

Chapter 4

Department-Centric Audit of a Government Department

4.1 Department-Centric Audit of Animal Husbandry Department



Executive Summary

Animal Husbandry Department is responsible for achievement of qualitative and quantitative improvement in production potential of livestock and for disease control. The aims of the department are also at enhancing self-employment opportunities and income to a larger section of population in rural areas. Animal husbandry contributes nine *per cent* of the total net domestic income¹ in UP. Audit of the department covering the period 2007-10 was conducted to examine the economy, efficiency and effectiveness of its significant activities keeping in view its mandate. The major findings are as under.

- The broad objectives of the department were not largely fulfilled as the target for vaccinations to encounter several livestock diseases and artificial insemination were not achieved due to inadequate manpower, financial resources and infrastructure.
- Sufficient quantity of medicines/chemicals was not available at hospitals for treatment of livestock due to insufficient funds and a valid licence for departmental manufacturing of vaccines.
- Equipment was purchased without assessing its requirement and ensuring availability of necessary reagents/ chemicals and electricity for their operation.
- Scheme for creation of Self Help Groups to provide self employment and prevent migration from villages was not implemented and monitored properly.
- Backyard scheme for improving livelihood of Scheduled Castes in poor category was not successful due to improper planning.

¹ Share of Animal Husbandry in State GDP was ₹ 24927.21 crore in 2005-06 (9 *per cent* of ₹ 276969 crore)

4.1.1 Introduction

As per Livestock Census, the total animal population in 2003 was 581.27 lakh which reached to 632.25 lakh² in 2007 (*Appendix-4.1*). The number of poultry was 107.21 lakh. The Uttar Pradesh Livestock Development Board was established (January 1999) to cover all breedable bovines under organized breeding network, maintaining quality breeding inputs and services and to conserve and develop indigenous breeds.

The Department mainly implements programmes/ schemes of Cattle³ and Buffalo Development, Animal Health Care and Veterinary Services, Poultry, Sheep, Goat and Pig Development Programmes and Self Employment Schemes.

4.1.2 Organisational set-up

At the State level, Secretary, Livestock, exercises overall control over implementation of schemes and is the Chairman of the Uttar Pradesh Livestock Development Board (UPLDB). The Director, Animal Husbandry, is the Head of the Department who is assisted by the Finance Controller, three Additional Directors, ten Joint Directors and 51 Deputy Directors and at the district level, 70 Chief Veterinary Officers (CVOs) and 2,227 Veterinary Officers (VOs) all over the State for implementation of various schemes in the department. The Director, AHD is also the Chief Executive Officer (CEO) and the executive authority to get the scheme of UPLDB implemented in various districts through the CVO.

4.1.3 Audit objectives

The objectives of audit were to examine whether the department:

- had adequate institutional capacity to achieve the desired objectives;
- complied with relevant rules, laws and regulations while discharging its mandated functions; and
- implemented the schemes and programmes launched by the GOI and the State Government and whether the delivery of services were efficient and effective.

4.1.4 Scope and methodology of audit

The audit covered 35 units (Institutions) out of 87 selected through Simple Random Sampling With Replacement method. Two veterinary hospitals of each district were selected through Simple Random Sampling for joint physical inspection with the Chief Veterinary Officer. Records of Secretary, Livestock, Director, AHD, 31 CVOs and three farms along with selected VOs for the years 2007-08 to 2009-10 were test-checked (*Appendix-4.2*).

² Cows: 190.96 lakh, Buffalos: 261.34 lakh, Goats: 146.44 lakh, Sheep: 13.73 lakh and Pigs: 19.79 lakh

³ Cow family

An entry conference was held on 03 May 2010 with the Secretary, Livestock in which audit objectives, audit criteria and scope of audit were discussed and agreed upon. The exit conference was held with the Secretary, Livestock on 10 December 2010 in which the audit observations and recommendations were discussed. The reply received from the Government has been incorporated at relevant places in the review.

4.1.5 Institutional Weaknesses

Every organisation needs to have sound infrastructure, sufficient manpower and funds to manage and achieve its mandate. This ensures soundness and appropriateness of the internal systems and controls in its key areas of activities and drives the organization towards its objectives in an economical, efficient and effective manner. Some of the areas, where the management of activities was found weak, are discussed in the succeeding paragraphs:

4.1.5.1 Inadequate manpower

Shortage of manpower at various levels affected the planning, monitoring and delivery of services

The National Commission on Agriculture-1976 (NCA) had recommended a norm of one veterinarian for 5000 Cattle to be attained by the year 2000. However, the department decided (September 2005) to adhere to the ratio of one VH for 15000 livestock⁴ due to limited financial resources. The department had only 1614 VOs for 632.25 lakh livestock (Census-2007) i.e. 39179 livestock per VO. Also, at the service delivery points of the department, Livestock Extension Officer (LEO) and Pharmacist are the key functionaries. The shortages in these cadres as on March 2010 are detailed in the **Table 1**.

Table 1: Position of Veterinarian and Para Veterinarian Staff

Name of Post	State Level			In test-checked districts		
	Sanctioned	Men-in-position	Shortages (Per cent)	Sanctioned	Men-in-position	Shortages (Per cent)
VO	2227	1614	613 (28)	893	690	203 (23)
LEO	3090	1769	1321(43)	1407	773	634 (45)
Pharmacists	2020	1737	283 (14)	813	666	147 (18)

(Source: AHD)

The shortage of VOs, LEOs and Pharmacists was 28 per cent, 43 per cent and 14 per cent respectively. At the higher management level also, 12 posts against the 13 sanctioned posts of Additional/ Joint Directors and 10 posts of Deputy Director against the 17 sanctioned posts at Regional Level were vacant as on March 2010. At the district level, 40 posts of CVOs were vacant as against 70 sanctioned posts.

