

CHAPTER-II

PERFORMANCE AUDITS

DEPARTMENT OF EDUCATION

2.1 Performance Audit of Sarva Shiksha Abhiyan

Highlights

Education is one of the most important indicators of social progress of a country. Accordingly, the Government of India (GOI) introduced (January, 2001) Sarva Shiksha Abhiyan (SSA) across the country for increasing enrolment and universal retention of children at elementary level by supporting the State Governments in creating, developing and strengthening of necessary infrastructure.

Performance audit of SSA for the period 2006-07 to 2010-11 revealed that despite incurring huge expenditure of ₹ 1236.50 crore on elementary education, the target of universal retention could not be achieved in the State due to inadequate planning and deficiencies in implementation of various programmes. The important audit findings are highlighted below:

❖ *The SSA project suffered from curtailment of funds of ₹239.47 crore for underutilization of the funds.*

[Paragraph 2.1.8.1]

❖ *There was delayed/ short release of matching share by the State Government and around 15 per cent of total funds was released at the end of the respective years, resulting in rush of expenditure.*

[Paragraph 2.1.8.2]

❖ *Drinking water and toilet facilities were yet to be provided to 1,205 and 5,998 schools respectively. In addition, 11,405 schools were running without electricity and 2,696 without kitchen facility.*

[Paragraph 2.1.10]

❖ *There were delays of one to nine months in the distribution of free textbooks to girls and SC/ST children.*

[Paragraph 2.1.11.4]

❖ *No teacher was posted in 162 schools whereas 3,510 schools were running with less number of teachers than the norms prescribed under SSA.*

[Paragraph 2.1.13.1]

❖ *The Parishad failed to achieve intended universal enrolment and retention as there were 8,168 out of school children in the State as per Annual Work Plan & Budget data; however, this figure was much higher (83,914) according to District Information System of Education (DISE).*

[Paragraph 2.1.15.3]

2.1.1 Introduction

National Policy of Education (NPE), 1986, as revised in 1992, is a landmark innovation in educational policy. In order to attain Universal Elementary Education (UEE) in the country in a Mission Mode, GOI launched Sarva Shiksha Abhiyan (SSA) in January 2001 in partnership with the State Governments and Local Self-Governments. The focus of SSA was on an inclusive progress, with special attention to girl children of all communities, children of Scheduled Castes/ Scheduled Tribes (SC/ST), children with special needs and children of remote and backward areas.

2.1.1.1 Objectives of Sarva Shiksha Abhiyan

The main objectives of SSA were:

- to enroll all children in schools by 2005;
- to achieve universal retention by 2010;
- to ensure coverage of special focus group children at
 - i. primary level by 2007 and
 - ii. elementary level by 2010.

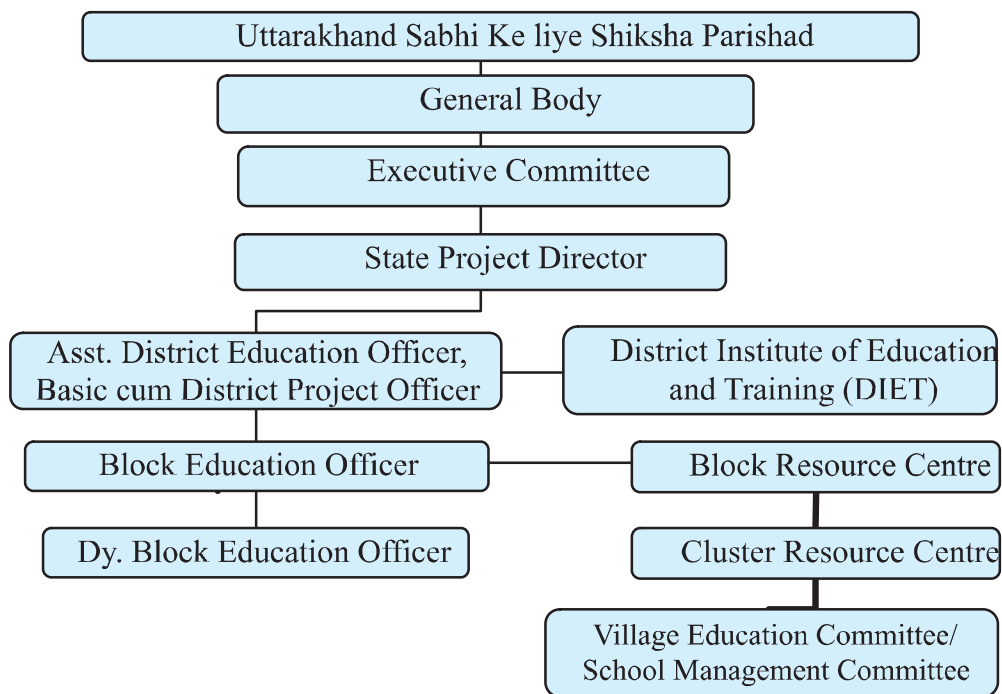
The scheme consisted of the following programmes:

- Creation and up-gradation of infrastructure in schools;
- Providing basic amenities in schools;
- Children with Special Needs (CWSN);
- National Programme of Education for Girls at Elementary Level;
- Kasturba Gandhi Balika Vidyalaya (KGBV);
- Distribution of free text books;
- Release of various grants to schools.

