh disaster management manual for incurring expenditure from SDRF/ NDRF funds are being made.

The reply was not acceptable because the amount sanctioned for inadmissible works could have been spent from the resources of the State Government.

**(iii) Execution of inadmissible works by JSV Divisions**

- In test-checked Divisions of JSV, the Executive Engineers had sanctioned ₹ 2.79 crore during 2019-23 for execution of 168 works relating to activities not covered in SDRF approved items and norms *ibid*. The nomenclature of these works was changed by the Department just to utilise the SDRF funds resulting in misutilisation of ₹ 2.79 crore.
- Besides, the Executive Engineers had sanctioned ₹ 2.08 crore for execution of 146 works pertaining to annual repair and maintenance of drinking water supply schemes not admissible under SDRF/NDRF guidelines.
- In JSV Division Dehra, an expenditure of ₹ 19.63 lakh was incurred for a new work (Improvement and Augmentation of Lift Water Supply Scheme Guler and Haripur Kharian) not admissible under SDRF, resulting in misutilisation of ₹ 19.63 lakh.

The Executive Engineers stated (August 2023-July 2024) that the expenditure incurred was necessary for smooth functioning of various water supply and irrigation schemes, lack of funds for repair and maintenance, poor condition of water supply and irrigation schemes, emergent nature of works etc.

The Additional Chief Secretary forwarded (May 2025) the replies of concerned JSV divisions stating that in view of gravity of the damage to works under consideration, it was necessary on the part of district administration to release funds to the extent required to restore immediate restoration of transport activities and to restore smooth functioning of various water supply and irrigation schemes.

The reply is not satisfactory because the amount sanctioned for inadmissible works could have been spent from the resources of the State Government.

#### **5.4.8 Delay in providing relief assistance**

Guidelines of SDRF do not provide any timeline for sanction of funds for relief by the DCs of the Districts. However, it is expected that disaster relief is disbursed as expeditiously as possible.

Audit noticed that:

- In sanctioning of 34 works of ₹ 35.15 lakh in the test-checked three Districts, a period of 12 to 26 months was taken at various levels viz., submitting application by the local authorities concerned and in issuing disaster report by the revenue authorities from the date of first information regarding occurrence of disaster, which was indicative of the fact that SDRF funds were sanctioned after lapse of one to two years.
- The SDOs (Civil) of two test-checked Sub-divisions had sanctioned ₹ 56.68 lakh in 56 cases as Gratuitous relief, assistance for damaged houses and assistance for the loss of animals after considerable time ranging from 11 to 33 months from the date of submission of proposals by the victims/beneficiaries (as per entry of *Roznamcha*/first information) which was indicative of the fact that the Department failed to sanction funds in a timely manner.

The DCs of the test-checked Districts stated (September 2023 to January 2024) that delay in sanction was due to non-availability of funds and non-submission of requisite documents. SDOs (Civil) stated (December 2023-January 2024) that funds could not be sanctioned timely due to paucity of funds.

The State Government stated (May 2025) that all proposals received for sanction of funds from SDRF/NDRF for repair and restoration of damaged works are disposed of without any delay at district level. In present cases, delay was caused due to damage reports submitted after a long period from the date of actual damage and due to unavailability of funds. Measures are being put in place to streamline documentation, improve fund allocation mechanisms, and enhance overall administrative efficiency to ensure that such delays are minimized in the future. Immediate relief initiatives are being prioritized wherever possible, and proactive steps are continuously being taken to facilitate the early sanctioning of pending works. Every effort is being made to ensure that the intended benefits reach the concerned stakeholders at the earliest.

Replies are not satisfactory as position of unspent funds at the close of financial years from 2019-20 to 2022-23 as indicated in **Paragraph 5.4.4** makes it evident that there were unspent balances at the close of the financial years.

## **5.5 Planning, preparedness and capacity building under SDRF/NDRF**

### **5.5.1 Non-updation/review of SDMP/DDMP, Community plans and VDMTs**

Sections 23 and 31 of the Disaster Management (DM) Act, 2005 provide for preparation of the State Disaster Management Plan (SDMP) and its review and annual updation by the State Executive Committee (SEC) and also provide for preparation of District Disaster Management Plans (DDMPs) by District Disaster Management Authorities (DDMAs) with the approval of SEC. Further, Para 6.14.1 of State Disaster Management Policy 2011 provides for preparation of community plan with community participation promoting volunteerism and mutual help to prevent and minimize damage. Para 8.7.1 of the Policy also provides for setting up of Village Disaster Management Teams (VDMTs) under the leadership of the local authorities, Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs).

Audit noticed that:

- SDMP was initially prepared in 2012 and subsequently updated in 2017 and 2020. However, SDMP was not reviewed and updated annually. Further, DDMPs in test-checked Districts had not been shared with the SEC.
- Community plans were not prepared in any of the test-checked Districts/Blocks by the DCs/BDOs to cope up with the disaster like situation in the State.
- In three (out of six) test-checked Blocks<sup>16</sup>, the BDOs had not constituted Village Disaster Management Teams (VDMTs) in any of the village, which indicated lack of efforts on the part of the Department to ensure community participation in disaster management. The community participation would have been helpful for providing preventive measures during disasters, being bedrock of the process of disaster response.

The Joint Secretary (Revenue-DM) stated (January 2024) that SDMP could not be updated and reviewed annually due to shortage of technical experts, whereas the DDMAs of the test-checked Districts replied (July-December 2023) that the DDMPs are being updated annually but approval was not sought from the SEC. The reply is not satisfactory because SDMA did not review/update the SDMP annually, as per the provisions. Further, the DDMAs should have taken approval of the SEC regarding their updated DDMPs as per the provisions.

Regarding preparation of community plans, the DCs of test-checked Districts (July-December 2023) stated that they were under process. The reply is not satisfactory because in violation of the provisions, the community plans were not dovetailed into the *Panchayat*, Block and District plans by the DCs concerned.

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<sup>16</sup> Banjar, Dehra and Nirmand.

The concerned BDOs stated (November 2023-January 2024) that efforts would be made to constitute the VDMTs in all the GPs shortly.

The State Government stated (May 2025) that Updation/Review of District Disaster Management Plan 2025 is in process and will be sent to SEC for the approval.

### 5.5.2 State Disaster Response Force

The State Government notified (January 2020) raising of State Disaster Response Force in line with National Disaster Response Force, as per provisions of Section 4.8.1 of Himachal Pradesh State Policy of Disaster Management 2011. The State Disaster Response Force is a specialised force capable of handling disaster situations with high degree of professionalism.

Audit noticed that vide notification (January 2020) *ibid*, 326 posts in different ranks/categories in Himachal Pradesh Police Department and 33 posts of technical staff (Doctors, Engineers, Technicians, Electricians and Paramedics) were sanctioned by the Government but only 193 personnel were posted, and no technical staff was posted.

The Department stated (January 2024) that as per current needs, person-in-position of different ranks/categories against the sanctioned posts was deemed sufficient, and the process of posting of technical staff on deputation basis from different Departments was underway to constitute the VDMTs in all the GPs shortly.

The State Government stated (May 2025) that directions have been issued to hire technical staff for the State Disaster Response Force as soon as possible. To expedite the process, the State Disaster Management Authority (SDMA) is continuously pursuing the matter and that the process of deployment of Technical Staff is under process.

### 5.5.3 Fund Position in the test-checked DDMA's

Details of availability of funds and expenditure by the DDMA's of the test-checked Districts during 2019-23 were as given in **Table 5.7**.

**Table 5.7: Availability of funds in the test-checked DDMA's during 2019-23  
(Capacity Building fund)**

Year	Availability of funds			Expenditure	Unutilised funds
	Opening balance	Funds received	Total		
1	2	3	4=2+3	5	6=4-5
2019-20	1.44	2.47	3.91	1.20 (31)	2.71
2020-21	2.71	0.94	3.65	1.28 (35)	2.37
2021-22	2.37	6.25	8.62	4.83 (56)	3.79
2022-23	3.79	23.15	26.94	3.41(13)	23.53
<b>Total</b>		<b>32.81</b>	<b>-</b>	<b>10.72</b>	<b>-</b>

Source: Information supplied by the test-checked DDMA's.

Figures in parenthesis represent per cent of expenditure incurred against total budget.

Thus, utilisation of available funds ranged between 13 and 56 per cent.

The State Government stated (May 2025) that the funds utilized under Capacity Building head is done as per the gravity of training programmes, awareness generation activities, setting up DEOCs, Action Work plans etc. and expended accordingly.

### **5.5.3.1 Existing capacity of District Emergency Operation Centres not strengthened**

Paragraph 6.12.1 of Himachal Pradesh State Disaster Management Policy 2011 stipulates that District Emergency Operation Centres (DEOCs) would be set up in line with the national emergency communication plan and national disaster management information and communication system. DEOCs should have fail-safe communication networks with multiple levels of built-in redundancy to ensure voice, data and video transfer. Annexure I of Emergency Operation Centre Manual (2011) provides for a carpet area of  $15*20 = 300$  square feet (sq. ft.) at DEOCs. Audit noticed that:

- The DDMA of the test-checked three Districts were allocated funds (June 2021 and August 2022) of ₹ 35.68 lakh<sup>17</sup> for purchase of various equipment<sup>18</sup> to strengthen existing capacity of DEOCs with the direction to send Utilisation Certificates (UCs) and refund unspent amount, if any, to the Department. However, the DDMA Kangra and Bilaspur had purchased some of the listed equipment<sup>19</sup> of ₹ 17.50 lakh only for office use but the remaining equipment relating to disaster were not purchased. The balance funds had neither been utilised for purchase of equipment nor refunded to the Department. Thus, the very purpose for strengthening of existing capacity of DEOCs remained underachieved.
- In test-checked District Bilaspur (out of three selected Districts), the balance equipment of the prescribed list had not been purchased due to lack of storage space as the DDMA had established the DEOC in a carpet area of 96 sq. ft. (12\*8) against prescribed carpet area of 300 sq. ft., which was not sufficient to set up all equipment after accommodating the working staff.

The DDMA Bilaspur stated (July 2023) that the mandatory equipment could not be purchased due to lack of storage space. The DDMA Kangra (March 2024) stated that the process of purchasing remaining equipment was underway. DDMA Kullu stated (January 2024) that equipment purchase could not be initiated due to emergency situation owing to the floods of 2023.

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<sup>17</sup> Bilaspur: ₹ 6.58 lakh (June 2021), Kangra: ₹ 25.21 lakh (June 2021) and Kullu: ₹ 3.89 lakh (August 2022).

<sup>18</sup> Voice Logger (16 Port), GPS-Handheld, Fire Extinguisher-A&C Class, First Aid Box, Radio Set (Normal frequency), Search light, LED Flashlight, Chemical Flashlight sticks, VHF Handset, Computer system, UPS Batteries and Office Chairs, establishment of fast internet facility and video conferencing facility in EOC, etc.