⁴ Cows, Buffalos, Goats, Pigs and Sheep

77 VHs /VSCs building could not be made operational for want of VOs/LEOs

Information collected (September 2010) from the UP Public Service Commission, Allahabad (UPPSC) and AHD revealed that against the vacancies of 1007 VOs communicated to UPPSC during 2005-10 for filling up these posts, 698 VOs were selected and only 468 VOs joined the department. The shortages, brought out in the table above, remained even after joining of the 468 VOs, thereby affecting the functioning of the department. Besides, shortage of VOs and LEOs also resulted in 77 VHs /VSCs⁵ buildings taken over by the department, out of 138 VHs/VSCs buildings constructed up to March 2010, remaining non-operational.

It was also seen that the district authorities deputed CVOs, VOs and Pharmacists for verification of works done and services delivered under various other developmental and social schemes in the districts. Though the Election Commission of India exempted (April 2002) the VOs and Pharmacists from election duties, yet VOs and Pharmacists were put on election duties. In reply, the Government stated (December 2010) that duties imposed by district authorities affected the works and monitoring and necessary action would be taken in this regard.

Thus, shortage of manpower at various levels limited the extension of service delivery as also the implementation and monitoring of the schemes and programmes of the department.

4.1.5.2 Inadequate infrastructure for vaccine manufacture

The Institute was producing vaccines without a valid license required under the Drugs and Cosmetics Act, 1940

The Biological Product Institute of the department is producing vaccines for Swine Fever (SF), Sheep Pox, Fowl pox, Ranikhet Disease, RD F-1 strain and bacterial vaccine Hemorrhagic Septicemia Elum, HS oil, Enterotoxaemia and Black Quarter since 1935 for supply and consumption in its own VHs/ VSCs. The Institute was operating without any manufacturing license required under Section 18 (c) of Drug and Cosmetics Act, 1940 which is an offence under section 27 (b) of the Act, *ibid*.

According to the Schedule F (I) (A) and (B) of the Drugs and Cosmetics Act, 1940, for manufacturing of the vaccines, experts in bacteriology and specialists in virology are required. Audit, however, observed that vaccines were manufactured by Veterinary Officers, who were not qualified for production of these vaccines.

Thus, the Institute is producing vaccines without a valid license and by persons not having requisite qualifications.

The department replied (December 2010) that license for the Institute was mandatory and would be obtained.

4.1.5.3 Inadequate number of VHs/VSCs

As per departmental norms one VH was required for 15000 livestock for delivery of services and implementation of schemes. Accordingly, 4216 VHs were required for 632.35 lakh livestock. The department had 2200 VHs only i.e. 28743 livestock per VH thereby not adhering to its norms.

⁵ Agra-9, Allahabad-5, Ambedkarnagar-3, Bareilly-2, Bijnore-5, Bulandshahr-10, Etah-4, Faizabad-2, Fatehgarh-10, Fatehpur-2, Firozabad-2, Ghazipur-2, Mahrajganj-1, Moradabad-2, Raibareli-3, Rampur-1 and Saharanpur-14.

The department sanctioned construction of 314 VHs⁶ /VSCs⁷ buildings during 2007-10 at an estimated cost of ₹ 77.54 crore for completion in six months. However, only 184 buildings were completed at a cost of ₹ 62.37 crore as of March 2010. In addition, 12 buildings (cost: ₹ 3.21 crore) sanctioned earlier during 2004-06 were also incomplete. The works entrusted to executing agencies were not adequately monitored to ensure timely completion of the buildings.

Lack of adequate infrastructure to cater to the entire population of livestock affected delivery of services.

4.1.5.4 Monitoring

The delivery of services and implementation of schemes was monitored at the State Level through monthly meetings with the CVOs, Regional DDs and Directorate level officers. DDs posted at Regional level were responsible for monitoring of the delivery of services and implementation of schemes in the districts through monthly inspection of 10 VHs/VSCs. Similarly, the CVOs had to inspect a minimum of ten VHs/VSCs at the districts.

Records of test-checked districts revealed that during 2007-10, zero to six VHs/VSCs were inspected by the concerned CVOs against the norm of ten VHs/VSCs per month. CVO, Moradabad intimated (June 2010) that due to non-availability of departmental vehicle inspection of VHs/VSCs was not conducted. Thus, the department could not ensure adequate monitoring of schemes and delivery of services.

In reply, the Director, AHD stated (January 2011) that filling up of the vacant posts of district and regional level officers was under process. After posting of these officers monitoring is expected to improve.

4.1.5.5 Internal control

Internal control is a process by which an organisation directs its activities to achieve its objectives effectively. Scrutiny of the records of the AHD and test-checked units revealed that the Internal Audit Wing of the Directorate conducted annual audit of the units under the department. A total of 5,883 audit paragraphs (money value: ₹ 4.49 crore) for the period 1980-2010 were outstanding as of December 2010.

As of December 2010, 347 paragraphs (money value: ₹ 173.59 crore) of 157 Audit Inspection Reports issued by the Principal Accountant General (Civil Audit) were also outstanding for the period ending March 2010. These included 101 paragraphs (money value: ₹ 51.79 crore) outstanding for more than five years.

Failure to take remedial action on the observations of internal as well as external audit, large number of very old objections remaining outstanding and inadequate response to these observations is indicative of lack of control mechanism and effective monitoring.

The monitoring at Regional and District Levels was inadequate due to shortages of DDs and CVOs

Huge pendency in compliance of audit observations

⁶ 2007-08:165; 2008-09: 119 and 2009-10: 30

⁷ VSC: Veterinary Service Center under the charge of Livestock Extension Officer for vaccination and artificial insemination.

4.1.6 Compliance Issues

For sound financial administration and control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds and helps in maintaining good financial disciplines. Some of the audit findings on non-compliance with rules and regulations are here under:

4.1.6.1 Financial control, budget allotment and expenditure

The mandated activities of the department are financed mainly through funds provided in the State Budget under the head of account “2403: Animal Husbandry”. Besides, Centrally sponsored schemes (CSS) financed by GOI are also routed through State Budget under the same head of account by making provision in the budget under Plan to the extent of State’s committed share as well as the share of GOI.

The overall budget provision, funds sanctioned and expenditure incurred, including funds sanctioned by GOI for Centrally sponsored schemes under Plan, Special Component Plan and district Plan during 2007-10 are shown in the **Table 2**.

