

OVERVIEW

This Report contains significant audit findings which arose from the compliance audit of financial transactions of Civil Ministries/Departments and Autonomous Bodies. It contains 62 audit paragraphs involving a money value of ₹ 676.72 crore relating to overpayment, avoidable payment, unfruitful expenditure, blocking of funds and poor planning etc.

Some of the important findings included in this Report are given below:

Utilisation Certificates

42314 utilisation certificates involving an amount of ₹ 31153.13 crore in respect of grants released up to March 2015 which were due by March 2016 from 33 Ministries/Department (after 12 months of the financial year in which the grants were released) were outstanding.

(Paragraph No. 1.3)

Action Taken Notes (ATNs)

Despite instructions/recommendations of the Public Accounts Committee, various Ministries/Departments did not submit remedial/corrective Action Taken Notes on 51 audit paragraphs even after the lapse of the time limit prescribed by the Public Accounts Committee.

(Paragraph No. 1.7)

National Institute of Homoeopathy, Kolkata (NIH)

In contravention of guidelines of World Health Organisation and Indian Public Health Standards of DGHS, the amenities provided by NIH to patients in Out Patient Departments (OPDs) were deficient in terms of seepage of toilet water in three OPDs, inadequate ventilation, inadequate sitting capacity and water filters. NIH failed to maintain sufficient stock of drugs and conducted only one general surgery during 2015-16, as against 158 surgeries done during 2013-15. The Paediatric ward was not functioning during 2013-16 due to damage of ceiling and 10 children were admitted in Female ward. There were instances of non-utilisation/under-utilisation of various laboratory equipment.

(Paragraph No. 3.2)

Ministry of Chemicals and Fertilizers

Interest of ₹ 25.78 crore was not recovered on overpaid subsidy due to downward revision of concession rate.

(Paragraph No. 4.1)

Ministry of Civil Aviation

Ministry failed to ensure that Bangalore International Airport Limited (BIAL) fulfill its fiduciary duty to promptly realise the security fees from the airlines and remit the same in escrow account. As a result, outstanding dues against airlines accumulated and recovery of ₹ 9.19 crore from Kingfisher Airlines was rendered doubtful.

(Paragraph No. 5.1)

Ministry of Coal

Coal Mines Provident Fund Organisation

Non-implementation of recommendations of the actuary led to acute deficit in Pension Fund, incorrect diversion of funds from Provident Fund Account to Pension Fund Account, non-adherence to Ministry's guidelines for investment of Provident Fund of own employees, incorrect payment of interest, excess payment of pension, untraced balance of ₹ 1.71 crore for more than seven years, non-linking of Current Accounts with Corporate Liquid Term Deposit Scheme and non-review of rate of administrative charges adversely affected financial interests of the members of the Coal Mines Provident Fund Organisation.

(Paragraph No. 6.1)

Ministry of Culture

National Gallery of Modern Art

Failure of Ministry of Culture to fill up key posts in the National Gallery of Modern Art for over a decade resulted in failure to relocate 16,582 works of art to a new state of the art storage system, leading to idling of investment of ₹ 3.81 crore since March 2014.

(Paragraph No. 8.1)

Tagore Cultural Complexes Scheme

Failure of Ministry of Culture to monitor a project and incorporate suitable clause as stipulated in the financial rules, resulted in blocking of ₹ 2.14 crore and loss of interest of ₹ 0.86 crore on unutilised grant in aid released to Government of Goa under the Scheme for Tagore Cultural Complexes.

(Paragraph No. 8.2)

Ministry of External Affairs

Three instances of fraud were detected in Consulate General of India, San Francisco that arose due to absence of internal controls. These relate to fraudulent claim against servicing of the official staff car (₹ 3.37 lakh), widespread and recurring reimbursement of fictitious conveyance charges (₹ 55.21 lakh) to employees, and presumptive fraud on payment to local repair firm.

(Paragraph No. 9.2)

Embassy of India, Tokyo violated the General Financial Rules and the Receipt and Payments Rules by keeping receipt and expenditure out of embassy account during the conduct of the Sakura festival 2015.

(Paragraph No. 9.3)

Nalanda University, Rajgir, Bihar

Regular Governing Board was not constituted by the Ministry as provided in the Act. The Endowment committee, though formed was ineffective. The University failed to frame rules and regulations for appointment of academic staff and there were irregularities in appointment of Vice Chancellor and OSD (University Planning). The Vice Chancellor and OSD (University Planning) were given undue reimbursement of income tax amounting to ₹ 57.40 lakh. The University failed to establish schools in time and could not start the construction of University campus work.