The Government established Uttarakhand Sabhi Ke Liye Shiksha Parishad (the Parishad) in February, 2001 for overall implementation of SSA. The role of Parishad was to provide instructions and guidance for the implementation of the scheme, financial and physical monitoring of the programmes, formulate rules and regulations for the scheme according to the recommendations of the State Government and policy formulation for programme implementation to achieve the objectives of the scheme.

2.1.2 Organisational set-up

The Parishad consisted of General Council headed by the Chief Minister as Chairperson and Minister of Education as Vice Chairman. The Executive Committee of the Parishad is headed by the Chief Secretary of the State with Secretary of Education being the Vice Chairperson. The following diagram explains the organizational setup of the Parishad in the State:



2.1.3 Audit Objectives

The audit objectives were to assess whether:

- planning for implementation of various programmes of SSA scheme was efficient;
- financial management was efficient and effective in the utilisation of funds for each programme of the scheme;
- implementation of the scheme was efficient, effective and economical;
- Human Resource Management with respect to teachers was efficient and effective;
- monitoring mechanism and internal control system were in place and were effective.

2.1.4 Audit Criteria

The audit criteria used for the evaluation of the audit objectives were

- SSA guidelines;
- Government Orders and instructions;
- Targets determined by the Parishad and approved by the Project Approval Board (PAB), Government of India.

2.1.5 Scope of Audit

Performance audit of SSA was carried out during April 2011 to September 2011 covering the period 2006-07 to 2010-11. Out of 13 districts in the State, the audit

covered five districts¹, which were selected by PPWSOR method, for the study. Records of District Education Officers (DEOs), District Project Officers (DPOs) SSA, District Institutes of Education and Training (DIETs), 16 Block Resource Centres (BRCs) out of 32 Educational Blocks falling under the five test checked districts, 125 sampled schools {joint physical inspection of 61 schools (by the representatives of DPOs and members of audit team) and test audit of 64 schools} and four Kasturba Gandhi Balika Vidhyalayas (KGBV) falling under the sampled blocks had been test checked in audit. The records of Director of Education, State Project Director (SSA) and State Council of Education, Research and Training (SCERT) were also test checked.

2.1.6 Audit Methodology

The audit objectives, criteria and scope of the performance audit were discussed with the Secretary, Education in an entry conference held on 19 May 2011 and audit findings of four districts were shared in Mid Term Conference with the State Project Director (SPD) on 29 July 2011. Audit methodology included scrutiny and analysis of the records relating to the implementation of various components of SSA, issue of questionnaires, audit memoranda and examination of responses of various functionaries and joint physical inspection of various schools.

The audit findings were sent (November 2011) to the Government; their reply was awaited (April, 2012). The audit findings were discussed (December 2011) by the Sr. Deputy Accountant General with the Deputy Secretary (Education) in an exit conference and the views of the Department/ SPD were suitably included against the relevant paragraphs, at appropriate places.

2.1.7 Planning

Deficiencies in planning for implementations of the schemes are discussed in the following paragraphs:

2.1.7.1 Preparation of habitation/ district level plans

The guidelines of SSA envisage that Planning Committees at village/ habitation, block and district levels, having adequate representation from grass-root level functionaries such as *Panchayati Raj* Institutions (PRIs), Village Education Committee (VEC) members, teachers and parents, should be constituted for preparation of habitation/ cluster/ block/ district level plans.

It was noticed in audit that although the Committees were constituted, as per the SSA guidelines, at the District and Block levels but entire planning for implementation of the scheme for the period 2006-11 had been done at block and district level without the involvement of grass root level functionaries and NGOs working in this field. This fact was also corroborated by the Institute of Public Auditors of India (IPAI) in its Audit Report (2010-11). In addition to this, district level committees were involved to approve the district plan only after the Annual

¹ Three districts namely Pithoragarh, Champawat and Almora were selected using PPWSOR, while Dehradun was covered as the capital district replacing Haridwar and findings of the pilot study district, Rudraprayag was also included in the review.

Work Plan & Budget (AWP&B) was approved by the Project Approval Board (PAB), GOI. However, NGOs were found engaged in assessing proficiency in reading, writing, and arithmetic skills of the children studying in Class I to V in the sampled district but were not involved in the preparation of plans. Thus, the role of NGOs and grass root level functionaries in planning was insignificant.