Table 2: Details of budget provision and expenditure

Year	Plan			Non-plan		
	Budget Provision	Sanctioned	Expenditure	Budget Provision	Sanctioned	Expenditure
2007-08	189.29	104.92	96.90	197.75	197.75	196.67
2008-09	167.59	114.80	111.44	254.09	252.73	239.04
2009-10	97.85	75.19	68.62	271.14	271.14	265.36
Total	454.73	294.91	276.96	722.98	721.62	701.07

(₹ in crore)

(Source: AHD)

Budget provision under plan was gradually reduced

Plan grant required for the development of infrastructure and implementation of schemes was gradually reduced from ₹ 189.29 crore in 2007-08 to ₹ 97.85 crore in 2009-10. Moreover, the State Government sanctioned only ₹ 294.91 crore during 2007-10 against the budget provision of ₹ 454.73 crore. While the Government gradually reduced the plan grant for development of infrastructure and implementation of schemes, it also did not release the entire budget.

Expenditure in the month of March was 44 to 83 per cent of total expenditure

Scrutiny of the records of the Director, AHD also revealed that the expenditure in the month of March of each year from 2007-10 ranged between 44 and 83 per cent of the total expenditure of the relevant financial year as shown in the **Table 3**.

Table 3: Rush of Expenditure

Year	Total expenditure	Expenditure in March	Percentage of (3) with respect to (2)
2007-08	96.90	80.77	83
2008-09	111.44	48.99	44
2009-10	68.62	30.51	44
Total	276.96	160.27	58

(₹ in crore)

(Source: AHD)

Rush of expenditure due to uneven flow of funds was indicative of poor financial control.

The department while accepting the facts stated (January, 2011) that the budget provision was not approved by the Government as per proposals of the department. It also stated that the Government sanctioned funds in the last quarter of the financial year due to which Drawing and Disbursing Officers of the department incurred the expenditure in the month of March.

Expenditure on Centrally sponsored schemes

The Government of India (GOI) provided 100 *per cent* financial assistance for rinder pest eradication, foot and mouth disease (FMD), livestock census and development of waste land programmes. In other schemes viz. Assistance to State for control of Animal Diseases (ASCAD) (75:25) including vaccination of Hemorrhagic Septicemia (HS), UP Veterinary Council (50:50), Livestock Production Investigator-cum-Enumerator (50:50), Assistance to Poultry Farms (80:20), GOI and State Government shared the expenditure as mentioned against each scheme. The year-wise State/Central share released and expenditure against them are shown in **Table 4**.

Table 4: Expenditure on Centrally sponsored schemes

(₹ in crore)

Year	Released by GOI to the State Government	Released by State Government			Expenditure		
		As GOI share (Per cent of col.2)	As State Share	Total	Out of GOI share	Out of State Share	Total
1	2	3	4	5	6	7	8
2007-08	18.81	14.93 (79)	4.36	19.29	12.10 (81)	3.63	15.73
2008-09	35.56	27.31(77)	4.41	31.72	25.73 (94)	4.24	29.97
2009-10	27.01	25.98 (96)	3.67	29.65	25.09 (97)	3.30	28.39
Total	81.38	68.22(84)	12.44	80.66	62.92 (92)	11.17	74.09

(Source: AHD)

State Government did not release full amount received from GOI

The State Government released only 77 to 96 *per cent* of the funds received from GOI and the department could utilise 81 to 97 *per cent* of GOI share released by State Government. Thus, out of ₹ 81.38 crore of the GOI grant for Centrally sponsored schemes received during 2007-10, ₹ 62.92 crore (77 *per cent*) was utilised by the department. Consequently, programmes related to ASCAD and development and strengthening of Poultry Farms were affected adversely.

The department replied (January, 2011) that due to less receipt of GOI share, less amount was sanctioned. The reply is not tenable as the same was not based on facts. Further, the department could not utilise fully the amount released to it.

4.1.6.2 Defective budget estimation for medicines and chemicals

To provide health cover and containment of diseases in animals through protective diagnostic and curative services, the department was required to ensure availability of essential medicines and chemicals in each VH and VSC. An Expert Committee of the department decides every year the quantity and rates of these medicines and chemicals to be purchased by the department for VHs and VSCs.

The Committee, however, did not fix the rates of 45 to 62 medicines/chemicals (including 17 most important general medicines) during 2007-10. The Committee recommended purchasing important medicines/chemicals, necessary for functioning of VHs/VSCs, on priority basis as per availability of funds. The year-wise requirement of funds for the medicines/chemicals, budget provision, allotment and expenditure are shown in the **Table 5**

Table 5: Position of funds required for Medicines/chemicals for VHs and VSCs

Year	Medicines/chemicals for VHs			Medicines/chemicals for VSCs			Total ⁸ requirement of fund for VHs and VSCs	Budget provision (₹ in crore)
	Prescribed Number of Medicines/chemicals	Number of medicines/chemicals whose Rate were fixed	Calculation of funds for 2200 VHs for medicines/chemicals (₹ in crore)	Number of Medicines/chemicals	Number of medicines/chemicals whose Rate were fixed	Calculation of funds for 2559 VSCs for medicines/chemicals (₹ in crore)		
2007-08	130	68	7.93	39	12	0.56	8.49	3.60
2008-09	124	79	7.99	33	10	0.41	8.40	4.98
2009-10	142	97	8.02	36	14	0.39	8.41	3.68
Total							25.30	12.26

(Source: AHD)

Seventeen most important medicines were not available at VHs and the department failed to estimate the requirement of funds realistically

The quality of medicines/ vitamins/ hormones and minerals was not ensured by the department

Thus, against the requirement of ₹ 25.30 crore for 2007-10, the department made a provision of only ₹ 12.26 crore (48 per cent).

Further, records of 777 VHs of test checked districts revealed that even 17 most important medicines were not available in 59 per cent to 99 per cent of VHs during 2007-08, 44 per cent to 98 per cent during 2008-09 and 31 per cent to 92 per cent during 2009-10, as detailed in **Appendix-4.3**.