<sup>19</sup> Bilaspur: ₹ 2.43 lakh (Computer system, printer, battery and office chair) and Kangra: ₹ 15.07 lakh (office chair, furniture and electrical fittings, desktop computers, laptops, hard disks, pen drives, printers).

The State Government stated (May 2025) that the process of procuring of required equipment is in process and some of them are procured and placed in DEOCs.

In Exit conference, Additional Chief Secretary stated that the remaining funds for strengthening of existing capacity of DEOCs will be utilised and AFD (French Development Agency) project has been sanctioned for strengthening of DEOCs.

### 5.5.3.2 Not creating of task force of youth volunteers and training of skilled workers

The State Government notified a scheme (September 2018) “Creation of Task Force of Youth Volunteers” with the objective of creating a cadre of 10-20 youth volunteers per *Gram Panchayat* in the State for effective disaster risk reduction and training the youth volunteers in life saving skills of medical aid, search and rescue. It also notified (September 2018) a scheme for “Capacity Building of masons, carpenters and bar benders at *Panchayat* level for Safe Construction in Himachal Pradesh” to create trained masons (at least five per *Panchayat*), carpenters and bar benders (skilled workers) in each *Gram Panchayat* of the State in the next three years, to promote safe construction practices in the field.

- Audit noticed in the test-checked three Districts that against ₹ 4.11 crore received by the DDMA for creation of task force of youth volunteers, an expenditure of ₹ 2.33 crore was incurred during the period 2019-23. Overall, 7,979 volunteers were trained against the target of 16,545 up to October 2023, resulting in shortfall of 8,566 volunteers and the balance funds of ₹ 1.78 crore remained unutilised as detailed in **Table 5.8**.

**Table 5.8: Details of volunteers trained against the target and expenditure incurred by the test-checked DDMA during the period 2019-23**

(Amount in ₹)

District	Funds received	Expenditure	Balance funds	Targets for training of Task Force	No. of persons trained	Shortfall
Bilaspur	30,00,000	6,54,319	23,45,681	2,265	414	1,851
Kangra	3,60,76,000	2,16,03,758	1,44,72,242	11,220	6,840	4,380
Kullu	19,90,000	10,57,730	9,32,270	3,060	725	2,335
<b>Total</b>	<b>4,10,66,000</b>	<b>2,33,15,807</b>	<b>1,77,50,193</b>	<b>16,545</b>	<b>7,979</b>	<b>8,566</b>

- Audit noticed that against training target of 5,515 skilled workers (masons) with funds of ₹ 0.66 crore received by the DDMA of test-checked Districts during 2019-20, only 208 number of masons were trained as of October 2023 after an expenditure of ₹ 0.07 crore, resulting in shortfall of 5,307 masons and non-utilisation of ₹ 0.59 crore. This indicated that the DDMA had not provided/arranged the requisite training expeditiously and failed to utilise the allotted funds for the intended purpose on time as detailed in **Table 5.9**.



**Table 5.9: Details of masons trained against the target and expenditure incurred by the test-checked DDMA's during the period 2019-23**

**(Amount in ₹)**

District	Funds received	Expenditure	Balance funds	Targets for training of Masons	No. of persons trained	Shortfall
Bilaspur	9,00,000	54,397	8,45,603	755	22	733
Kangra	44,80,000	3,92,400	40,87,600	3,740	140	3,600
Kullu	12,20,000	2,58,738	9,61,262	1,020	46	974
<b>Total</b>	<b>66,00,000</b>	<b>7,05,535</b>	<b>58,94,465</b>	<b>5,515</b>	<b>208</b>	<b>5,307</b>

- Although, provision of training of carpenters and bar benders was made in the notification issued by the State Government (September 2018) but no funds were provided for training of the carpenters and bar benders.

The DDMA's concerned stated (July 2023-January 2024) that the training for the volunteers and masons, carpenters could not be conducted due to COVID-19 pandemic but efforts would be made to train the volunteers for the creation of task force during the ensuing year.

The reply is not satisfactory as the DDMA's had neither conducted the training of volunteers, nor for skilled workers (masons) as per the Government policy even after the COVID period was over, resulting in not implementing of the schemes.

The State Government stated (May 2025) that as on 23 April 2025, a total of 26,979 youth volunteers and 3,866 masons have been trained under these initiatives, and their details have been uploaded to the HPSDMA online database for easy access and deployment during disaster situations.

### **5.5.3.3 Not conducting of training and not purchasing of equipment for disaster preparedness**

As per Standard Operating Procedures (SOPs) of DDMA's for Training and Capacity Building, the Development Support Staff (DSS) have to identify training/ mock drill for line Departments. All the DDMA's were advised to conduct 12 training programmes in the year 2023-24 in their respective jurisdictions, out of the prescribed 17 training programmes.

As per SOPs for District and Sub-division level Equipment bank, all the required search and rescue equipment, vehicles, relief goods etc. are to be stocked in the District Headquarters, Training Command Centre, Home Guard. These will be procured through Government e-market (GeM) portal.

Audit noticed that the DDMA's of the test-checked Districts had received (March 2023) funds of ₹ 6.07 crore from the State Disaster Management Cell for conducting trainings and purchase of equipment detailed as under:

- ₹ 2.46 crore was received for conducting training programme on disaster preparedness and capacity building. But the DDMA had not started the required training programme as of October 2023 and funds of ₹ 2.46 crore remained unutilised in the bank accounts.
- Further, ₹ 3.28 crore was received for purchasing equipment for search and rescue operations at District and Sub-division level. However, the DDMA had not purchased the search and rescue equipment as of October 2023 and the funds of ₹ 3.28 crore remained unutilised in the bank accounts.

The DDMA stated (January-March 2024) that trainings could not be conducted due to difficulty in acquiring services of the implementing agencies and resource persons for conducting the trainings. Further, the process for purchase of search and rescue equipment was under way.

The State Government stated (May 2025) that trainings were not commenced due to certain restrictions caused due to identification of agencies and resource persons. However, the trainings are now under process.

#### 5.5.4 SMIS Portal not updated

As per conditions of the sanction orders accorded by the Deputy Commissioners, the works should be completed within the same financial year or within one year from the date of sanction.

Status of works sanctioned during 2019-23 and position as per SMIS portal in the test-checked Districts as of October 2023 are given in **Table 5.10**.

**Table 5.10: Status of works in the test-checked Districts for the period 2019-23 as per SMIS Portal**

District	Status of work	(₹ in crore)											
		2019-20		2020-21		2021-22		2022-23		Total		Prior to 2019*	
		Nos.	Cost	Nos.	Cost	Nos.	Cost	Nos.	Cost	Nos.	Cost	Nos.	Cost
Bilaspur	Sanctioned	354	5.83	225	2.79	237	2.75	455	6.24	1271	17.61	365	2.97
	Completed	206	3.27	59	0.83	14	0.17	0	0	279	4.27	0	0
	In progress	148	2.56	166	1.97	223	2.57	455	6.24	992	13.34	365	2.97
Kangra	Sanctioned	729	13.9	781	17.3	1146	24.76	1469	29.98	4125	85.94	1693	31.46
	Completed	319	5.39	278	5.61	387	7.57	235	4.42	1219	22.99	0	0
	In progress	410	8.51	503	11.69	759	17.19	1234	25.56	2906	62.95	1693	31.46
Kullu	Sanctioned	1537	19.03	410	10	814	16.84	1292	23.05	4053	68.92	101	1.39
	Completed	1361	16.59	362	6.13	612	4.46	776	6.45	3111	33.63	0	0
	In progress	176	2.44	48	3.87	202	12.38	516	16.6	942	35.29	101	1.39
Total	Sanctioned	2620	38.76	1416	30.09	2197	44.35	3216	59.27	9449	172.47	2159	35.82
	Completed	1886	25.25	699	12.57	1013	12.2	1011	10.87	4609	60.89	0	0
	In progress	734	13.51	717	17.53	1184	32.14	2205	48.4	4840	111.58	2159	35.82

Source: SMIS data and information supplied by the Department.

\*Only ongoing works have been included for works prior to April 2019.

Audit noticed that the DCs of the test-checked Districts had not updated the real time data in SMIS of physical and financial progress of 9,449 works sanctioned for ₹ 172.47 crore during 2019-23. Besides, the status of 2,159 works sanctioned for ₹ 35.82 crore prior to April 2019 was also not updated. The Utilisation Certificates (UCs) for completed works were not obtained on time to depict the actual status of works in SMIS portal.

The DCs stated (November 2023 to January 2024) that the most of works shown incomplete in SMIS were due to non-submission of Utilisation Certificates by the executing agencies.

The State Government stated (May 2025) that continuous efforts are being made to get all the sanctioned works completed and get them uploaded on SMIS portal. Most of the works pointed out in audit have been completed and UCs thereof are being uploaded on SMIS Portal. Moreover, funds for the works which could not be executed are being refunded by the executing agencies (BDOs).

The fact remains that the DCs concerned neither monitored the updating of the SDRF works for their completion within allocated time nor updated the SMIS portal. Besides, they did not obtain the Utilisation Certificates of the completed works in time.

#### **5.5.5 Execution of SDRF/NDRF works in Gram Panchayats (GPs)**

In test-checked GPs, overall, 710 works were sanctioned by DCs during 2019-23 for ₹ 6.60 crore. Audit observed that:

(i) Out of 654 works sanctioned during 2019-23 for ₹ 5.49 crore to be executed through the BDOs/ GPs concerned (other than HPPWD and HPJSV), 539 works had been completed with an expenditure of ₹ 3.90 crore and 20 works sanctioned for ₹ 0.21 crore were not started. Sixteen works (sanctioned cost: ₹ 0.29 crore) were lying incomplete as on date of audit. In remaining 79 incomplete/not started works, completion date was not due as on the date of audit.

(ii) Out of 56 works sanctioned for ₹ 1.11 crore during 2019-23 and to be executed through executing agencies HPPWD and HPJSV in the test-checked GPs, 46 works (sanctioned cost: ₹ 0.92 crore) had been completed and three works (sanctioned cost: ₹ 0.11 crore) were lying incomplete as on date of audit. In remaining seven incomplete/not started works, completion date was not due as on the date of audit.

Thus, the very purpose of providing funds for restoration of damaged infrastructure due to natural calamity remained unachieved, besides depriving the public of the facility of restored infrastructure.

The Department stated (May 2025) that presently all the executing agencies are being directed to complete the works in a time bound manner and upload UCs thereof at their

own level on SMIS Portal and UCs are being regularly monitored at district level as well.

### 5.5.6 Joint Physical Inspection of works

Detailed scrutiny and joint physical inspection of 36 works (out of 710) in the test-checked Gram Panchayats (GPs), was conducted by Audit during the period from August 2023 to January 2024. The brief details of these works are given in **Table 5.11**.