In addition, Audit also noticed that multiple sets of data were used by the Department for planning. The data collected by house hold survey/ Bal Ganana conducted by the Department were quoted in the annual plans of the State while the figures for performance measures-derived from the District Information System for Education (DISE) data, were relied upon by the GOI. The most alarming difference in figures as per DISE and Planning data were relating to data of targeted child population, enrolment, out of school/ dropout children, number of PSs & UPSs, information on basic amenities etc. as shown in the table-2.1.1.

Table-2.1.1

Data	Source	2006-07	2007-08	2008-09	2009-10	2010-11
Total population of targeted children	Bal Ganana	18,30,256	1,791,497	18,05,808	17,93,276	17,43,355
	DISE	Not available	17,74,050	18,39,205	17,71,548	17,22,406
Number of Government PS & UPS	Planning table	16,147	16,773	17,283	17,391	17,268
	DISE.	15,559	16,490	16,968	17,137	17,106
Total Enrolment	Bal Ganana	18,08,027	17,75,601	17,97,675	17,84,801	17,35,187
	DISE.	14,13,068	15,35,124	16,06,161	15,93,689	16,38,492
	State	18,93,096	18,48,975	17,55,058	15,76,355	16,38,578
Out of School/ Dropouts	Bal Ganana	22,229	15,896	8,133	8,475	8,168
	DISE	Not available	2,38,926	2,33,044	1,77,859	83,914

During exit conference, the Dy. Secretary stated (December, 2011) that habitation level plans are not maintained in a documented form but the Parishad through its district and block level functionaries is committed to involve grass root functionaries in planning process in future. The reply is not acceptable as non-existence of well documented plans proved that these were not prepared.

2.1.7.2 Planning for uncovered habitations

Education Guarantee Scheme (EGS) centres were to be opened in un-served habitations where primary school does not exist within one km radius.

Audit scrutiny revealed that 1,808 EGSs were opened in the State under SSA during 2006-07. Out of these, 1,039 EGSs² were either non functional or had been closed in the subsequent years.

On being asked about the reasons for the closure of these centres, the Dy. Secretary in its reply (December 2011) stated that EGS centers were found running in those habitations which were already covered and were closed subsequently. The reply is not acceptable as EGS centres were to be opened only

² 1808 (total EGS) - 684 (upgraded into PS) -85 (presently functional) =1039.

in uncovered habitations and their opening in covered habitations was indicative of faulty planning.

2.1.7.3 Lack of guidance/ directions from the Parishad

The General Council of the Parishad was responsible for providing instructions and guidance for the implementation of the scheme to various implementing units and financial & physical monitoring of various programmes. For this purpose, the General Council was to meet twice a year.

Audit scrutiny revealed that the General Council had met only once (29 October 2003) since its formation in the year 2001. Hence, the objectives for which the Parishad was set up could not be fulfilled as it could neither provide necessary guidance nor monitor the financial and physical progress as required in the guidelines.

2.1.8 Financial Management

2.1.8.1 Budget provision and expenditure

The scheme was financed by the GOI and the State Government in the ratio of 75:25 from April, 2006 to March, 2007, 65:35 till 2008-09, 60:40 in 2009-10 and again in the ratio of 65:35 in the year 2010-11. The position of funds released by both the Governments and expenditure incurred during 2006-11 is depicted in the table-2.1.2 below:

Table – 2.1.2

(₹ in crore)

Year	Approved Budget	Opening Balance	Funds released		Interest & other receipts ³	Total funds available	Expenditure	Closing Balance
			GOI	State				
2006-07	248.21	26.16	169.98	54.56	19.22	269.92	190.27	79.65
2007-08	252.84	79.65	132.79	71.50	1.89	285.83	186.11	99.72
2008-09	272.96	99.72	114.44	50.78	1.93	266.87	221.66	45.21
2009-10	330.57	45.21	160.06	98.66	1.25	305.18	270.15	35.03
2010-11	501.33	35.03	257.94	146.52	35.26	474.75	368.31	106.44
Total	1,605.91		835.21	422.02	59.55		1,236.50	

Source: State Project Office

Against the approved budget of ₹ 1,605.91 crore, ₹ 1,342.94 crore (84 per cent) (being sum of opening balance in the year 2006-07, funds released and interests and other receipts) were available, of which, only ₹ 1,236.50 crore (92 per cent) were shown as utilized for carrying out various activities under SSA during 2006-11. Due to under utilization of funds by the Parishad, an amount of ₹ 239.47 crore was deducted by GOI in subsequent years releases.

The SPD replied (February 2012) that the under utilisation of funds was due to non appointment of teachers, appointment of Block Resource Coordinators and Cluster Resource Coordinators remaining sub-judice, low cost of free text books and delay in finalization of procurement process etc.