It was also noticed during scrutiny of the Central Medicine Stock Register of 31 CVOs test-checked that Batch Number, Manufacturing and Expiry dates of the medicines were not mentioned in the Register. During joint physical inspection of VHs at Asother, Fatehpur and Sidhauri, Saharanpur, expired medicines were found in their respective stores.

Sample collection of medicines for quality check was also not done during 2007-10 except at Maharajganj (six samples in July 2008) and Raebareli (one sample in September 2009). Test reports of these samples were awaited (August 2010).

⁸ The above calculation of the funds requirement was done only for the medicines, whose rates were approved/available.

In reply, the Director, AHD stated (January 2011) that ample budget was always proposed but arrangements were made on the basis of sanctioned budget. From the reply, it is evident that the department was not serious for providing sufficient quality medicines and chemicals in adequate quantity for treatment of livestock.

4.1.6.3 Funds kept out of Government accounts

The State Government issued orders in August 2008, June 2009 and January 2010 to deposit the unspent balances of Government funds, kept in the banks/ post offices/ PLAs including those kept in the form of Bank Draft, into the Government Accounts.

*₹ 9.05 crore
were kept
irregularly in
bank accounts*

Scrutiny of records of Director, AHD and 31 CVOs revealed that in violation of the above orders, a sum of ₹ 8.98 crore relating to various schemes and pay & allowances were kept in saving/ current bank accounts opened in the name of DDOs. Besides, in the following cases, ₹ 7.49 lakh were held in the shape of bank drafts/ cash.

- CVO, Ghazipur, had four BDs⁹ for ₹ 3 lakh prepared during December 1997 to June 1999 for purchase of bucks.
- CVO, Varanasi had two BDs of ₹ 0.32 lakh prepared in June, 2002 and August, 2003 and cash ₹ 0.46 lakh pertaining to period 1999-02 for purchase of bucks.
- The CVO, Lucknow had a BD of ₹ 3.71 lakh of December 2005 related to ASCAD scheme.

The department replied (January, 2011) that action was being taken for the disposal of bank accounts/ bank drafts/ cash.

4.1.6.4 Parking of fund in personal ledger account

The department sanctioned and placed (March 2008) ₹ 3.80 crore in the PLA of Pt. Deen Dayal Upadhyaya Veterinary Science University and Research Institute, Mathura for construction of four VHs¹⁰ and one Polyclinic at Badalpur, Gautam Budh Nagar. Out of ₹ 3.80 crore, ₹ 1.21 crore was not utilised and refunded (March 2009) as receipt of the department. The remaining ₹ 2.59 crore sanctioned for the construction of a polyclinic at Badalpur, Ghaziabad was lying unutilised (January 2011) due to non-acquisition of land for the polyclinic. The department replied (January 2011) that ₹ 5.56 crore was made available in 2010-2011 for the purchase of land for the polyclinic.

4.1.6.5 Purchase of binocular microscopes

For pathological tests and sample test of straws for artificial insemination (AI), the Director, AHD placed supply order for 1420 electrically operated

⁹ Bank draft of ₹ 0.83 lakh: 30-12-96 revalidated on 17-10-97, ₹ 1.07 lakh: 25-9-97, ₹ 0.53 lakh: 6-4-98 and ₹ 0.57 lakh: 7-6-99.

¹⁰ One in Etah, two in Mainpuri and one in Unnao

Binocular microscopes costing ₹84.86 lakh were purchased without assessing their requirement and ensuring availability of necessary reagents/ chemicals

binocular microscopes costing ₹ 84.86 lakh on the last day of March 2009. The microscopes were supplied to 71 districts, 20 numbers each, irrespective of the numbers of VHs in each district. The department, however, did not ensure the supply of necessary reagents/ chemicals required for such tests.

During joint inspection of veterinary hospitals in all the test-checked districts, it was found that the binocular microscopes were kept unused. Scrutiny of records also revealed that:

- CVO, Firozabad had already purchased (March 2008) 19 numbers of such binocular microscopes for the VHs in the district, which were found not in use and the 20 numbers supplied by the AHD (June 2009) were lying packed at VH, Sadar, Firozabad.
- CVO Jaunpur purchased (2007-08) 22 binocular microscopes and the Directorate supplied 20 more binocular microscopes in June 2009. In the test-checked VH, Katghar, Jaunpur, six microscopes were available out of which three were not working.
- CVO, Barabanki purchased (May 2009) 15 binocular microscopes which were also not in use. During joint inspection of the VO, Deva Barabanki, VO sought transfer of the binocular microscopes to some other VOs as these were not in use.
- CVO, Etah issued five binocular microscopes to “D” grade dispensaries where only dresser and Group “D” staff are posted and not qualified to carry out any test. In Kannauj district, seven binocular microscopes were lying in the Central Store.



Thus, the department purchased the equipment without assessing their requirement and ensuring availability of necessary reagents/chemicals and supply of electricity.

The department replied (January 2011) that to improve the efficiency electrically operated binocular microscopes were purchased and explanation from CVOs Firozabad, Jaunpur, Barabanki and Etah was called for, for additional purchases. Reply of the department was not convincing as assessment of requirement in each district was not made before purchasing the equipment.

Sixteen tractors were purchased violating Government orders and entrusted financial powers

4.1.6.6 Unauthorised purchase of tractors

The Agriculture Production Commissioner of the State issued (April 2005) orders to all heads of the Government Departments to purchase tractors and other agricultural machinery/equipment through U P State Agro Industrial Corporation Limited. The Director, AHD was empowered to make purchases up to ₹ 10 lakh and above ₹ 10 lakh Government sanction was to be obtained.

Scrutiny of records of Deputy Director (Farms), Lucknow revealed (May-June 2010) that 16 tractors were purchased (December 2007 and March 2008) for ₹ 76.38 lakh without obtaining the sanction of the Government.