(Paragraph No. 9.4)

Ministry of Health and Family Welfare

National AIDS Control Organisation

Failure of National AIDS Control Organisation (NACO) to follow the financial rules in the procurement of ZLN tablets led to extra expenditure of ₹ 2.06 crore.

(Paragraph No. 11.2)

Central Government Health Scheme (HQ)

Hindustan Latex Limited (HLL) provides diagnostic services to government and private patients in a building owned by the Central Government Health Scheme (CGHS) in RK Puram New Delhi. Apart from an inadequate discount of 10 per cent to CGHS beneficiaries, HLL did not pay rent in terms of extant orders resulting in loss of ₹ 1.72 crore during 2008-09 to December 2016.

(Paragraph No. 11.3)

Jawaharlal Institute of Postgraduate Medical Education and Research (JIPMER), Puducherry

Despite engagement of specialised consultant, there was delay in installation of equipment and non-commissioning of laboratories. Tertiary health care services at JIPMER were lacking in infrastructure, human resources and services provided. Overcrowded OPDs, absence of screening in OPD, declining doctor-patient ratio in super speciality services, inadequate availability of nursing personnel, absence of specialised interventional pain management centre, inadequacies in OT, post-operative recovery unit, inadequacies of advanced imaging & lab services, dependence on private laboratories and scan centres were noticed.

(Paragraph No. 11.4)

Ministry of Home Affairs

Directorate of Coordination Police Wireless

CPWD failed to ensure feasibility of water supply, prevent unauthorised occupation of premises and theft of electrical fittings in an office cum residential complex constructed for the Directorate of Coordination Police Wireless at Kohima. Consequently, the-premises completed in July 2011 had not been handed over, rendering the expenditure of ₹ 2.98 crore infructuous.

(Paragraph No. 12.2)

Ministry of Human Resource Development

Doctor Harisingh Gour Vishwavidyalaya, Sagar (M.P.)

The University failed to fully utilise the grant received from the University Grants Commission and return the unspent amount with lesser interest of ₹ 6.53 crore. Rent of ₹ 48.38 lakh could not be recovered from its tenants. There were abnormal delays in construction works including the sophisticated Central Instrumentation Laboratory. Violation of provisions of GFRs in procurement of equipment by ignoring the lowest bidder, acceptance of modified bids after opening of tenders and purchase of equipment from technically disqualified bidder without recording any reasons were noticed. University incurred irregular expenditure of ₹ 1.26 crore on the purchase of higher model without retendering which remained uninstalled due to non-completion of construction of laboratory.

(Paragraph No. 13.1)

Kendriya Vidyalaya Sangathan (KVS)

KVS incurred expenditure on the Project 'Kendriya Vidyalayas' (KVs) in violation of prescribed conditions. As of 31 March 2016, ₹ 59.67 crore were due from 81 Project KVs of which 34 had been closed, rendering the possibility of recovery as remote.

(Paragraph No. 13.3)

Malaviya National Institute of Technology (MNIT), Jaipur

Estate management of the MNIT was not adequate as no effective action was taken by MNIT to get back possession of encroached land valuing ₹ 1163.77 crore and to reconcile its land records with Revenue Department. MNIT did not execute agreement with lessees and rent was not reassessed from time to time resulting in loss of rental revenue of ₹ 58.67 lakh and rent of ₹ 56.98 lakh was not realised despite reassessment. Hostel accommodation was not provided to all students as required under the statutes of National Institute of Technology and 30.86 per cent students were deprived of hostel facility. Works contract mechanism of MNIT was deficient as excess residential quarters were constructed. MNIT made undue payment of ₹ 1.47 crore to Rajasthan Electronics and Instruments Limited (REIL) on account of subsidy and failed to withhold/deduct ₹ 3.22 crore from the contractors' claims.

(Paragraph No. 13.4)

Indian Institute of Information Technology, Allahabad

Delay in award of works by CPWD from one to 17 months resulted in extra cost of ₹ 19.35 crore. The construction work of the administrative and academic building at Rajiv Gandhi Institute of Information Technology (RGIIT), Amethi was foreclosed which resulted in non-achievement of intended benefit even after incurring expenditure of ₹ 39.81 crore.