³ Other receipts include funds released under 13th Finance Commission.

2.1.8.2 Delay in releasing of funds by the Governments

As per the guidelines, GOI was to release funds in two installments in the months of April and September, directly to the Parishad and it was mandatory on the part of the State Government to release its share within 30 days of the release of funds by the GOI. The second installment was to be released only after the State Government transferred its matching share to the Parishad and at least 50 *per cent* of the funds so transferred (Central and State) were utilized.

It was noticed in audit that there was a delay ranging from one to six months in releasing of funds by the State Government during the period 2006-11; resultantly the funds could not be fully utilized during the respective years, which ultimately led to curtailment of funds amounting to ₹ 239.47 crore by the GOI as discussed in the preceding paragraph. In these years, the funds were released as late as in the last month of the financial year (March) which is indicated in the table-2.1.3 below:

Table-2.1.3 (₹ in crore)

Year	Amount released by GOI and State Government		
	Total	In last quarter	In March
2006-07	224.54	24.15	24.15
2007-08	204.29	22.07	22.07
2008-09	165.22	38.84	11.84
2009-10	258.72	60.66	30.09
2010-11	404.46	102.67	102.67
Total	1,257.23	248.39 (20%)	190.82 (15%)

Source: State Project Office

Out of the total release of ₹ 1,257.23 crore to Parishad during 2006-11, ₹ 190.82 crore (15 *per cent*) were released in March. Out of this, ₹ 15.15 crore (8 *per cent*) was released at the closing days of the respective year resulting in rush of expenditure which was mainly in the form of advances given to various line agencies and not actual expenditure as reflected in the accounts which is depicted in the table-2.1.4 below:

Table-2.1.4 (₹ in crore)

Year	Total amount received	Funds released by SPO to DPOs			Balance with DPOs	Advances with BRCs/ CRCs/ DIETs etc.
		Last quarter	In March	On 31 st March		
2006-07	224.54	1.68	1.54	--	20.87	33.86
2007-08	204.29	9.15	0.15	0.15	52.91	17.22
2008-09	165.22	24.50	24.50	4.0	26.68	1.50
2009-10	258.72	66.50	54.50	24	26.12	1.23
2010-11	404.46	70.80	62.80	31.80	65.83	NA
Total	1,257.23	172.63	143.49 (83%)	59.95 (35%)		53.81

Source: State Project Office & Audited Accounts

As can be seen from the table above, 83 *per cent* of the total funds released by State Project Office (SPO) in the last quarter to various District Project Offices (DPOs), was in the month of March alone. This resulted in huge funds being advanced by the DPOs to BRCs/ CRCs/ DIETs etc. which remained in the bank accounts of these agencies and was utilized in subsequent years.

2.1.8.3 Short release of funds by GOI and the Government

The amount received by the Parishad from the GOI and State Government (refer table-2.1.2) during the period 2006-07 to 2010-11 against the proportionate share due in the approved plan and the extent of shortfall in funds released is given in the table-2.1.5 below:

Table-2.1.5 (₹ in crore)

Year	Approved plan	Due share as per Approved Plan		Short release as per Approved Plan (-)	
		GOI	State	GOI	State
2006-07	248.21	186.15	62.06	3.44**	(-) 0.96 (2%)
2007-08	252.84	164.34	88.50	20.21	10.87
2008-09	272.96	177.42	95.54	1.83	(-) 9.86 (10%)
2009-10	330.57	198.34	132.23	(-) 11.16 (6%)	(-) 15.49 (12%)
2010-11	501.33*	305.72	164.62	(-) 25.02 (8%)	(-) 4.09(2%)
Total	1,605.91	1,031.97	542.95	(-)10.66	(-)19.53

*includes ₹ 31 crore released by 13th Finance Commission

** net effect worked out after including share of opening balance.

It is evident from the above table that there were short releases both by the Central and State Governments against the approved outlay. The shortfall in the Central Government share was mainly due to failure of the State Government to release matching share in relation to the funds released by the Central Government and slow utilization of funds already released. The details of short releases of matching share by the State Government are as per table-2.1.6 below:

Table-2.1.6 (₹ in crore)

Year	Released by GOI	State Share		Shortfall (-) Excess (+)
		Due	Released	
2006-07	169.98	56.66	54.56	(-) 2.1
2007-08	132.79	71.50	71.50	0.00
2008-09	114.44	61.62	50.78	(-) 10.84
2009-10	160.06	106.71	98.66	(-) 8.05
2010-11	257.94	138.89	146.52	(+) 7.63
Total	835.21	435.38	422.02	13.36

During the exit conference, the Dy. Secretary accepted the fact and replied (December 2011) that the shortfall of matching share has been released by the Government in the financial year 2011-12.