4.1.6.7 Maintenance of GPF records

GPF advances of ₹ 32.99 lakh were not entered in the GPF Pass books of the concerned 52 officials

GPF advances sanctioned to the employees should invariably be entered into the passbook of concerned employees. Scrutiny of records relating to GPF of group D and C staff in nine test-checked districts revealed that advances of ₹ 32.99 lakh drawn in favour of 52 officials during 2003-10 were not entered in their GPF pass books. In Gonda district, ₹ 13000 were paid in excess to two Group 'D' employees on their retirement. Besides, in 22 districts, entry of the advance of ₹ 16.66 crore drawn from GPF during 2003-10 could not be verified as the relevant records were not furnished to audit.

The department stated (January 2011) that necessary action would be taken and internal audit wing would be instructed to ensure non-recurrence of such lapses in future.

4.1.7 Service Delivery

The department renders services of vaccination, treatment of livestock, artificial insemination (AI) and supply of seeds for fodder and implements schemes of poultry development, backyard poultry scheme and integrated self help group of pigs and goats.

4.1.7.1 Animal Health Care and Veterinary Services

To provide health cover and for containment of diseases in animals, the department fixes the targets for vaccination, treatment and castration every year. The status of vaccination, treatment and castration in the State during 2007-10 is shown in the **Table 6**.

Table 6: Status of Vaccination, Treatment and Castration

(Number in lakh)

Items	2007-08		2008-09		2009-10	
	Target	Achievement (Percentage)	Target	Achievement (Percentage)	Target	Achievement (Percentage)
Vaccination ¹¹	741.89	488.26 (66)	741.03	386.41 (52)	686.88	472.94 (69)
Treatment	194.36	211.55 (109)	213.80	219.86 (103)	233.71	234.46 (100)
Castration	9.22	8.15 (88)	9.42	8.28 (88)	10.36	9.22 (89)

(Source: AHD)

¹¹ Vaccination of livestock also included vaccination under FMD-CP and ASCAD.

Vaccinations against the target ranged between 52 per cent to 69 per cent. Scrutiny revealed that short achievement was due to short and uneven supply of vaccines to the districts. District-wise analysis revealed that achievements against targets was 51 per cent (Firozabad) to 385 per cent (Kannauj) in 2007-08, 50 per cent (Firozabad) to 459 per cent (Varanasi) in 2008-09 and 38 per cent (Firozabad and Gonda) to 199 per cent (Varanasi) in 2009-10.

The achievement of Treatment targets ranged between 41 per cent (Raebareli) and 236 per cent (Rampur) in 2007-08, 49 per cent (Fatehpur) to 229 per cent (Rampur) in 2008-09 and 48 per cent (Etah) to 210 per cent (Rampur) in 2009-10. The achievements were inclusive of poultry birds while targets fixed did not include these. In the test-checked districts of Ambedakar Nagar, Barabanki, Bulandshahr, Deoria, Etah, Firozabad, Gonda, Mahoba, Meerut, Mirzapur and Rampur treatment of animals included 43 per cent to 84 per cent poultry birds. Inclusion of birds in treatment figures exaggerated the performance of the department.

Besides, achievement of vaccination targets during 2009-10 intimated to audit was in excess by 16.10 lakh than that reported to the Government. Similarly, the achievements in respect of Treatment and Castration for the year 2009-10 were reported to the Government as 223.19 lakh and 8.75 lakh respectively. Against this, 234.46 lakh and 9.22 lakh were intimated to audit. No reasons for this difference in reporting were furnished by the department.

The department replied (December 2010) that the reason for shortfall in vaccination was due to shortage of funds for purchase of vaccine. This shows that due to non-availability of sufficient funds the target of vaccination could not be achieved.

4.1.7.2 Hemorrhagic Septicemia (HS) and Foot and Mouth Disease (FMD) Vaccination

The State encounters several livestock diseases including endemic and sporadic like HS, FMD, Black Quarter (BQ) and Peste des Petites Ruminants (PPR). The State receives Central assistance for vaccination against HS and FMD. The position of vaccination of these two important diseases was as under:

Vaccination for Hemorrhagic Septicemia

HS occurs mainly in rainy season and at the time of drastic climate changes. HS vaccination is carried out annually with 75 per cent financial assistance of GOI under ASCAD scheme for 100 per cent coverage of cattle and buffalo in the 22 districts of the State. Vaccination in the remaining districts is to be covered by the State Government.

Scrutiny of records of Director, AHD revealed that during 2008-10, 1.21 crore cattle and buffalo were targeted under ASCAD for 100 per cent vaccination in 22 districts of the heavy flood prone areas of the State each year. The overall achievement of HS vaccination in these districts under ASCAD was 50 per cent and 35 per cent during 2008-09 and 2009-10 respectively (*Appendix-4.4*).

The achievement of HS vaccination was inadequate

For 2.94 crore cattle and buffalo of the remaining districts, targets for covering 1.09 crore and 1.19 crore cattle and buffalo for 2008-09 and 2009-10 were fixed respectively. The achievements were 81 *per cent* and 59 *per cent* during 2008-09 and 2009-10 respectively (**Appendix-4.4**).

Scrutiny of records of test-checked districts revealed that variations in achievement of the targets were due to short and uneven supply of vaccines by the department.

In reply, the department stated (January 2011) that supply of vaccines from manufacturer/suppliers were not on time due to which targets were not achieved. No specific reply was given by the department to the uneven supply of vaccines.

Vaccination for FMD

FMD is a highly contagious disease of cloven footed animals which is endemic in the State with sporadic incidences. Vaccination under GOI assisted FMD- CP programme was taken up in 17 districts of the Western part of the State with the coverage of 100 *per cent* livestock population of cattle and buffalo. Apart from the above, vaccination in 28 districts of Mid-Central part and border districts of the Eastern part of the State were to be covered with 100 *per cent* coverage of population of cattle and buffalo under ASCAD. The remaining 26 districts were to be taken up by the State Government to cover 20 *per cent* population with the objective of containment of outbreaks and creation of immune belt.