**Table 5.11: Details of Joint Physical Inspection of works in the test-checked GPs**

(Works in numbers and ₹ in lakh)

	Particulars of inspection of works			Status of works						Delay in completion of incomplete works and not started works out of column 7 and 9 (as of October 2023)	
	No. of schemes from test-checked GPs	No. of sanctions	Amount Sanctioned	Complete		Incomplete/ In progress		Not started works		No.	Range (in months)
				No.	Exp.	No.	Exp.	No.	Sanctioned amount		
1	2	3	4	5	6	7	8	9	10	11	12
Bilaspur	12	13	27.19	6	13.61	5	8.08	1	1.75	5	1-32
Kangra	12	23	71.75	8	50.31	2	2.41	2	4.25	4	3-34
Kullu	12	13	16.50	11	15.41	1	0.34	0	0	1	3
<b>Total</b>	<b>36</b>	<b>49</b>	<b>115.44</b>	<b>25</b>	<b>79.33</b>	<b>8</b>	<b>10.83</b>	<b>3</b>	<b>6.0</b>	<b>10</b>	

Source: Information supplied by the GPs.

Note: Exp.- Expenditure

- Overall 36 schemes/works (sanctioned amount ₹ 1.15 crore) were inspected physically during August 2023 to January 2024, of which 25 schemes/works were completed after incurring an expenditure of ₹ 0.79 crore; eight works were lying incomplete as on date of audit and three works were not started. There were delays in seven works (out of 11 incomplete/not-started works) ranging between one to 12 months and in three works (out of 11 incomplete/not-started works) ranging between 13 to 34 months from the stipulated date of their completion. Remaining one incomplete work was within the stipulated period of one year.
- Further, most of the works inspected were of routine nature of repair and maintenance. Out of 36 physically inspected works, only six works (sanctioned amount ₹ 0.11 crore) were admissible as per the approved norms, 14 works were inadmissible (sanctioned amount ₹ 0.69 crore) and in 16 works (sanctioned amount ₹ 0.36 crore), ₹ 0.24 crore was sanctioned in excess of the prescribed norms.
- Audit inspected these 36 works sanctioned by test-checked DCs in *Gram Panchayats* against four dimensions as well – admissibility, splitting up of sanction/works, excess sanction, and damage reports. The position is shown in **Table 5.12**.

**Table 5.12: Details of the four dimensions based on which Physical Inspection was conducted**

Sr. No.	Parameters	Yes	No
1	Admissibility as per the norms of assistance	22	14
2	Splitting up of works	8	28
3	Excess sanction of funds	16	20
4	Availability of damage reports	24	12

This is indicative of the fact that there was lack of proper scrutiny and checks to ascertain the admissibility of works from SDRF/NDRF before sanction.

The State Government stated (May 2025) that care and control is being exercised in sanctioning works in conformity with laid down parameters under SDRF/NDRF. Splitting of works and sanctioning funds in excess of prescribed limit had been completely stopped.

During the Exit conference, Additional Chief Secretary directed the DCs concerned to take this matter seriously and ensure timely execution of works and sanction funds as per norms.

## **5.6 Conclusion**

Audit has revealed that the State Government has struggled to translate the resources of the State and National Disaster Response Funds into timely, rule-compliant relief. Unresolved cases of earlier misuse led the Union Ministry of Home Affairs to withhold a part of the 2019-20 Central share and to short-release later assistance due to the State's inflated opening balances. Even after these deductions, sizeable surpluses remained parked in saving bank accounts instead of approved interest-bearing instruments, causing a measurable loss of income to the Fund. At the same time, district and line agencies have allocated and spent a substantial amount on routine repairs, new construction, and other items outside the Central norms, while genuine relief in many cases was sanctioned one to almost three years after the disasters occurred. Oversight remains weak: the State's Management Information System still lists thousands of works with "zero progress," and a large backlog of Utilisation Certificates limits the ability to track fund usage in real time. Planning, preparedness and capacity building shows substantial gaps-State Disaster Management Plans and community plans have not been updated, the State Disaster Response Force was not equipped with technical staff, and the test-checked DDMA's have neither purchased the prescribed search and rescue equipment nor conducted the required training programme on disaster preparedness.

An effective response requires the Revenue Department, the State Disaster Management Authority, and district authorities to collaborate and act together. Unless the Government invests idle balances regularly, rejects ineligible bills, clears the monitoring backlog, and adheres to a strict "disaster-to-disbursement" schedule, gaps

will continue, compromising public interest and hindering timely assistance. The necessary resources required are already available with the State; the focus should shift to disciplined execution and transparent tracking, guaranteeing that the relief funds set aside for disasters reach to the intended beneficiaries efficiently and effectively.

## **5.7 Recommendations**

The State Government may:

- (i) Ensure efficient and effective utilisation of balance funds by issuing standing instructions to its banker for the regular and timely investment of surplus balances.*
- (ii) Evolve a mechanism to prevent misutilisation of funds on inadmissible works. This may include directing that every bill submitted to the Treasury be accompanied by a one-page undertaking, completed and signed by the drawing officer, matching each charge or expenditure with the relevant SDRF/NDRF provisions and applicable limits.*
- (iii) Ensure relief within 30 days of a disaster report. Use the existing SMIS (or, until it is cleaned up, a shared spreadsheet) to flag any case that crosses day 30 and email the Deputy Commissioner and Revenue Secretary automatically. For any delays, responsibility to be fixed.*
- (iv) Strengthen infrastructure for training and capacity building by earmarking of training institutes for imparting training programmes for disaster preparedness and purchasing and distribution of search and rescue equipment centrally to bring efficiency in purchase process.*
- (v) Update the SMIS by resolving all pending cases in a time-bound manner. For this, dedicated manpower may be deployed to upload missing Utilisation Certificates and update work status.*
- (vi) Establish a mechanism for regular reconciliation of figures with the Centre. The mechanism should ensure that opening balances, releases, and expenditures are periodically reviewed and mutually agreed with the Ministry of Home Affairs to avoid discrepancies and prevent future hold-backs.*

**Chapter-VI**  
**Individual Audit Observation**





## Chapter VI: Individual Audit Observation

### Himachal Pradesh Forest Department

#### 6.1 Short realisation of Compensatory Afforestation Fund Management and Planning Authority (CAMPA) Funds

**Under assessment of Net Present Value (NPV) by the Department resulted in short realisation of CAMPA funds.**

Under the Forest (Conservation) Act, 1980 (FCA), whenever forest land is diverted for non-forest purposes—such as infrastructure or industrial projects—the user agency is required to pay a fee known as the Net Present Value (NPV). This amount compensates for the loss of ecological services provided by the forest and is used by the Government to fund forest protection, conservation, and related activities.

The NPV rates are determined and notified periodically by the Ministry of Environment, Forest and Climate Change (MoEF&CC). The rates notified in March 2008 remained in force until January 2022.

To account for ecological variation NPV rates are categorized into six eco-classes (I to VI), with Class I representing the lowest rates and Class VI the highest. Within each eco-class, forest areas are further classified based on canopy density into three categories: very dense forest, moderately dense forest, and open forest. The NPV rates increase with both eco-class level and forest density.

As per Para 3.2 of Handbook of Forest (Conservation) Act, issued in 2019, NPV is recoverable in all cases where diversion is approved on or after 29 October 2002 and also the cases for which in-principle clearance was granted before 29 October 2002 and final clearance after that. Para 1.21 of the handbook (issued in 2019) as well as Para 4.3 of Handbook of FCA, 1980 (issued in 2004) stipulate that, proposals seeking ex-post-facto approval of the Central Government under the FCA, 1980 are normally not to be entertained. The Central Government will not accord ex-post facto approval under the Act unless under exceptional circumstances that may justify condonation. In such cases of condonation, the Central Government shall ensure penalty, commonly known as Penal Compensatory Afforestation (or penal CA) from user agencies/State.

CAMPA (Compensatory Afforestation Fund Management and Planning Authority) fund is financed by levies and compensatory charges paid by entities diverting forest land for non-forest use. This fund has been created to support afforestation and forest conservation to compensate for environmental loss.

Scrutiny of the records of the Nodal Officer (FCA), Shimla revealed that 314 number of cases, submitted between January 2015 and March 2021, got in-principle and final approval by the Regional Office, MoEF&CC up to December 2021. However, in three cases under the Chamba Circle (two in Churah Division and one in Bharmour Division), discrepancies were observed between the eco-classification of the forests mentioned by the Department and the NPV rates applied. While the description of the forests indicated eco-class VI which has higher NPV rates, in actual calculation of NPV, eco-classes IV and V were used which have lower rates. In view of the discrepancy observed, the possibility of under-assessment and consequent short realisation of CAMPA funds amounting to ₹ 80.99 lakh cannot be ruled out.

Similarly, in one case of Bilaspur Division, Audit noticed that saplings present in the forest land were not accounted for while calculating forest density, although saplings were considered as trees for realisation of the cost of trees from the user agency. This resulted in under-assessment of density of forest as open forest instead of moderately dense forest and resulted into short collection of NPV funds to the tune of ₹ 51.95 lakh as NPV rates for open forest are lower.

It was further noticed that out of 314 cases mentioned above, 158 cases were related to the construction of roads. Out of these, in 56 cases<sup>1</sup>, roads were constructed by Himachal Pradesh Public Works Department (HPPWD) without obtaining prior approval, thus violating the provisions under FCA, 1980. In 53 such cases, final approval was granted by the MoEF&CC after invoking penal provisions and penal CA/NPV amounting to ₹ 5.01 crore was realised. However, in remaining three cases, no penalty was imposed, which was in contravention to the notification/ guidelines issued by the MoEF&CC.

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<sup>1</sup> These cases were granted one-time relaxation for regularisation by Hon'ble High Court of Himachal Pradesh on the basis of joint inspection to be carried out by Forest Department and HPPWD Officers.

The Department, in its reply, stated (March 2024) that it could not impose the penalty on the user agencies, as no such condition was mentioned by the MoEF&CC, while Stage-I approval was accorded. The MoEF&CC stated (May 2024) that it failed to notice violation of the act/guidelines in these cases filed by the concerned Division. It also stated that action was being taken for recovery of penal CA as per the provisions. The MoEF&CC further recommended the State Government (April 2025) to recover the penal CA as per the current prevailing norms.

Thus, the Department did not assess and collect the actual NPV amount, limiting the protection/conservation measures of the forests. The Department may recover additional NPV/CA due from the user agencies on account of wrong classification of forests, and invoke the penal provisions.


The matter was referred to the State Government in April 2025, and reply is still awaited (June 2025).