2.1.8.4 Non submission of Utilisation Certificates (UCs)

As per SSA guidelines, the UCs were to be submitted by the line agencies to District Project Offices (DPOs) in the districts and by the DPOs to the State Project Office (SPO) within one month of the close of each financial year. Further, the funds released to the districts and sub-district levels were to be classified initially as advances and were to be adjusted based on their expenditure statements and UCs. Audit scrutiny in test checked districts revealed that UCs were not collected from the line agencies and advances given to these agencies were being booked as final expenditure.

During exit conference, the Dy. Secretary in its reply (December 2011) accepted the fact and stated that year wise/ district wise utilisation certificates are being collected and will be submitted to concerned authorities.

Programme Implementation

The implementation of various SSA programmes is discussed in the following paragraphs:

2.1.9 Infrastructure facilities

Construction of school buildings and creation of other miscellaneous infrastructural facilities⁴ is an important component of SSA programme. Accordingly, these had been prioritized by allocating 33 *per cent* of planned outlay. A time schedule for completion of each civil work was also framed by the SPO for adherence. The funds were to be released by the DPOs in a phased manner on completion of each stage of construction. The audit observed the following deficiencies:

2.1.9.1 Non-completion of construction works

It was noticed in audit that total approved cost was released to the executing agencies by the DPOs in order to avoid cut in the budgets/ spill over of infrastructure funds. This was in contravention of the instructions issued by the Parishad to release funds only on completion of each stage of construction.

Test check of records revealed that 35,718 construction works costing ₹ 306.32 crore were sanctioned in the State during the period 2006-11. However, audit noticed that although 11,099 works (31 *per cent*) costing ₹ 73.83 crore were either incomplete or yet to start, yet the Parishad reported these funds as utilised. The details of incomplete works, as of June, 2011 are in the table-2.1.7 below:

Table-2.1.7

Name of the civil work	Stipulated time for completion	Sanctioned in the financial year					Total Incomplete works
		2006-07	2007-08	2008-09	2009-10	2010-11	
PS (new)	6 months	8	79	117	47	7	258
UPS (new)	9 months	13	30	76	95	13	227
PS (reconst)	9 months	8	0	0	0	0	8
UPS (reconst.)	9 months	8	0	0	0	0	8
ACRs	4 months	11	10	90	865	107	1,083
Child friendly	15 days	0	0	0	169	1320	1,489
Common toilet	1 month	0	8	0	0	68	76
Girls toilet	1 month	0	17	21	795	5055	5,888
Electrification	1 month	6	39	0	501	512	1,058
Boundary walls	PS (1 month)	14	96	0	0	0	110
	UPS (1 month)	13	14	0	174	0	201
Drinking water	1 month	0	20	0	591	58	669
Store cum room	Not specified	0	0	0	0	24	24
Total		81	313	304	3,237	7,164	11,099

Source: SPO

⁴ Reconstruction of schools, Additional Class Rooms (ACRs), Toilets, Boundary Walls, Drinking Water Facilities, Electrification etc.

The above table indicates that there was delay in completion of works ranging from one to five years. On this being pointed out, the SPD attributed the delay in completion of works to natural disasters, pending forest clearance and change of construction agencies etc.

Further scrutiny of records in the test checked districts revealed that 3,894 works costing ₹ 23.34 crore were incomplete since 2006-07. Besides, 83 works⁵ sanctioned during the period 2002-03 to 2005-06 were also incomplete. On this being pointed out, the DPOs replied that delay was due to difficult geographical terrain and indifferent attitude of the VECs.

During the exit conference, the Dy. Secretary replied (December 2011) that districts have been repeatedly told to get the district administration involved in sorting out the problems in construction works.

2.1.9.2 Incomplete boundary walls

For security of school children as well as school property, funds at a uniform rate of ₹ 40,000 and ₹ 50,000 were provided for construction of boundary walls to each PS and UPS respectively. Test check of records revealed that an amount of ₹ 31.16 crore was approved for 7,252 schools (PSs-5,096 & UPSs-2,156) in the State for construction of boundary walls during the period 2006-11. Out of these, 311 works (PSs-110 & UPSs-201) were being reported either under construction or not started yet. But as per DISE report (2010-11), 2,588 schools (PSs-1,878 & UPSs-710) in the State had partially built boundary walls and 2,789 schools (PSs-2,273 & UPSs-516) did not have boundary walls at all. Similarly, in the sampled districts, out of 3,876 works taken up, 159 works were either under construction or not started yet. Audit analysed that the main reason for this partial execution of boundary walls was the uniform rates sanctioned for all the schools irrespective of the actual requirement of the respective schools.