Scrutiny of the records of Director, AHD revealed that:

Short and uneven supply of vaccines led to non-achievement of targets of vaccination

- Target of 106.31 lakh vaccinations was planned against the 116.77 lakh population (cattle & buffalo) under FMD-CP programmes in 17 districts of Western part during 2008-09 and 2009-10 and achievement was 89.83 lakh and 116.87 lakh respectively. Analysis of district-wise data of achievement, however, revealed that it ranged between zero *per cent* (Agra and Etah) to 100 *per cent* (in remaining districts) in 2008-09 and 100 *per cent* (in seven districts) to 129 *per cent* (Agra) in 2009-10 (**Appendix-4.5**).
- During the years 2008-10, FMD vaccination under ASCAD in 28 districts of Mid-Central part and border districts of Eastern part of the State with a population of 151.02 lakh, the achievement was 62.34 lakh (41 *per cent*) and 113.67 lakh (75 *per cent*) during 2008-09 and 2009-10 respectively. Analysis of the district-wise data of achievement revealed that the achievement ranged from zero *per cent* (Deoria) to 100 *per cent* (Barabanki) in 2008-09 and 31 *per cent* (Barabanki) to 111 *per cent* (Fatehpur) in 2009-10 (**Appendix-4.6**).
- The total population (cattle & buffalo) in the remaining 26 districts was 146.87 lakh and target of FMD vaccination was for covering 29.37 lakh population against which achievement was only 1.36 lakh (5 *per cent* of target) and 4.67 lakh (16 *per cent* of target) during 2008-09 and 2009-10 respectively. Analysis of district-wise data revealed that no vaccination

had been undertaken in 13 districts in 2008-09 and in seven districts in 2009-10 (*Appendix-4.6*).

Records of test-checked districts revealed that less or excess achievements were due to short and uneven supply of vaccine by the department.

In reply, the department stated (January 2011) that funds were not released by the Government in case of FMD vaccination. The reply was not satisfactory as even the available vaccines were not distributed according to the target fixed.

4.1.7.3 Artificial insemination

To bring about qualitative and quantitative improvement in production and potential of livestock through improved breeding practices, three Deep Frozen Semen Production Centres (DFSPC) at Babugarh, Ghaziabad, Chakganjaria, Lucknow and Majhra, Lakhimpur Kheri are operational in the State for producing semen straws. The production of semen straws and artificial insemination during 2007-10 is given in the following **Table 7**.

Table-7: Availability of Semen Straws and Artificial Insemination

(Number of straws in lakh)

Year	Sanctioned no of bulls	Available bulls (percentage)	Anticipated production of semen straws from available bulls	Semen straws produced and supplied	Artificial Insemination		Straws purchased
					Target	Achievement (percentage)	
2007-08	260 ¹²	120 (46)	10.74	7.48	27.00	26.17 (97)	18.69
2008-09	260	97 (37)	8.80	10.96	37.77	30.13 (80)	19.17
2009-10	260	110 (42)	9.90	10.62	43.15	37.10 (86)	26.48
Total			29.44	29.06	107.92	93.40 (87)	64.34

(Source: AHD)

As against sanctioned capacity of 260 bulls, 97 to 120 bulls only were available during 2007-10. During 2007-08, 7.48 lakh straws were produced against 10.74 lakh as per norms while during 2008-10, 2.88 lakh straws were produced in excess. No reason for short/excess production of straws was furnished.

AI targets not achieved

The target of AI, 107.92 lakh could not be achieved even after purchasing of 64.34 lakh straws at the district level. As such only 87 per cent target was achieved during 2007-10.

The department replied (January, 2011) that the steps had been taken to purchase the bulls.

¹² Sanctioned 100 each at Babugarh, Ghaziabad and Chakganjaria, Lucknow and 60 at Majhra, Lakhimpur Kheri

4.1.7.4 Integrated Self Help Group

Prescribed departmental norms were not followed in implementing the SHG scheme

To provide self employment and prevent migration from the villages, the department started (2003-05) a scheme of Integrated Self Help Group (SHG) of goat and pig rearing for Below Poverty Line (BPL) families of Scheduled Castes and General Category. Under the scheme ₹ 90 thousand were to be deposited in the bank account of SHG for purchasing, insurance of pigs and construction of *Bara* while medicines up to ₹ ten thousand were to be supplied by the concerned CVOs. Male pigs were to be purchased through the CVOs of the district, mainly from Government farms.

Scrutiny of records of the Director, AHD and test-checked districts revealed that 881 SHGs (Pig) were formed by incurring ₹ 8.81 crore during 2007-10 against the target of 1142 SHG. In case of SHG (Goat), 1383 SHG groups were formed and an expenditure of ₹ 13.83 crore was incurred, achieving 100 per cent target during 2007-09. No target was fixed for 2009-10.

Under the scheme, provision of one buck/ boar over two to four goats/ pigs was made. In another scheme of goat/ pig rearing for self employment opportunities, the department prescribed different norms such as one buck/ boar over 10 goats/ 5-10 pigs. In the Government farms too, the norm was one male over ten female.

In joint physical inspections, members of SHG (Goat) at Varanasi and Raebareli districts intimated to the joint inspection team that the natural insemination was available in private at a cost of ₹ 5 to ₹ 10 only. Besides, the department itself provided natural insemination at a fee of ₹ two only at VHs. Rearing of a buck/boar was not economical for the SHGs. Joint physical inspection of 35 SHG (Pig) (*Appendix-4.7*) revealed that:

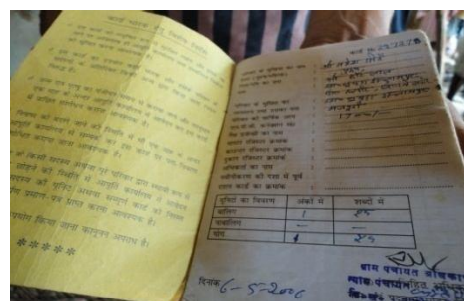
Intended benefits of SHG-goat/ pig scheme, could not be extended to the end users

- A total of 232 male and 562 female pigs were purchased by 31 SHGs from local markets except Barabanki, Bareilly, Fatehpur and Moradabad where male pigs were purchased from Government farms. In Faizabad and Raebareli districts, male pigs were not purchased for SHGs formed during 2007-10.
- Insurance of pigs was not done in respect of ten SHGs and only 524 pigs were insured out of 794 pigs. A total of 177 pigs died including all the pigs of three SHGs at Firozabad, Jaunpur and Kanpur. Insurance claim had been sent for 22 pigs only and claim for only one was paid.
- In Hardoi district, one SHG established in 2008-09 with 10 male and 30 female had a total of 75 numbers at the time of inspection. In Varanasi one SHG (Pig) of 2008-09 intimated that the group earned ₹ 30 thousand since its establishment.