**Shimla**  
**Dated: 16 January 2026**

  
**(Purushottam Tiwary)**  
**Principal Accountant General (Audit)**  
**Himachal Pradesh**

*Countersigned*

**New Delhi**  
**Dated: 02 February 2026**

  
**(K. Sanjay Murthy)**  
**Comptroller and Auditor General of India**



# **Appendices**



## Appendices

### Appendix-1.1

*(Reference: Paragraph 1.5.2)*

**Details of *Suo-motu* replies of Audit observations included in the CAG Audit Reports on Social, General and Economic Sectors and CAG Audit Reports on PSUs (as of 31 March 2023)**

Name of the Report	Year of the Report	Date of presentation of Audit Report in the State Legislature	Due date for receipt of Replies	Departments/ State PSUs	Replies not received as of 31 March 2023	
					Performance Audits	Compliance Audit Paragraphs
<b>CAG Audit Report on Social, General and Economic (Non-PSUs) Sectors</b>	2012-13	21.02.2014	20.05.2014	Tribal Development	0	1
	2013-14	10.04.2015	09.07.2015	Tribal Development	0	1(TA)
	2014-15	07.04.2016	06.07.2016	SC, OBC & Minority Affairs	0	1(TA)
	2015-16	31.03.2017	30.06.2017	Home	0	2(TA)
	2016-17	05.04.2018	04.07.2018	Information Technology	1	0
	2018-19	13.08.2021	12.11.2021	Horticulture (Partially)	0	1(TA)*
				Labour & Employment	0	1
				Planning	0	2
				PWD	0	1
	<b>Total</b>				<b>1</b>	<b>6 (DP)+ 5 (TA)</b>
<b>C&amp;AG Audit Report on PSUs</b>	2017-18	14.12.2019	13.03.2020	Himachal Pradesh Financial Corporation	0	1
				H.P. State Industrial Development Corporation	0	1
				H.P. Road & Other Infrastructure Development Corporation	0	1
	2018-19	13.08.2021	12.11.2021	H.P. State Forest Development Corporation	0	1
				Himachal Pradesh General Industries Corporation Ltd	0	1
<b>Total</b>				<b>0</b>	<b>5</b>	
<b>CAG Audit Report on Social, General and Economic Sectors</b>	2019-20	15.03.2022	14.06.2022	Education	0	1(TA)
				Health and Family Welfare	0	1
				PWD	0	1
				Language, Art, and Culture	0	1(TA)
				H. P. Horticulture Produce Marketing and Processing Corporation	0	1
				H. P. Power Transmission Corporation Limited	0	1
				H.P. State Electricity Board Limited	0	2
				H.P. Forest Development Corporation Limited	0	1
	<b>Total</b>				<b>0</b>	<b>7 (DP)+ 2 (TA)</b>

*Note: TA: Thematic Audit, DP: Draft Paragraph*

*\* One TA on Agriculture Crop Insurance Schemes relates to Agriculture and Horticulture Departments. However, suo motu reply in respect of Horticulture Department is still awaited.*

**Appendix-1.2**

(Reference: Paragraph 1.5.3)

**Detail of Audit observations discussed in PAC/COPU during 2022-23**

Committee: Name of Report	Name of Department/ PSUs	Year of Report	Audit Observations discussed during 2022-23	
			Performance Audits	Compliance Audit Paragraphs
<b>PAC:</b> CAG Audit Report on Social, General and Economic (Non-PSUs) Sectors	Urban Development	2013-14	1	1
		2016-17	0	1
		2017-18	1	0
	<b>Total</b>		<b>2</b>	<b>2</b>
<b>COPU:</b> CAG Audit Report on PSUs	Himachal Pradesh State Electricity Board	2016-17	0	7
		2017-18	0	3
	Himachal Pradesh Horticulture Produce Marketing and Processing Corporation Limited	2016-17	0	1
	Himachal Pradesh Power Transmission Corporation Limited	2015-16	0	1
	Himachal Pradesh Road Transport Corporation	2017-18	0	1
	<b>Total</b>		<b>0</b>	<b>13</b>

**Appendix-1.3**

(Reference: Paragraph 1.5.3)

**Year-wise detail of Audit observations pending discussion in PAC/COPU as of 31 March 2023**

Committee: Name of Report	Year of Report	Total Audit Observations included in Report		Audit Observations pending for discussion in PAC/COPU as of 31 March 2023	
		Performance Audits	Compliance Audit Paragraphs	Performance Audits	Compliance Audit Paragraphs
<b>PAC:</b> CAG Audit Report on Social, General and Economic (Non-PSUs) Sectors	Up to 2008-09	14	114	0	1
	2009-10	2	26	0	5
	2010-11	2	20	0	1
	2011-12	1	19	0	5
	2012-13	3	13	1	5
	2013-14	4	23	0	5
	2014-15	4	28	1	6
	2015-16	5	13	2	4
	2016-17	4	26	2	7
	2017-18	2	21	1	8
	2018-19	2	14	2	11
	2019-20	0	5	0	5
<b>Total</b>		<b>43</b>	<b>322</b>	<b>9</b>	<b>63</b>
<b>COPU:</b> CAG Audit Report on PSUs	2016-17	1	13	1	1
	2017-18	1	11	1	4
	2018-19	0	10	0	10
	2019-20	0	5	0	5
	<b>Total</b>		<b>2</b>	<b>39</b>	<b>2</b>



## Appendix-1.4

(Reference: Paragraph 1.5.4)

## Vidhan Sabha tenure wise detail of pendency of Action Taken Notes on recommendations of PAC of the Departments (as of 31 March 2023)

Sl. No.	Name of Department	Pending Action Taken Notes (ATNs)							Total Pending Response
		Vidhan Sabha VII	Vidhan Sabha VIII	Vidhan Sabha IX	Vidhan Sabha X	Vidhan Sabha XI	Vidhan Sabha XII	Vidhan Sabha XIII	
1.	Transport	0	0	0	0	0	0	1	1
2.	Dental	0	0	0	0	0	0	1	1
3.	Medical Education	0	0	0	0	0	0	1	1
4.	MPP & Power	0	0	0	0	0	0	7	7
5.	Unconventional Energy resources	0	0	0	0	0	0	1	1
6.	PWD	0	1	4	2	5	2	16	30
7.	Revenue	0	1	9	5	9	3	11	38
8.	Forest	0	2	2	3	6	4	13	30
9.	Jal Shakti	0	0	0	2	1	1	6	10
10.	Agriculture	0	0	0	1	1	0	10	12
11.	Industries	1	3	2	3	2	2	6	19
12.	Urban development	0	1	1	0	0	0	4	6
13.	Health & Family Welfare	0	0	0	0	0	2	0	2
14.	Higher Education	0	0	0	0	3	0	7	10
15.	Technical Education	0	0	0	0	1	1	0	2
16.	Horticulture	0	0	1	0	5	3	1	10
17.	Rural Development	0	0	0	2	0	0	0	2
18.	Ayush	0	0	0	0	0	0	2	2
19.	Fisheries	0	0	0	0	0	0	2	2
20.	Finance	0	0	0	0	2	0	1	3
21.	Excise & Taxation	0	0	0	0	4	2	0	6
22.	Home	0	0	0	0	4	0	0	4
23.	Labour & Employment	0	0	0	0	0	2	0	2
24.	Youth Services & Sports	0	0	0	0	0	0	2	2
25.	Food & Civil Supplies	0	0	0	0	0	0	2	2
26.	General Administration	0	0	0	2	0	0	0	2
<b>Total</b>		<b>1</b>	<b>8</b>	<b>19</b>	<b>20</b>	<b>43</b>	<b>22</b>	<b>94</b>	<b>207</b>

Vidhan Sabha tenure wise detail of pendency of Action Taken Notes on recommendations of COPU of the State PSUs (as of 31<sup>st</sup> March 2023)

Sl. No.	Name of State PSUs	Pending Action Taken Notes (ATNs)	Vidhan Sabha Tenure
1	Himachal Pradesh State Forest Development Corporation	2	XII Vidhan Sabha
2	Himachal Pradesh Agro. Industries Corporation Limited	1	
3	Himachal Pradesh State Electricity Board Limited	1	
<b>Total</b>		<b>4</b>	
1	Himachal Pradesh State Electricity Board Limited	11	XIII Vidhan Sabha
2	Himachal Pradesh State Forest Development Corporation	1	
3	Himachal Pradesh Agro Industries Corporation Limited	1	
4	Himachal Pradesh Tourism Development Corporation	2	
5	Himachal Pradesh Power Corporation Limited	5	
6	Beas Valley Power Corporation Limited	2	
7	Himachal Pradesh Horticulture Produce Marketing and Processing Corporation Limited	1	
8	Himachal Pradesh Road Transport Corporation	2	
9	Himachal Pradesh Minorities Finance and Development Corporation	1	
10	Himachal Pradesh Power Transmission Corporation Limited	2	
<b>Total</b>		<b>28</b>	
1	Himachal Pradesh Horticulture Produce Marketing and Processing Corporation Limited	1	XIV Vidhan Sabha
2	Himachal Pradesh Road and Other Infrastructure Development Corporation	1	
<b>Total</b>		<b>2</b>	

## Appendix-2.1

(Reference: Paragraph 2.6)

## List of repeated targets/activities projected under Vision Documents 2020 and 2030

Sr. No.	Goal	Goal number of Vision Document		Target/Activities projected in	
		2020	2030	Vision Document 2020	Vision Document 2030
1				Centre for Disability Studies	Advanced Centre for Disability Studies
2				Centre for Advance Studies in Sciences	Centre for Advance Studies in Sciences
3				Centre for Ethics and Human Values	Centre for Ethics and Human Values
4				Centre for Human Rights	Centre for Human Rights
5				Institute for Multi-disciplinary Research	Advanced Centre for Multi-disciplinary Research
6				Centre for South-Asia Studies	Centre for South-Asia Studies
7				Centre for Translation	Centre for Translation Studies
8				Centre for Nanoscience	Centre for Nanoscience
9	Academics	1	2	Centre for Policy Studies	Centre for Policy Studies
10				Centre/Department of Pahari Language & Culture	Centre/Department of Pahari Language & Culture
11				Centre for Studies in Social Exclusive & Inclusive Studies	Centre for Studies in Social Exclusive & Inclusive Studies
12				Centre for Traditional Knowledge System	Centre for Traditional Knowledge System
13				Archival Data Centre in the University library	Data Archival Centre
14				Topic centered club	04 clubs of 2020 clubbed
15				Pranayam and Meditation Centre	Pranayam and Meditation Centre
16				Choice based credit system for all PG and UG Courses	Choice based credit system for all PG and UG Courses
17				Initiate e-learning	Digital education/e-learning/off campus learning
1				State of Art Lab in Physics	High Tech Lab in Physics
2				State of Art Lab in Biosciences	High Tech Lab in Biosciences
3				State of Art Lab in Psychology	High Tech Lab in Psychology
4				High-Tech Lab in Hotel Management	State of Art Lab in Hotel Management
5				High-Tech Lab in Physical Education	State of Art Lab in Physical Education
6	Research	2	3	State of Art Lab in Chemistry	High Tech Lab in Chemistry
7				State of Art Lab in Biotechnology	High Tech Lab in Biotechnology
8				State of Art Journalism Lab	High Tech Lab in Journalism Lab
9				State of Art Visual Art Lab	High Tech Lab in Visual Art
10				State of Art Management Information System	High Tech Management Information System
11				State of Art Lab in Geography	High Tech Lab in Geography
12				State of Art Lab for linguistics	High Tech Lab for linguistics