PS Majadha, Lohaghat

On this being pointed out, DPOs replied that funds were released according to the approved cost in AWP&B which in some cases were not adequate to encompass the whole school area. During exit conference the Deputy Secretary replied (December 2011) that the earlier norms have been revised from the year 2011-12

⁵ Reconstruction of UPS/PS-12, ACR-1, Drinking water facility -62, boundary wall -1 New Primary school-2 and New Upper Primary School-3 & CRC-2.

into running metre construction cost so that incomplete construction of boundary wall may be completed without further delay.

Thus, the objective of protecting property of the schools and enhancing the security of the children by providing boundary walls, without assessing actual area required to be covered with boundary wall, could not be achieved.

2.1.9.3 Disproportionate Upper Primary Schools

As per SSA norms, one UPS was to be set up for every 2 PSs. Availability of schools in the State during the period 2006-11 is depicted in the table-2.1.8 below:

Table-2.1.8

Year	Total number of PSs*	Required UPSs as per norms	Actual number of UPSs*	Shortfall in per cent
2006-07	12,173	6,087	4,467	27
2007-08	12,496	6,248	4,847	22
2008-09	12,734	6,367	5,141	19
2009-10	12,717	6,359	5,291	17
2010-11	12,626	6,313	5,257	17

Source:-AWP&B *(Includes Govt. and Govt. aided schools)

On this being pointed out, the Dy. Secretary replied (December 2011) that the State has been proposing UPSs in the habitations which fulfill the norms.

2.1.9.4 School buildings damaged in Daivi Aapda (Natural Disasters)

Audit scrutiny of records of the Directorate of Education revealed that 1,040 PSs/ UPSs were reported damaged in the State due to *Daivi Aapda* during 2010-11; out of which, 760 works costing ₹ 20.54 crore were approved (October 2010) under Calamity Relief Fund (CRF)/ National Calamity Contingency Fund (NCCF) by the State Government. Audit found that out of 760 works sanctioned, only 742 construction works were taken up and construction work of only 485 schools (65 per cent) could be completed even after lapse of one year (August 2011). Further, it was also noticed that 30 out of 742 works were still to be taken up which indicated that these works were not prioritized and children enrolled in these schools were forced to study in unsafe buildings/ nearby schools.



PS Chaudagooth, Champawat

During joint physical inspection of the sampled schools, it was found that Primary School Chaudagooth, Champawat was damaged (September 2010) in *Daivi Aapda*, but funds for its repairs were not provided under *Daivi Aapda*.

However, audit found that the SMC of that school has discontinued (September 2010) its use in order to avoid any mishap/ risk of life and 106 enrolled children were accommodated in two class rooms of the nearby UPSs.

Thus, despite availability of funds from NCCF, the children of these schools were bound to continue their studies in these unsafe buildings which is indicative of poor implementation of post disaster measures by the Department.

2.1.9.5 Evaluation of newly constructed PS/ UPS buildings

Out of the total newly constructed school buildings in 2008-09, 56 buildings⁶ were found unsafe (December 2010) by Central Building Research Institute (CBRI), Roorkee during third party evaluation and quality inspection. The constructing agencies (VECs) were required to take action on the deficiencies found in the buildings by the CBRI, Roorkee. However, it was noticed that no action was taken by the executing agencies as on September, 2011. Further, the SPO had no information as to whether these unsafe buildings were being used by the school authorities.

The SPD accepted the fact and stated (February 2012) that the Government has taken this issue very seriously and the construction agencies have been directed to take up possible remedial measures.

2.1.10 Basic amenities in schools

The programme emphasized the need to develop a system to provide suitable and clean environment. The quality issues at elementary level, therefore, revolved around the infrastructure and support services as a priority. The deficiencies of basic amenities are tabulated in table-2.1.9 below:

Table-2.1.9

	Facilities not available			
	In the State		In the test checked districts	
	PSs (12,485)	UPSs (2,997)	PSs (4,601)	UPSs (1,061)
Drinking water	880(7%)	325(11%)	275(6%)	98(9%)
Electrification	9,953(80%)	1,452(48%)	3,481(76%)	486(46%)
Kitchen	1,158(9%)	1,538(51%)	635(14%)	630(59%)
Girls toilet	6,644(53%)	1,229(41%)	2,227(48%)	364(34%)
Common toilet	4,471(36%)	1,527(51%)	1,809(39%)	619(58%)
Playground	5,953(48%)	1,495(50%)	2,432(53%)	610(57%)

Source:-DISE 2010-11

During joint physical inspection of 61 schools, it was found that:

⁶ Chamoli-7, Bageshwar-3, Rudraprayag-4, Pauri-2, Tehri-2, Almora-1, Uttarkashi-2, U.S. Nagar-3, Pithoragarh-28, Dehradun-3 and Champawat-1



PS Anaropa, Champawat



PS Karan Karayat

- 25 per cent of the schools did not have drinking water facility and 10 per cent had water connections but were found non functional.
- 74 per cent schools did not have power connections. Out of 18 schools that had been provided funds for electrification, five schools could not get the electricity connection installed despite availability of funds.
- Only 57 per cent of the schools had separate girls' toilets whereas, 44 per cent of these toilets were found not usable.