- Two members of SHG Bijnor¹³, one member of SHG Jaunpur¹⁴ and two members of two SHGs in Meerut¹⁵ were Above Poverty Line (APL).
- Six SHG (Pig) intimated that they were not provided medicines while two said that medicines supplied were expired.

Joint physical inspection of 31 SHG (Goat) of test-checked districts (**Appendix-4.8**) revealed that:

- During 2007-09, a total of 1002 goats (284 male and 718 female) were purchased from local market except in Firozabad, Mirzapur and Sitapur, where male goats were procured from Goat Farm at Etawah. In Barabanki, ₹ 70 thousand only were deposited in the SHG (Goat) account instead of ₹ 90 thousand. The balance ₹ 20 thousand was kept with the CVO.
- Out of 1002 goats, only 690 goats were insured. Against 235 goats which died, claim for insurance was sent to a insurance company for 30 goats only, of which claim for 20 goats was paid.
- Medicine supplied to one SHG at Agra worth ₹ ten thousand expired without use though four goats of the group died.
- President of SHG-Goat in Bareilly¹⁶, two members in Bijnor¹⁷, one member in Fatehpur¹⁸ and all the members of SHG (Goat) at Gonda¹⁹ were APL.



Expired medicine with SHG at Agra APL card of one beneficiary at Bijnor

Thus, due to non-compliance to the provisions of the scheme for creation and monitoring of SHG, the self employment scheme and benefits envisaged largely could not be extended to the end users.

¹³ Balmiki Sahkari Samiti, Shahnagar, Bijnor
¹⁴ Jagjivanram SHG, Dudhaura, Jaunpur
¹⁵ Maharshi Balmiki SHG and Ambedkar SHG, Mahalwala, Meerut
¹⁶ Bhagwan Shankar SHG, Gram Purnapur, Bithari Chainpur, Bareilly
¹⁷ Adarsh Sahkari Samiti, Kukra Islampur, Haldor, Bijnor
¹⁸ Jwala Swayam Sahayata Samuh, Sujapur, Bahua, Fatehpur
¹⁹ Jaigurudev SHG, Golaganj, Jhajhari, Gonda

The department stated (January 2011) that inquiry was initiated in view of the audit observations and action would be taken accordingly.

4.1.7.5 Poultry development

As per Livestock Census-2003, the number of poultry in the State was 117.18 lakh, which reduced to 107.21 lakh as per Livestock Census-2007. For strengthening and expansion of State Poultry Farms, GOI provided financial assistance (GOI: 80 per cent and State: 20 per cent) for strengthening of 11 Poultry Farms at Agra, Bareilly, Etawah, Faizabad, Gonda, Jaunpur, Jhansi, Lucknow, Mirzapur, Moradabad, Varanasi and one Quail Farm at Lucknow.

Scrutiny of records of the concerned CVOs revealed that:

- The State Government released ₹ 28.44 lakh (March 2009) for strengthening and expansion of State Poultry Farm, Siddiquipur, Jaunpur but the work could not be started as the District Magistrate, Jaunpur acquired the farm land for *Kanshi Ram Urban Awas Yojna* without arranging land in lieu for the poultry farm. The amount was lying in the saving/current bank account of the CVO as of December 2010. The Director replied (January 2011) that the farm would be shifted to Machhalishahr, *Tehsil*, Jaunpur.
- For development of poultry farm at Agra, ₹ 10.23 lakh relating to civil works, were kept (March 2009) in the PLA of District Rural Development Agency, Agra and subsequently deposited (March 2010) into the Receipt Head²⁰ of the AHD. The department stated (January, 2011) that disciplinary action against the DD, Agra was in process.
- Out of 12 poultry/quail farms, production started only at five farms at Bareilly, Ghaziabad, Jhansi, Lucknow, and Varanasi. The performance of the five poultry farms is depicted in **Table 8**.

Seven Government poultry farms could not be made functional due to incomplete civil works

Table 8: Performance of poultry farms

Items	2007-08		2008-09		2009-10	
	Target	Achievement	Target	Achievement	Target	Achievement
Birds at Farms (Nos.)	11500	4236 (37)	11500	7923 (69)	11500	9089 (79)
Production of eggs (Lakh)	18.40	3.83 (21)	18.40	6.22 (34)	18.40	4.67 (25)
Production of chicks (Lakh)	11.50	1.42 (12)	11.50	1.23 (11)	11.50	1.26 (11)
Distribution of chicks (Lakh)	10.93	1.32 (12)	10.93	1.25 (11)	10.93	1.04 (10)

(Source: AHD)

²⁰ 0403-Animal Husbandry Revenue Receipts.

Analysis of the above data revealed that 37 to 79 *per cent* of targeted birds were maintained at the farms during 2007-10. While the number of birds in these farms increased from 4236 to 9089 during 2007-10, the production of eggs and chicks did not increase correspondingly. Shortfall in production of eggs and chicks had not been investigated.

In reply, the Director, AHD stated (January 2011) that details regarding short achievement of birds, eggs and chicks were called for from the concerned CVOs and Farms-in-charge.

4.1.7.6 Backyard poultry scheme

The department launched (2007-08) backyard poultry scheme to improve the livelihood of the Scheduled Castes in the poor category. The department was to provide 100 layers pullets of 16 weeks age with capacity of laying 280-300 eggs. Besides, a California cage, ₹ 2,450 for *Chappar* and other expenses, feed for four weeks, medicines worth ₹ 100 and transportation cost of chicks were also to be provided. The department planned establishing of 2,186 units (2007-08: 646 and 2008-09: 1,540) and sanctioned ₹ 6.13 crore (2007-08: ₹ 2.13 crore and 2008-09: ₹ 4 crore) for the scheme. The department supplied pullets to only 583 beneficiaries during 2007-09.