Sr. No.	Goal	Goal number of Vision Document		Target/Activities projected in	
		2020	2030	Vision Document 2020	Vision Document 2030
1	<b>Expanding Horizon through Linkages and Alliances</b>	3	4	Initiate International Students' programme	New academic programme for international students
2				Promote academic exchange programme with foreign universities	Academic exchange programme with foreign universities
3				Establish linkage with foreign universities, national & international institutes	Establish linkage with foreign universities, national & international institutes
4				Undertake collaborative research studies/projects	Collaborative research studies/projects
5				Residential facility for foreign students	Residential facility for foreign students
1	<b>Infrastructure Development</b>	4	5	Land acquisition for campus expansion	Land acquisition for campus expansion
2				New regional Centre in Cold Dry Zone	Regional Centre in Cold Dry Zone
3				New regional Centre in Mid Hill Zone	Regional Centre in Mid Hill Zone
4				New regional Centre in Shivalik Hill Zone	Regional Centre in Shivalik Hill Zone
5				Inter and intra-state ICDEOL Centres	Inter and intra-state ICDEOL Centres
6				Hostel for research scholars	Hostel for research scholars
7				Hostel for foreign students	Hostel for international students
8				Modernized Indoor Gymnasium & swimming pool	Modernized Indoor Gymnasium & swimming pool
9				Conference Halls	New Conference Halls
10				More cluster lecture theatres for the teaching	Cluster lecture theatres for the teaching
11	Publication Division/ Printing Press	Digital Printing Press of University			
12	Improved parking facilities and security arrangements	Modern parking facility and security arrangements			
13	Captive Power Generation through solar energy	Captive Power Generation through solar energy			
14	Rainwater harvesting systems	Rainwater harvesting systems			
15	Increase internet access for online journals and books	Increase internet access for online journals and books			
16	Event Management Unit	Event Management Unit			
17	Gallery-cum-exhibition hall	Himalayan Art Gallery-cum-exhibition hall			
18	Web-enabled university management system	Web-enabled university management system			
1	<b>Finance and Resource Generation</b>	5	6	Rationalize the existing fee structure	Updating the existing fee structure
2				Increase seats under Self-financing scheme	Increase seats under Self-financing scheme
3				Modify the existing bus fares	Modify the existing bus fares
4				Introduce new need-based courses in ICDEOL	Introduce innovative need-based courses in ICDEOL
5				Introduce professional courses under Self-financing Scheme	Start professional courses under SFS
6				Resource mobilization	Resource mobilisation through externally funded projects and constituencies
1	<b>E-Governance and Quality Assurance</b>	7	8	Decentralisation of administrative, financial and academic powers	Decentralisation of administrative, financial and academic powers
2				Encouragement professionalism of administration	Encouragement professionalism of administration
3				Digitization of old records	Digitization of old records

## Appendix-3.1

(Reference: Paragraph 3.9.2)

## Details of lease allotted in Border Area

Sl. No.	Name of lessee (S/Shri)	Period	Area of mining site (in Ha)	Amount of reserve price	Amount of L1	Date of issuance of Lol	Date of grant order	Date of execution of lease deed	Date of cancellation of lease deed	Amount forfeited
1	Devender Singh	22/3/2018 to 21/3/2028	5.15.34 riverbed	33,00,000	40,00,000	3/8/2017	17/2/2018	22/3/2018	17/8/2022	Security not forfeited
2	Gurjant Singh S/o Lal Singh	4/1/2018 to 3/1/2028	10.28.80 riverbed	67,00,000	70,00,000	1/8/2017	12/10/2017	4/1/2018	17/8/2022	22,06,832
3	Kishori Lal s/o Khushi Ram	21/3/2018 to 20/3/2028	5.61.74 riverbed	36,00,000	43,00,000	2/8/2017	16/2/2018	2/3/2018	17/8/2022	17,37,594
4	Raman Kumar s/o Sh. Dharam Pal	4/1/2018 to 3/1/2028	7.23.42 riverbed open sale	47,00,000	52,00,000	3/8/2017	12/10/2017	4/1/2018	17/8/2022	13,80,514
<b>Total</b>					<b>1,83,00,000</b>	<b>205,00,000</b>				<b>53,24,940</b>

## Appendix-3.2

(Reference: Paragraph 3.12.5)

## Year wise status of works executed by the selected DMFTs

Name of District	Year	Total No. of works sanctioned	Total Value of works sanctioned (₹ in crore)	Total no. of cancelled works	Total no. of works taken up	Total no. of incomplete works as on March 2023	Total Value of Incomplete works (₹ in crore)
Bilaspur	2018-19	0	0	0	0	0	0
	2019-20	11	1.23	0	11	0	0
	2020-21	3	0.56	0	3	0	0
	2021-22	0	0	0	0	0	0
	2022-23	89	41.46	13	76	69	25.03
<b>Total</b>		<b>103</b>	<b>43.25</b>	<b>13</b>	<b>90</b>	<b>69</b>	<b>25.03</b>
Shimla	2018-19	0	0	0	0	0	0
	2019-20	0	0	0	0	0	0
	2020-21	0	0	0	0	0	0
	2021-22	0	0	0	0	0	0
	2022-23	10	0.21	0	10	10	0.21
<b>Total</b>		<b>10</b>	<b>0.21</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0.21</b>
Solani	2018-19	11	2.27	1	10	10	2.25
	2019-20	14	4.13	4	10	10	2.77
	2020-21	32	20.09	2	30	30	18.74
	2021-22	0	0	0	0	0	0
	2022-23	50	11.74	0	50	50	11.74
<b>Total</b>		<b>107</b>	<b>38.23</b>	<b>7</b>	<b>100</b>	<b>100</b>	<b>35.50</b>
Una	2018-19	4	0.38	0	4	0	0
	2019-20	2	0.04	0	2	0	0
	2020-21	7	2.28	0	7	0	0
	2021-22	37	1.75	0	37	21	0.56
	2022-23	11	0.42	0	11	10	0.4
<b>Total</b>		<b>61</b>	<b>4.87</b>	<b>0</b>	<b>61</b>	<b>31</b>	<b>0.96</b>
<b>Grand total</b>		<b>281</b>	<b>86.56</b>	<b>20</b>	<b>261</b>	<b>210</b>	<b>61.70</b>

Source: Information provided by the department.

## Appendix-3.3

(Reference: Paragraph 3.12.6)

## Detail of Ineligible works sanctioned in the selected DMFTs

(₹ in lakh)

Sl. No.	Name of the Scheme	Amount Sanctioned	Amount allocated	Date of approval by Trust	Implementing Agency
1.	Unmanned Aerial Vehicle (Drone cameras)	10.00	10.00	09.12.2020	Superintendent of Police, Solan
2.	Unmanned Aerial Vehicle (Drone Cameras)	10.00	10.00	09.12.2020	Superintendent of Police, Baddi, District Solan
3.	Installation of CCTV cameras in Police Subdivision Darlaghat	29.58	29.58	05.03.2021	Superintendent of Police, Solan
4.	Open Air Gyms in various Panchayats i.e. Mangal, Bagga Karog, Kotlu, Kashlog, Sewra Chandi, Sandhoi, Mangoo & Giana	24.00	24.00	09.05.2022	Block Development Officer, Kunihar
5.	Providing of Teledart gun with accessories for control of wild and stray animal and completion of Animal Trauma Centre	6.00	6.00	20.11.2019	Dy. Director Animal Husbandry, Bilaspur
6.	C/o Parking under Health Infrastructure in Regional Hospital Bilaspur	300	300	28.05.2022	Executive Engineer, HPPWD Division
7.	Restoration of rain damages under Jal Shakti Subdivision Bilaspur (SH: Channelization of local Nallah in upstream of LWSS Badhyat	25.66	25.66	28.05.2022	Executive Engineer, JSV Division Bilaspur
8.	C/o Dyke on Ali Khad near the source of LWSS Jukhala	10.93	10.93	20.11.2019	Executive Engineer, JSV Division Bilaspur
9.	C/o Dyke on Ali Khad near the source of LWSS Bholi Pehlwana	11.40	11.40	20.11.2019	Executive Engineer, JSV Division Bilaspur
10.	Construction of Jetty to Govind Sagar Lake with earth filling at Luhnu distt. Bilaspur	6.1	6.1	28.05.2022	Executive Engineer, HPPWD Division Bilaspur
11.	Purchase of High-Resolution CCTV Cameras	10.00	10.00	11.1.2019	Superintendent of Police, Una
12.	Installation of Drone Camera by District Police Una	4.00	4.00	22.5.2020	Superintendent of Police, Una
13.	Purchase of drone camera and 03-night vision binocular for surveillance of illegal mining activities	8.00	8.00	23.7.2021	Superintendent of Police, Una
14.	Hiring charges of two number vehicle for mining/patrolling duty in Swan River	3.39	3.39	28.4.2022	Superintendent of Police, Una
<b>Total</b>		<b>459.06</b>	<b>459.06</b>		

### Appendix-3.4

(Reference: Paragraph 3.12.9)

#### Details of Projects Cancelled by Implementing Agencies

(₹ in lakh)

Sl. No.	Name of DMFT	Name of work	Amount Sanctioned	Amount Released	Implementing Agency
1	Solan	C/o Rain Shelter near Giana School at RD 6/000.	1.08	1.08	Executive Engineer, HPPWD, Arki
2		C/o Rain Shelter on Mangoo Bambira road at Bambira in Km. 3/000	1.17	1.17	
3		C/o Rain Shelter at Bhalag Shelter at Bhalag Nalla on Kharsi Mangal road in Km. 12/255	1.17	1.17	
4		C/o Sintighat Deverghat to Devidhar Tender Bagga Upper Suin Lower Suin road Km 0/000 to 9/750 (SH: Formation cutting in Km 0/000 to 9/750)	113.47	20.00	
5		C/o Sintighat Deverghat to Devidhar Tender Bagga Upper Suin Lower Suin road Km 0/000 to 9/750 (SH: C/o Retaining wall at various RDs)	20.50	20.50	
6		C/o Community Hall with Car Parking in village Giana, Tehsil Arki, District Solan	53.33	10.00	
7		C/o link road from Hawani to Mundkhar Km. 0/000 to 1/200 (SH: Formation cutting 5/7 mtr wide, Retaining walls, C.D. Works P/L Soling G-I, II, III, P/L Metalling and Tarring, V-Surface Drain and Parapets in Km 0/000 to 1/200)	81.91	20.00	
<b>Total</b>			<b>272.63</b>	<b>73.92</b>	