Thus, non-availability of drinking water facilities, electrification and girls' toilet in a considerable number of PSs and UPSs even after ten years of the implementation of the programme was a serious setback to the objective of providing basic amenities to schools.

During the exit conference, the Dy. Secretary while accepting the facts mentioned (December 2011) that basic amenities are being provided to the schools through convergence with other line Departments.

2.1.10.1 Furniture

In order to provide furniture to UPSs, funds at the rate of ₹ 500 per child were approved by the Project Approval Board (PAB) during the period 2008-09 to 2010-11.

In the test checked districts, an amount of ₹ 2.07 crore⁷ for 41,233 children at the rate of ₹ 500 per child were transferred in the accounts of VECs/ SMCs by the DPOs for purchase of furniture in 659 UPSs. However, no UC to confirm the expenditure was submitted to the DPOs by the VECs/ SMCs. Only six VECs submitted UCs in confirmation of expenditure incurred in Dehradun district.

On this being pointed out in audit, the DPOs replied that directions will be issued to respective VECs for submitting UCs. The reply is not satisfactory as the UCs confirming the expenditure were to be submitted within one month of the close of each financial year, as per procedure in vogue.

⁷ ₹ 0.80 crore in Almora, ₹0.19 crore in Champawat, ₹0.54 crore in Dehradun, ₹ 0.22 crore in Pithoragarh & ₹ 0.32 crore in Rudraprayag.

2.1.10.2 Innovative activities

Under innovation head, up to ₹ 50 lakh could be released for Computer Aided Education facilities, per district per year. The focus of Computer Aided Learning Programme (CALP) was to maximize coverage in UPS with special emphasis on Science and Mathematics.

Audit Scrutiny of records revealed that 1,040 schools having 39,520 children enrolled during the years 2009-10 & 2010-11 were deprived of the intended benefits of CALP due to delay in purchase of computers by the Department. In the test checked districts, it was noticed that 428 UPSs were provided computers under SSA prior to 2009-10, out of which 132 computers were not functioning due to hardware/ software problems and 39 for want of electricity connection. Moreover, additional 322 UPSs, identified for CALP during 2009-10 & 2010-11, were awaiting computers to be installed (August, 2011). Status of the computers made available to UPSs since inception of SSA is shown in the table-2.1.10 below:

Table-2.1.10

Name of district	CALP Aided UPS	No. of computers provided	Theft	Not in working condition	Non functional due to	
					Hardware/ Software	No Electricity connection
Rudraprayag	79	158	3	3	3	-
Almora	104	207	2	14	0	14
Pithoragarh	88	185	1	53	53	0
Champawat	79	158	2	44	24	20
Dehradun	78	160	13	57	52	05
Total	428	868	21	171	132	39

Source: DPOs & DIET Reports

As per the monitoring report of District Institute of Education & Training (DIET)/ District Resource Center (DRC) Dehradun, Champawat and Rudraprayag, 89 out of 209 CALP aided schools⁸ did not have computer trained teachers posted. Thus, enrolled children of these schools were unable to avail full benefits of the scheme.

On this being pointed out, the SPD stated (February, 2012) that the computers could not be purchased in time due to procedural delay in tendering. The reply is not acceptable as the Parishad delayed finalizing the procedure to be adopted for the purchase of computers.

2.1.11 Coverage of special focus group

2.1.11.1 Children with Special Needs (CWSN)

As per SSA framework, CWSN were to be provided education in an appropriate environment irrespective of the kind, category and degree of disability and to adopt Zero Rejection Policy so that no child is left out of the school system. The programme *inter alia* provided for their placement in regular schools, providing aids and appliances to those requiring assistive devices. Provisions at the rate of

⁸ 41 out of 73 in Rudraprayag, 35 out of 58 in Champawat & 13 out of 78 in Dehradun.

₹ 1,200 per child per annum were made for the integration of the CWSN which was revised to ₹ 2,100 from 2010-11.

Audit Scrutiny of records revealed that against the approved outlay of ₹ 11.94 crore for coverage of CWSN during the period 2006-07 to 2010-11, ₹ 8.80 crore (74 per cent) was utilized in the State. Year wise position of CWSN identified and integrated in PSs/ UPSs in the State was as per table-2.1.11 below:

Table-2.1.11

Year	Identified	Number of CWSN			
		Enrolled	Home based education	Out of school	Provided with Assisted devices
2006-07	18,060	15,774	956	1,330	1,969
2007-08	14,103	11,337	1,226	1,540	2,295
2008-09	16,517	13,845	1,150	1,522	628
2009-10	22,390	19,307	1,533	1,550	856
2010-11	21,392	18,011	1,886	1,495	1,366

Source: State Project Office, Dehradun

It is evident from the above table that the Department failed to achieve zero rejection rate as 3,381 CWSN in the State and 823 CWSN in the sampled districts were still out of school⁹ at the end of year 2010-11.