Backyard poultry scheme was planned without ensuring the availability of chicks or pullets

Further scrutiny also revealed that the Research Officer (Poultry), State Poultry Farm, Babugarh, Ghaziabad placed an order (May 2008) to the Director, Central Poultry Development Organization, Mumbai for supply of 42 thousand Day Old Chicks but only 10,725 chicks were supplied. The Director, AHD also executed (March 2009) an agreement with a firm for supply of 60 thousand chicks only which was, however, not sufficient even to meet the requirement for the year 2007-08. Against the target of 64,600 pullets for 2007-08, only 46,252 could be distributed to the beneficiaries as of March 2010.

For 2009-10, the Director, AHD Lucknow released (October 2009) ₹ 2.75 crore (₹ 2.61 crore to 70 districts for setting up of 15 units in each district and ₹ 14 lakh to poultry complexes at Agra, Aligarh, Auraiya, Gonda and Unnao for rearing pullets up to 16 weeks age). Eight districts²¹ utilised the full amount while 12 districts²² utilised partially when the Director ordered (December 2009) not to purchase the California cages as the chicks were not available. As such, 50 districts and five farms surrendered the unutilised amount ₹ 2.01 crore and remaining 12 districts surrendered the unspent amount of ₹ 22 lakh.

Joint physical inspection of 59 beneficiaries²³ (*Appendix-4.9*) revealed that:

²¹ Agra, Deoria, Hathras, Jhansi, Mahoba, Mirzapur, Moradabad, Sonbhadra.

²² Aligarh, AmbedkarNagar, Balrampur, Banda, Baghpat, Chitrakoot, Hamirpur, Kaushambi, Lalitpur, Mainpuri, Meerut and Unnao.

²³ 2007-08:31 and 2008-09:28

- California cages of 57 beneficiaries were found in damaged condition while these were not found with two beneficiaries. Of these 57 cages, 17 cages, pertaining to beneficiaries of *Tala* village of Amethi, Sultanpur were found dumped in an uncovered factory campus.
- *Chhappar* to protect cages were not made by 43 beneficiaries in spite of receiving funds (₹ 0.95 lakh) for the *Chhappar* while 16 beneficiaries stated that they were not provided funds for it.
- 28 beneficiaries intimated that medicines were not provided while in Sultanpur medicine was kept at VH.
- 46 beneficiaries intimated that feed was not provided to them.
- Fifty seven beneficiaries stated that they did not get any profit from the scheme.



Thus, due to insufficient availability of chicks, the scheme could not succeed in delivering the intended benefits.

The Director, AHD stated (January 2011)) that implementation was interrupted due to non-availability of chicks. Besides, planning of the scheme has been changed to supply day-old-chicks in place of 16 weeks old pullets from 2010-11.

4.1.7.7 Feed, fodder and forage

To improve feed and fodder resources through biomass production and silvipasture (agro forestry) development, these were produced at Government farms for the livestock of these farms. The seed of fodder was produced and distributed to CVOs for sale to farmers. There were 10 Government farms in the State with a total area of 3,813.73 hectare against which 2,135.09 hectare was under cultivation. Details of production of green fodder, dry fodder and seed at these farms are given in the following **Table 9**.

Table 9: Details of production at the Government farms

(Area in Hectare and quantity in lakh quintal)

Year	Green fodder		Dry fodder		Seed		Purchase of dry fodder	
	Target	Ach.	Target	Ach.	Target	Ach	Qty	Value (₹ in lakh)
2007-08	3.27	2.21	0.31	0.20	0.12	0.05	0.019	4.44
2008-09	2.42	2.19	0.64	0.33	0.19	0.11	0.044	13.80
2009-10	2.59	2.25	0.64	0.16	0.19	0.02	0.002	1.06
Total	8.28	6.65	1.59	0.69	0.50	0.18	0.065	19.30

(Source: AHD)

The production of green fodder and dry fodder was 6.65 lakh quintal and 0.69 lakh quintals against the targets of 8.28 lakh quintals and 1.59 lakh quintals respectively during 2007-10. In case of seed, the production was only 0.18 lakh quintal against the target of 0.50 lakh quintal. It was also found that out of the total cultivated area, only 1089.39 hectare (51 per cent area) was irrigated. Due to short production of fodder, the department purchased 0.07 lakh quintal at a cost of ₹ 19.30 lakh during 2007-10.

Scrutiny of records of Director, AHD also revealed that during 2007-10, fodder seed costing ₹ 3.51 crore was supplied to the CVOs for sale to farmers, against which ₹ 3.11 crore was realized, leaving a balance of ₹ 40.42 lakh with CVOs. In the test-checked districts Allahabad, Fatehpur and Sultanpur, sale proceeds of ₹ 7.84 lakh were lying in their bank accounts.

In reply, the Director, AHD stated (January 2011) that irrigation facility was affected due to inadequate supply of electricity. Further, natural calamities and non-fencing of the farms caused loss of production. Steps taken to improve electric supply and fencing the farms to protect production loss were, however, not spelt out.

4.1.8 Conclusion

Animal Husbandry, an important component of the State's economy was not given due importance by the State Government. The shortage of staff at various levels and at hospitals, reduction of plan grant and short release of funds against the approved budget provision adversely affected implementation of programmes/schemes and delivery of services. Veterinary hospitals and service centres were not constructed as per the requirement and hospitals and service centres constructed were not made functional. There were cases of purchase of equipment without assessing the need. Inadequate provision for essential medicines at hospitals, short supply and uneven supply of vaccines adversely affected the service delivery.

4.1.9 Recommendations

- The sector should be given due importance by strengthening infrastructure and improving service delivery mechanism.
- Sufficient funds for vaccination and purchase of medicines/chemicals should be allotted for prevention and control of diseases in livestock.
- Licence for manufacturing of vaccines should be obtained and qualified personnel posted for production of vaccines in the departmental Institute for improving availability of vaccines departmentally.
- Programme/schemes need to be closely monitored for their effective implementation.



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