## Appendix-3.5

(Reference: Paragraph 3.13)

## Responses of beneficiaries to survey questions in selected DMFTs

Sl. No.	Questions	Response of beneficiaries in selected DMFTs								Total	
		Bilaspur		Shimla		Solan		Una		Yes	No
		Yes	No	Yes	No	Yes	No	Yes	No		
1	Awareness of the scheme called “Pradhan Mantri Khanij Kshetra Kalyan Yojna” for financing developmental projects in mining affected area	18	309	07	113	15	369	05	246	45 (4)	1037 (96)
2	Ever heard about DMF Trust under this scheme	19	308	04	116	15	369	05	246	43 (4)	1039 (96)
3	Awareness about their village is in the list of “affected villages” under this scheme	02	325	01	119	08	376	01	250	12 (1)	1070 (99)
4	Awareness about their name is in the list of “affected people” under this scheme	03	324	-	120	04	380	-	251	7 (1)	1075 (99)
5	Satisfaction with the availability of the following: -										
	i. Schools	246	81	120	-	365	19	188	63	919 (85)	163 (15)
	ii. hospitals	206	121	109	11	233	151	185	66	733 (68)	349 (32)
	iii. water supply	190	137	68	52	308	76	120	131	686 (63)	396 (37)
	iv. skill development	213	114	120	-	348	36	128	123	809 (75)	273 (25)
	v. roads	54	273	45	75	138	246	170	81	407 (38)	675 (62)
	vi. electricity	300	27	120	-	372	12	189	62	981 (91)	101 (9)
6	Awareness of the PMKKKY/ DMFT projects undertaken in the village	12	315	32	88	16	368	23	228	83 (8)	999 (92)
7	Benefits derived from the assets created under PMKKKY	45	282	120	-	250	03*	119	129	534 (49)	414 (38)
8	Usefulness of the assets created for the village	45	282	120	-	248	131	122	128	535 (49)	541 (51)
9	Participation in the Gram Sabha meetings	179	146	119	1	194	190	90	160	582 (53)	365 (34)
10	Approval of Gram Sabha for projects taken under PMKKKY	57	270	119	1	74	242	19	77	269 (25)	590 (55)
11	Approval of Gram Sabha for identification of beneficiaries under PMKKKY	22	303	-	120	26	296	14	75	62 (6)	794 (73)
12	District/block level offices consulted for requirement of basic services in the village.	18	307	-	120	17	367	14	70	49 (5)	843 (78)

Note: Wherever a gap exists between the number of beneficiaries surveyed and the number of responses received, it indicates that some beneficiaries did not submit their responses. Figures in parenthesis reports percentage.



## Appendix-4.1

(Reference: Paragraphs 4.5.8 &amp; 4.5.9)

## Details of 24 selected schemes in eight divisions

Sr. No.	Name of the Division	Scheme Sanctioned under	Name of the Scheme	Total CCA (in Ha.)	Administrative Approval & Expenditure Sanction of the Scheme	Technical Sanction of the Scheme	Expenditure incurred (₹ in lakh)	Stipulated date of completion	Status of the Scheme	Actual Date of Completion
1		PMKSY	Providing LIS for Horticulture Land from Peber river to Kulgaon and its surrounding area in GP Jangla Tehsil Chirgaon Distt. Shimla (Himachal Pradesh)	399.2	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 801.5 lakh	IPH-C.E(SZ)-CTR-29-738-T/S-PROV. LIS HORT. LAND PUBBER RIVER TO KULGAON.2018-9791-9 Dated 29.11.2018, ₹ 801.59 lakh	974.49	March 2020	Complete	17.03.2021
2	Rohru	PMKSY	Providing LIS for Horticulture Land from Khlawan Khad to Pujarli No.-3 group of villages Pujarli in G.P. Pujarli No.-3 and Hansari Tehsil Rohru Distt. Shimla (Himachal Pradesh)	448.9	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 803 lakh	letter No. IPH C.E(SZ)-CTR-29-710-T/S- 2018-2839-42 dated 28.04.2018, ₹ 800.26 lakh	935.74	March 2020	Complete	30.06.2023
3		PMKSY	Providing LIS for Horticulture land from Dhamwani to Jamuti, covering Kharot & group of villages tehsil Chirgaon Distt. Shimla (Himachal Pradesh)	433.8	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 710 lakh	letter No. IPH-C.E.(SZ)-CTR-29-720-T/S-LIS-Hort.Land from Dhamwani, Jamuti, Kharot(Chirgaon)/2018-8764-67 dated 25.10.2018, ₹ 710.79 lakh	750.92	March 2020	Incomplete	Not Applicable
4		PMKSY	Providing LIS Chagaonnikhad to GP Kalbog-Nagan and Ramnagar Tehsil Kotkhai	1031.2	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 1920 lakh	IPH-C.E(SZ)-CTR-29-726-T/S- LIS-HORT. LAND from Chagaonnikhad to G.P.Kalbog.Nagan& Ramnagar-2018-9265-68 Dated 17.11.2018, ₹ 1918.12 lakh	1677.26	March 2020	Incomplete	Not Applicable
5	Jubbal	PMKSY	Providing Irrigation facilities to horticulture Land of Darkoti and Gareog from Girtu under Panchayat Darkoti and Gareog Tehsil Kotkhai Distt. Shimla (Himachal Pradesh)	347.5	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 628 lakh	letter No. IPH-C.E.(SZ)-CTR-29-698-T/S-LIS-Hort. Land Darkoti(Gareog (Kotkhai)/2018-2843-46 dated 28/04/2018, ₹ 615 lakh	818.5	March 2020	Complete	07.04.2022
6		PMKSY	Providing LIS for Horticulture Land from Chagaonnti Khad to Tharamala in GP Himri and covered adjoining portions of GP Rawala Kiar and Ramnagar Tehsil Kotkhai Distt. Shimla (Himachal Pradesh)	433	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 844.1 lakh	letter No. IPH-C.E.(SZ)-CTR-29-727-T/S-LIS-Hort. Land Chagaonntikhad to Tharmala(Kotkhai)/2018-8809-12 dated 27/10/2018, ₹ 842.1 lakh	837.23	March 2020	Complete	20.08.2022
7	Nahan	NABARD	LIS Mainthapal, Nagal Suketi, Mogmand-III Khadri, Manderva, Konthron, Meerapur Kotla, Churan Bankala, Shambhuwala in tehsil Nahan	127.57	IPH-KN-WS(P)RIDF-XXIV/18-6010-12 Dated 23.08.2018, ₹ 65.42 lakh	IPH-ICN(N)TS11605-10 Dated 26.02.2019, ₹ 61.74 lakh	65.42	March 2021	Incomplete	Not Applicable

**Compliance Audit Report of the CAG for the period ended March 2023**

Sr. No.	Name of the Division	Scheme Sanctioned under	Name of the Scheme	Total CCA (in Ha.)	Administrative Approval & Expenditure Sanction of the Scheme	Technical Sanction of the Scheme	Expenditure incurred (₹ in lakh)	Stipulated date of completion	Status of the Scheme	Actual Date of Completion
8		HIMCAD	Command Area Development (CAD) Lift Irrigation Scheme Koon in Tehsil Nahana District Sirmour (Himachal Pradesh)	27.49	Letter No. IPH-ICN-WS(N) LIS KOON/17-11523-31 Dated 29.11.2017, ₹ 17.62 lakh	letter No. PW-IPH(N) DB-Corress Nahana/2017-11955 dated 22.12.2017, ₹ 10.52 lakh	25.68	November 2018	Complete	March 2021
9		HIMCAD	Command Area Development (CAD) of Lift Irrigation Scheme Palton in Tehsil Nahana Distt. Sirmour (Himachal Pradesh)	75.3	IPH-ICN-WS(N) LIS PALION-18-1170-78 Dated 25.04.2018, ₹ 50.53 lakh	IPH-ICN-WS-(Nahana) CADPalton/2018-5886-87 dated 25-08-2018, ₹ 28.62 lakh	42.81	April 2019	Complete	29.12.2021
10		PMKSY	Providing Lift Irrigation Scheme to village Rajana & group of villages in G.P. Rajana, Baula, Kakog & Maina Gharel in Tehsil Sangrahdistt. Sirmour (Himachal Pradesh)	136.27	letter No. IPH-B (F) 5-4/2014 dated 20/09/2017, ₹ 630.93 lakh	IPH-CE(SZ)-CTR-29-LOOSE-TS-PROV. LIS RAJANA DISTT. SIRMOUR/2018-11596-99 26.12.2018, ₹ 632.43 lakh	630.93	March 2020	Complete	31.05.2023
11	Nohradhar	SCSP	Providing FIS to village Satahan GP Satahan Tehsil Angrah Distt. Sirmour Himachal Pradesh	151.59	IPH-ICN-WS(NOHRA) FIS SATAHAN/2017-14413-21 Dated 02.01.2017, ₹ 89.38 lakh	IPH-ICN-WS(SOLAN) FIS SATAHAN/2017-1779-80 Dated 06.05.2017, ₹ 89.23 lakh	30.76	January 2020	Incomplete	Not Applicable
12		NABARD	Providing Lift Irrigation Scheme to village Pabor Kuftoo in GP Ser Tendula in Tehsil Nohradhar Distt. Sirmour (Himachal Pradesh)	45.71	IPH-KN-WS(P)RIDF-XXIV/18-6010-12 Dated 28.08.2018, ₹ 209.38 lakh	IPH-ICN(N) TS 11253-59 Dt/12/02/2019 ₹ 195.20 lakh	209.38	February 2020	Complete	Not known
13		PMKSY	Providing Lift Irrigation Scheme Panjanu to Chhandyara in GP Pangna Tehsil Karsog Distt. Mandi Himachal Pradesh	54.29	letter No. IPH-B (F) 5-4/2014 dated 20/09/2017, ₹ 123.91 lakh	SE-IPH-SNR-WA-KARSOG/2017/19111-13 Dated 22-01-2018, ₹ 127.89 lakh	123.91	March 2020	Complete	31.03.2023
14	Karsog	NABARD	Providing Lift Irrigation Scheme Chakhana Tuman in GP Gawalpur Tehsil Karsog Distt. Mandi Himachal Pradesh	44.1	IPH-B(F) 5-13/2018 Dated 09.07.2019, ₹ 204.73 lakh	letter No. IPH-SE-SNR-WA-Ksg-2019/12270-72 dated 19.09.2019, ₹ 208.51 lakh	119.68	31.03.2024	Incomplete	Not Applicable
15		NABARD	Remodelling of LIS Shakra in tehsil Karsog Distt. Mandi Himachal Pradesh	71	letter No. IPH-B (C) 12/10/2011-1 dated 02/12/2014, ₹ 82.5 lakh	letter No. IPH-SE-SNR-WA-Karsog-79/2015-2874-77 dated 23.05.2015, ₹ 83.1 lakh	122.01	23.05.2018	Complete	05.06.2022 (As per MB no. 7489)
16	Sundernagar	PMKSY	Providing Flow Irrigation Scheme Chirdi, Dhar, Chandru, Khaterwari and Bharari in Tehsil Sunder Nagar Distt. Mandi Himachal Pradesh	172.89	letter No. IPH-B (F) 5-4/2014 dated 20/09/2017, ₹ 416.3 lakh	IPHCEMZ/2018-3682-87 Dated 11.06.2018, ₹ 419.58 lakh	416.30	March 2020	Complete	March 2021
17		NABARD	Providing Lift Irrigation Scheme Samihan and Dhawal from Koldam in Tehsil Sundernagar Distt. Mandi Himachal Pradesh	106.87	IPH-B(F) 5-13/2018-1 Dated 02.09.2021 ₹ 532.8 lakh	JSV-CEMZ/2/21-620-25 dt. 20-04-2022 for ₹ 442.39 lakh	419.86	March 2024	Incomplete	Not Applicable