(Paragraph No. 13.5)

Four institutes under the Ministry of Human Resource Development (Indian Institute of Technology, Roorkee; Babasaheb Bhimrao Ambedkar University, Lucknow, Indian Institute of Management, Ranchi and Indian Institute of Technology, Patna) and one institute under the Ministry of Statistics and Programme Implementation (Indian Statistical Institute, Kolkata) made payment of service tax amounting to ₹ 12.42 crore on the outsourced services, although these services were exempted from payment of such tax.

(Paragraph No. 13.7)

Gujarat Vidyapith

Post Based Rosters as per GoI norms were not being maintained for the teaching and the non-teaching staff. Appointments in teaching and non-teaching posts were made in contravention of UGC/GoI instructions which resulted in overpayment of ₹ 2.29 crore.

(Paragraph No. 13.11)

Five Central Autonomous Bodies irregularly reimbursed air fares of ₹ 6.90 crore during 2012-16 against the air tickets purchased by their employees from unauthorised agents in violation of the MoF guidelines for availing Leave Travel Concession. Indian Institute of Technology (IIT), Kharagpur, despite delayed submission of claims, did not recover LTC advance of ₹ 1.14 crore of which ₹ 19.85 lakh was to be forfeited. Cross verification of claims with the Airlines also revealed that the air fares reimbursed by the IIT, Kharagpur and IIT, Bombay were inflated by ₹ 18.56 lakh.

(Paragraph No. 13.15)

Ministry of Information and Broadcasting

Film and Television Institute of India, Pune

Students are not completing their respective courses within the prescribed time schedule. This resulted in students occupying hostels beyond scheduled completion of course. The admissions were held up during academic year 2010-11, 2014-15 and 2015-16. The students continued to be on academic roll and in hostels without any payment of fees/hostel charges after the prescribed tenure of their courses, resulting in revenue loss of ₹ 11.83 crore. The cases of irregular payment of Service Tax, excess release of advance payment and unfruitful expenditure on consultancy fees without any commensurate benefits were also noticed.

(Paragraph No. 14.1)

Ministry of Micro, Small and Medium Enterprises

Prime Minister's Employment Generation Programme (PMEGP)

The success of PMEGP was hampered by various structural gaps in the implementation of the Programme. Funds released for implementation of the scheme remained idle with several agencies. Monitoring and control of the programme activities was poor. There were backlogs in physical verification. Even where physical verifications were done, the results were not followed up.

(Paragraph No. 16.1)

Ministry of Shipping

Mumbai Port Trust

Failure of Mumbai Port Trust to revise parking charges resulted in loss of revenue of ₹ 23.10 crore over the past six years on night parking charges alone.

(Paragraph No. 19.1)

Ministry of Textiles

National Jute Board

Subsidy of ₹ 3.80 crore to 16 jute units by National Jute Board was in violation of Acquisition of Plants and Machineries (Capital subsidy) scheme guidelines.

(Paragraph No. 20.1)

Ministry of Tribal Affairs

Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED)

Lack of due diligence by the Ministry of Tribal Affairs and failure of TRIFED to act in accordance with the terms of application for office premises, resulted in premature payment of third instalment (₹ 5.20 crore), overall loss of interest (₹ 3.15 crore) and un-necessary payment of cancellation charges (₹ 0.54 crore).

(Paragraph No. 21.1)

Ministry of Youth Affairs and Sports

Nehru Yuva Kendra Sangathan (NYKS)

An unspent balance of ₹ 46.73 crore from the year 2007-08 to 2014-15 was lying unadjusted in general purpose grants which was required to be adjusted by Ministry of Youth Affairs and Sports from future grants. Cases of poor utilisation of earmarked funds were noticed in NYKS, leading to idling of funds. NYKS finalised annual accounts for the years 2012-13 to 2014-15 with a delay of 12 to 19 months. Tally software purchased with objective of reducing the time involved in finalising the accounts was not used optimally by NYKS. There was acute shortage of District Youth Co-ordinators and Accounts Clerk-cum-Typists at 338 districts. Instances of idling of funds amounting to ₹ 1.66 crore for 13 months to 9 years were also noticed at Pay and Accounts Office of Alipur and Bhubaneswar.

(Paragraph No. 23.1)