Sr. No.	Name of the Division	Scheme Sanctioned under	Name of the Scheme	Total CCA (in Ha.)	Administrative Approval & Expenditure Sanction of the Scheme	Technical Sanction of the Scheme	Expenditure incurred (₹ in lakh)	Stipulated date of completion	Status of the Scheme	Actual Date of Completion
18		PMKSY	Providing Flow Irrigation Scheme Jaral to Jugahan in Tehsil Sundemagar Distt. Mandi Himachal Pradesh	87.47	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 200.37 lakh	IPH-SE-SNR-WA-SNR-23/2017-18/9821-23 Dated 05.02.2018, ₹ 199.92 lakh	187.2	March 2020	Complete	July 2021
19		PMKSY	Providing LIS Bhalyani, Bhumteer&Brahman in tehsil and district Kullu	587.5	Letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 1462.7 lakh	IPHCEMZ/2018-3267-72 Dated 01.06.2018, ₹ 1305.94 lakh	1,012.17	March 2020	Incomplete	Not Applicable
20	Kullu-I	NABARD	LIS Seund Hathithan	343.06	letter No. IPH-B (C) 12-5/2011-I dated 04/07/2012, ₹ 994.58 lakh	No. C.E(MZ)Ka Sa-II-LIS SeundHathithan/ 13--3439-43 dated 12-07-2013, ₹ 984.73 lakh	922.3	July 2016	Complete	13.05.2020
21		PMKSY	Providing Lift Irrigation Scheme to Pirdi in Tehsil Bhuntar District Kullu (Himachal Pradesh)	40.5	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 100.8 lakh	letterNo. IPHK.-WA-IV-LIS Pirdi/2017-18 dated-20.01.2018, ₹ 105.78 lakh	140.49	March 2020	Complete	14.04.2022
22		PMKSY	Lift Irrigation Scheme Dharu Ropa Sharai and Sidhwan in Tehsil Banjar Distt. Kullu, Himachal Pradesh	54.8	letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 136.5 lakh	vide letter No. S.E-IPHK.-LIS-WA-IV-LIS DharuRopaSharai/2017-18 dated 27/02/2018, ₹ 135.65 lakh	184.46	March 2020	Complete	30.07.2022
23	Kullu-II at Larji	NABARD	Providing Lift Irrigation Scheme BhamiNallah in GP Naresh Hurla Diyar etc. in tehsil Bhunter Distt Kullu, Himachal Pradesh	566.94	SB-IPHK-WS-WA-IINABARD/2017-18/2071-74 Dated 17.10.2017, ₹ 1062.95 lakh	IPHCEMZ-WA4-3604-09 Dated 24.06.2019, ₹ 647.33 lakh	719.34	October 2020	Incomplete	Not Applicable
24		PMKSY	Lift Irrigation Scheme Neol Noutod in Tehsil BhuntarDistt. Kullu (Himachal Pradesh)	31.1	vide letter No. IPH-B (F)5-4/2014 dated 20/09/2017, ₹ 75.2 lakh	vide letter No. SE-IPHK-LIS-WA-IV-LIS NEOL NOUTOD-2017-18, ₹ 78.77 lakh	113.33	March 2020	Complete	19.04.2021 (Date of PCR)

## Appendix-4.2

(Reference: Paragraph 4.5.8.1)

## Irregular splitting up of work into smaller jobs in selected schemes in test-checked divisions

(₹ in crore)

Sr. No.	Name of the Division	Sr. No.	Name of the Scheme	No. of Agreements	Awarded amount	Status of scheme
1	Jubbal	1	Lift Irrigation scheme for Horticulture land from Changawanti Khad to Tharmala in GP Himri and covered adjoining portions of GP Rawala Kiar and Ram Nagar Tehsil Shimla	4	6.70	Complete
2	Karsog	2	Providing Lift Irrigation Scheme Chakhana Tunan in GP Gawalpur Tehsil Karsog	35	1.29	Incomplete
		3	LIS Chhandiyara Panjanu	20	0.93	Complete
		4	Remodelling of LIS Shakra in G.P. Shakra Teh. Karsog	41	1.05	Complete
3	Kullu-I	5	Providing Lift Irrigation Scheme to Pirdi in Tehsil Bhuntar	7	0.98	Complete
4	Kullu-II at Larji	6	LIS Scheme for Bami Nallah in GP Naresh, Hurla and Diyar etc. in tehsil Bhuntar	5	4.70	Incomplete
		7	Lift Irrigation Scheme Dharu Ropa Sharai and Sidhwan in Tehsil Banjar	11	0.99	Complete
5	Nahan	8	LIS Mainthapal, Nagal Suketi, Mogmand-III Khadri, Manderwa, Konthron, Meerapur Kotla, Churan Bankala, Shambhuwala in tehsil Nahan	5	0.43	Incomplete
		9	Lift Irrigation Scheme Koon in Tehsil Nahan District Sirmour (Himachal Pradesh)	3	0.07	Complete
		10	Command Area Development (CAD) of Lift Irrigation Scheme Palion in Tehsil Nahan	4	0.15	Complete
6	Nohradhar	11	Providing LIS Pabor Kuftoo in GP Tendula	10	1.71	Complete
		12	Providing Lift Irrigation Scheme to village Rajana& group of villages in G.P. Rajana, Baunal, Kakog & Matna Gharel in Tehsil Sangrah	13	5.16	Complete
7	Rohru	13	Lift Irrigation Scheme for Horticulture land from Pebber river to Kulgaon and its surrounding area in GP Jangla	12	5.18	Complete
		14	DPR for providing horticulture land from Khilawankhad to Pujarli No.3 and group of villages in GP Pujarli No.3 & Hastari in Tehsil Rohru	9	6.66	Complete
		15	LIS Horticulture area Dhamwani to Jamuti, covering Kharot & group of villages tehsil chirgaon	6	6.67	Incomplete
8	Sunder Nagar	16	Lift Irrigation Scheme Samihan and Dhawal from Koldam in tehsil Sundernagar	5	3.02	Incomplete
		17	Providing Flow Irrigation Scheme Chirdi, Dhar, Bodhal, Chandru, Chambi, Khaterwari and Bharari Tehsil Sundernagar	14	2.06	Complete
		18	Providing FIS Jaral to Jugahan Tehsil Sundernagar	10	0.50	Complete
<b>Total</b>				<b>214</b>	<b>48.25</b>	

## Appendix-4.3

(Reference: Paragraph 4.5.8.2)

## Delay in award of works in test-checked divisions resulting in time/cost overrun

(Amount in ₹ crore)

Sr. No.	Scheme	Sanction		Works awarded		Completion time/Incomplete		Stipulated time of completion	Time overrun till March 2023	Cost overrun	
		Month	Amount	Number of works	Awarded between	Time taken (in months)	Date/month				Exp.
<b>Jubbal</b>											
1	LIS Chagawnti Khad to GP Kalbog-Nagan and Ram Nagar tehsil Kotkhai	20-09-2017	19.20	27	03/2019 to 6/2022	15 to 56 months	Incomplete	16.77	March 2020	36 months	Not applicable
2	Providing lift Irrigation scheme for horticulture land from Changawatikhad to Thermala	20-09-2017	8.44	4	12/2018 to 11/2020	13 to 37 months	20.08.2022	8.37	March 2020	28 Months	Not applicable
3	Providing Irrigation facility to Horticulture land of Darkoti and Gareog from Girttu Nallah under Panchayat Darkoti and Gareog Tehsil Kotkhai	20-09-2017	6.28	1	02/2019	17 months	07.04.2022	8.19	March 2020	24 months	1.91
<b>Karsog</b>											
4	Remodelling of LIS Shakra in G.P Shakti Teh. Karsog Distt. Mandi (Himachal Pradesh)	02-12-2014	0.83	1	02/2016	14 months	05.06.2022	1.22	May 2018	48 months	0.39
<b>Kullu-I</b>											
5	Providing Lift Irrigation Scheme to Pirdi in Tehsil Bhuntar District Kullu (Himachal Pradesh)	20-09-2017	1.01	7	14/11/2018 to 26/03/2022	13 to 54 months	14.04.2022	1.40	March 2020	24 months	0.39
6	Providing LIS Bhatiyani, Bhumteer&Brahman in tehsil and district Kullu	20-09-2017	14.63	1	03-08-2019	22 months	Incomplete	10.12	March 2020	36 months	Not applicable
<b>Kullu-II at Larji</b>											
7	Lift Irrigation Scheme Dharu Ropa Sharai and Sidhwan in Tehsil Banjar Distt. Kullu	20-09-2017	1.37	11	15/12/2018 to 15/07/2022	14 to 57 months	30.07.2022	1.84	March 2020	27 Months	0.47

**Compliance Audit Report of the CAG for the period ended March 2023**

Sr. No.	Scheme	Sanction		Works awarded			Completion time/ Incomplete		Stipulated time of completion	Time overrun till March 2023	Cost overrun
		Month	Amount	Number of works	Awarded between	Time taken (in months)	Date/ month	Exp.			
8	Construction of LIS Scheme for Bami Nallah in GP Naresh, Huria and Diyar etc. in tehsil Bhuntar Distt. Kullu	28-09-2017	10.63	5	03/2019 to 07/11/2020	18 to 37 months	Incomplete	7.11	October 2020	25 Months	Not applicable
<b>Rohru</b>											
9	Horticulture Kulgaon and surrounding area in GP Jangla Tehsil Chirgaon	20.09.2017	8.02	12	6/2019 and 10/2022	21 to 60 Months	17.03.2021	9.74	March 2020	12 months	1.72
10	Horticulture Land from khilawan khud Pujari No.-3 to group of villages in G.P. Pujari No.-3	20.09.2017	8.03	9	1/2019 to 9/2022	15 to 59 Months	30.06.2023	9.36	March 2020	36 months	1.33
11	Providing LIS Horticulture area Dhamwani to Jamuti, covering Kharot & group of villages tehsil Chirgaon	20.09.2017	7.10	6	3/2019 to 3/2021	17 to 41 months	Incomplete	7.51	March 2020	36 Months	0.41
<b>Sundernagar</b>											
12	Providing FIS Jaral to Jugahan Tehsil Sundernagar District Mandi (Himachal Pradesh)	20-09-2017	2.00	10	15/09/2018 to 31/03/2023	11 to 66 months	July 2021	1.87	March 2020	15 Months	Not applicable
13	Lift Irrigation Scheme Samihan and Dhawal from Koldam in tehsil Sundernagar	02-09-2021	5.32	5	14/10/2022 to 31/07/2023	12 to 21 months	Incomplete	4.20	March 2024	Not applicable	Not applicable

**Appendix-4.4**

(Reference: Paragraph 4.5.8.3)

**Non-levy/ recovery of compensation for delay in execution of works of irrigation schemes in test-checked divisions**

A. Non-levy of Compensation for delay in execution of works by contractors							
Sr. No.	Division	Sr. No.	Scheme	Number of agreements	Range of delay (in months) till completion/March 2023	Tendered amount (₹)	Compensation for delay (10 per cent of tendered amount) (₹)
1	Karsog	1	Providing LIS Chakhana Tuman	4	26 to 45 months	59,98,269	5,99,827
		2	LIS Panjanoo to Chhandiara in GP Pangna	2	Eight to 34 months	59,99,909	5,99,991
		3	Remodelling LIS Shakra	1	69 months	87,54,833	8,75,483
2	Kullu-I	4	Providing Lift Irrigation Scheme to Pirdi in Tehsil Bhuntar District Kullu (Himachal Pradesh)	1	22 months	84,30,405	8,43,041
		5	Providing LIS Bhalyani, Bhumteer & Brahman in tehsil and district Kullu	1	19 months	12,10,65,835	1,08,95,925 (Only nine per cent of tendered amount levied)
3	Nahan	6	Lift Irrigation Main Thapal Nagan Suketi	1	19 months	20,86,820	2,08,682
		7	Lift Irrigation Scheme for Horticulture land from Pebber river to Kulgaon and its surrounding area in GP Jangla	2	26 to 39 months	4,77,69,218	47,76,922
4	Rohru	8	Horticulture Land from Khilawan Khad Pujarli No.-3 to group of villages in G.P. Pujarli No.-3	2	29 and 33 months	6,30,75,464	63,07,546
		9	Providing LIS Horticulture area Dhamwani to Jamuti, covering Kharot & group of villages tehsil Chirgaon	4	18 to 42 months	6,62,32,368	66,23,237
<b>Total</b>						<b>32,94,13,121</b>	<b>3,17,30,654</b>
B. Details of non-recovery of levied compensation for delay in execution of works by the contractors							
1	Jubbal	1	Providing LIS Chagawnti Khad to GP Kalbog-Nagan and Ram Nagar tehsil Kotkhai	1	24 months	6,78,53,553	67,85,355
2	Kullu-I	2	Providing LIS Bhalyani, Bhumteer & Brahman in tehsil Kullu	1	19 months	12,10,65,835	12,10,658
3	Kullu-II at Larji	3	Construction of LIS Scheme for Bami Nallah in GP Naresh, Hurla and Diyar etc. in tehsil Bhuntar	1	18 months	3,84,16,165	38,41,617
				1	25 months	7,76,40,186	5,18,107
<b>Total</b>						<b>30,49,75,739</b>	<b>1,23,55,737</b>

## Appendix-4.5

(Reference: Paragraph 4.7.2)

## Details of diversion of funds towards other schemes/ works in test-checked divisions

(Amount in ₹)

Sr. No.	Division	Scheme	Funds received under	Voucher No. / Agreement no./ Indent No. & Date/MAS No.	Amount	Purpose for which diverted
1	Rohru	LIS for Horticulture Land from Khilawan Khad Pujarti No. 3	PMKSY	05 of 03/2019	11,25,000	Office expenses
		Providing LIS Horticulture area Dhamwani to Jamuti, covering Kharot & group of villages	PMKSY	NMR-240 of 09/2019; NMR-250 of 10/2019; 253 of 10/19; MAS no. Vol. C Page 1 7 cases	3,25,000	R/M of LWSS Mornipani Tehsil Rohru; Stock Storage (SH: Construction of CC Drain & Sub-division building Rohru); R/M of various LWSS and GWSS in IPH section Rohru; Stock Storage(R/wall behind store building at Rohru); Prov. Sewerage System to Rohru town in Tehsil Rohru;R/R damages Prov LIS Horticulture Land from Jamuti to Dhamwani Tehsil Rohru; and Prov. LIS for Horticulture Land from Pabber to Village Parsachappari Sidhroti Tehsil Rohru (7 cases)
2	Jubbal	Providing LIS Chagawnti Khad to GP Kalbog-Nagan and Ram Nagar	PMKSY	146,2020-21	1,01,568	Retaining wall to protect office building Sub-division Gumma
				150, 2020-21	1,34,693	Retaining wall to protect office building Sub-division Gumma
				151, 2020-21	1,01,568	Retaining wall to protect office building Sub-division Gumma
				153, 2020-21	3,97,159	Jacketing of sump well of LWSS Purag Stage 1 <sup>st</sup> and 2 <sup>nd</sup>
				29, 3/2021	1,00,720	Purchase of Acer make desktop model veriton
				23, 11/2020	14,325	Purchase of a Printer "Brother Mono MFP Model DCP L2531" DW" with Print scan and copy facility
				24, 11/2020	92,882	Purchase of 2 No. of Dell Desktop with intel core i5 9 <sup>th</sup> Gen etc.
25, 11/2020	14,325	Purchase of a Printer "Brother Mono MFP Model DCP L2531" DW" with Print scan and copy facility				
		LIS Chagawanti Khad Tharmla	PMKSY	Indent no. Rawlakiar section 2020-12	1,51,680	Changawati khad Kalbog-nagar



Sr. No.	Division	Scheme	Funds received under	Voucher No./ Agreement no./ Indent No. & Date/MAS No.	Amount	Purpose for which diverted
3	Nahan	Lift Irrigation Scheme Palion in Tehsil Nahan, District Sirmour (Himachal Pradesh)	HIMCAD	42; 27/08/2022	1,05,000	LIS Antheri & LIS Burma Papri
4	Nohradha	LIS Rajana	PMKSY	6 agreements	10,26,982	Various other schemes
5	Karsog	Lift Irrigation Scheme Chakhana Tuman	NABARD	122 (A) 2021-22	7,03,758	Hiring of vehicle
		LIS Pajanu, Pangana	PMKSY	15 Of 6/2021	83,365	WSS Chandiarra
6	Sundernagar	Providing FIS Jaral to Jugahan Tehsil Sundernagar District Mandi (Himachal Pradesh)	PMKSY	17 of 8/2021	1,62,309	WSS Chandiarra
			PMKSY	Indent no. Mahadev section/ 2018-31 dated 03.10.2018	3,13,470	JSV Division Thunag
				Vr. no. 215 of 03/2018	22,34,677	Augment of WSS Kullu Town
				Vr. No. 243 of 3/2018	26,85,197	Augment of WSS Kullu Town
7	Kullu-I	Providing LIS Bhalyani, Bhumteer & Brahman in tehsil and district Kullu	PMKSY	Vr. No. 265 of 3/2018	31,17,020	Imp of WSS of villages Pichakali, Hunang, Mandalgarth
				Vr. no. 126 of 3/2018	3,73,737	FIS Burwa, Kawaran Seri
				TE no. 14 of 3/2018	64,60,000	LWSS Kullu
				Vr No. 55 Date 23.09.2021	13,40,000	LIS Reri Mashgan in Tehsil Bhunter Distt. Kullu
8	Kullu-II at Larji	Providing Lift Irrigation Scheme to Seund Hathithan Kahudhar, Providing Lift Irrigation Scheme to Tegubehar Jamot Khokhan, Providing Lift Irrigation Scheme Hat in Tehsil & Distt. Kullu	NABARD	Vr. no. 10 ;19.12.2012	36,517	C/o Community Centre at Hathithan
				Vr. No.76, 23.01.2013	43,399	C/o Community Centre at Hathithan
			PMKSY	Vr. No. 55 Date 23.09.2021	9,60,000	LIS Reri Mashgan in Tehsil Bhunter Distt. Kullu
		Lift Irrigation Scheme Dhuru Ropa Sharai and Sidhwan in Tehsil Banjar Distt. Kullu	PMKSY	Vr. No. 6, 07/06/2023	11,60,000	LIS Balagad Chether and Khabal in Tehsil Banjar Distt. Kullu (Himachal Pradesh)
<b>Total</b>					<b>2,33,64,351</b>	

**Appendix-4.6***(Reference: Paragraph 4.7.3)***Details of payment of energy charges for nil consumption in test-checked divisions**

Sr. No.	Division	Sr. No.	Name of Scheme	Period of Energy Charges	Amount (₹)
1	Jubbal	1	LIS Kot-Kaina Stage 3	April 2019 to January 2022	1,55,840
		2	LIS Baghal (Stage-I & Stage-II)	May 2019 to December 2022	2,11,190
		3	LIS Sundernagar (Stage-I&Stage-II)	May 2019 to March 2023	5,50,145
		4	LIS Baghi	January 2020 to March 2023	2,98,098
2	Nahan	5	LIS Charna Devliyan Sangrah	May 2020 to March 2021	8,97,050
3	Nohradhar	6	LIS Lana Pallar (sub-division Sangrah)	April 2019 to February 2023	20,31,068
		7	LIS Bhawai 1st stage (Sub-division Haripurdhar)	May 2020 to March 2023	1,75,637
		8	LIS Bhawai 2nd stage (bhuwai) (Sub-division Haripurdhar)	May 2020 to March 2023	2,57,227
		9	LIS Shallana Sub-divisionRajgarh	August 2021 to March 2022	51,488
		10	LIS Dharoti Sub-division Rajgarh	August 2022 to March 2023	1,34,550
4	Karsog	11	LIS Shakra (Sub-division Churag) Karsog Distt. Mandi	April 2019 to December 2021	24,70,590
5	Sunder Nagar	12	LIS Sudhan Sundernagar	April 2019 to March 2023	11,68,530
		13	LIS Dehavi Sundernagar	April 2019 to March 2023	7,65,703
		14	LIS Chamukha Harabag Sundernagar	April 2019 to March 2023	1,76,108
<b>Total</b>					<b>93,43,224</b>



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