The State reportedly distributed assisted devices to all 7,114 identified CWSN during the coverage period out of which 1,366 CWSN pertained to the year 2010-11. However, scrutiny of the records of Champawat, Pithoragarh and Almora districts revealed that during 2010-11, no devices were distributed to any of the 302 identified CWSN. Further scrutiny revealed that the devices could not be distributed to the identified CWSN due to non delivery (August, 2011) of the devices by the supplying firm¹⁰ despite an amount of ₹ 3.84 lakh advanced (December, 2010 to February, 2011) to the firm by the concerned DPOs.

The SPD accepted the fact and replied (February, 2012) that the assisted devices have been distributed in the month of August 2011.

(i) **Residential schools for CWSN**

Under District Primary Education Project (DPEP)¹¹, construction of residential school buildings for CWSN at Pithoragarh and Haridwar costing ₹ 1.35 crore each was sanctioned (March, 2006). Moreover, ₹ 20 lakh each was also sanctioned for equipment. The construction work of these buildings was to be completed by March 2007.

Test check of the records of DPO, Pithoragarh revealed that Rural Engineering Service (RES), Pithoragarh requested the Department to take over the building in May 2008. Without any justifiable reasons, the building was not taken over by the Department even after a lapse of three years and now the building required minor/ major repairs for which RES, Pithoragarh has demanded additional funds

⁹ Out of school includes home based education provided to CWSN.

¹⁰ ALIMCO, Kanpur.

¹¹ This scheme was closed and assets were merged with SSA.

of ₹ 7.50 lakh. Similarly, the building at Haridwar, completed prior to June 2009, has not yet been taken over by the Department.

The lackadaisical approach of the Department not only deprived CWSN from getting intended benefits but also kept constructed buildings costing ₹ 2.70 crore idle for more than three years. Besides, an amount of ₹ 40 lakh released for equipment was also lying unutilised.



*Building for Integrated Education for Disabled (IED)
at Pithoragarh*

The SPD replied (February, 2012) that the Government has decided to transfer the IED building at Pithoragarh to Department of Sports and in district Haridwar, the building is being used for residential purposes for urban deprived children. The reply is not acceptable as the buildings meant for CWSN are not being used for the intended purpose.

(ii) Construction of Resource rooms, Ramp Railing & CWSN toilets

Funds for the construction of three resource rooms worth ₹ three lakh, ramp railings for 99 schools worth ₹ 7.35 lakh and CWSN toilets for 35 schools worth ₹ 3.50 lakh were released to three test checked districts¹² during 2009-10 & 2010-11.

It was noticed in audit that these construction works were incomplete as of July 2011 without any cogent reasons. However, the entire released fund was reported as expenditure. On this being pointed out, the Dy. Secretary accepted the fact and replied (December, 2011) that the directions have been issued to the executing agencies to finish the construction work as soon as possible.

2.1.11.2 National Programme of Education for Girls at Elementary Level

NPEGEL has been formulated for providing education to under-privileged disadvantaged girls from class-I to VIII as a separate and distinct programme of SSA. Under the scheme, PSs and UPSs were required to be identified as Model Cluster Schools (MCS) for development/ education of girl child. The programme was to be implemented in Educationally Backward Blocks (EBBs) where the level of rural female literacy was less than the national average and the gender gap was above the national average. Under this programme, 40 blocks were covered through 442 MCSs.

Audit Scrutiny revealed that against the approved outlay of ₹ 14.66 crore, ₹ 12.02 crore (82 per cent) could be utilized during the period 2006-07 to 2010-11 in the

¹² Almora, Champawat & Pithoragarh.

State. Similarly, ₹ 3.64 crore (82 per cent) was utilized against the approved outlay of ₹ 4.42 crore in the sampled districts. Further, in Almora district it was seen that a sum of ₹ 24.25 lakh was lying in the bank accounts of Model Cluster Schools (MCSs) although it had been reported as expenditure in the previous years. In order to adjust unspent balances, only ₹ 7.42 lakh against the approved plan of ₹ 23.88 lakh were released by the district to these MCSs in 2010-11. It was further found that ₹ 15.13 lakh were lying unutilized in the bank accounts of MCSs of two districts¹³ at the close of the financial year 2010-11. It indicates that MCSs were not able to carry out additional activities under the programme but were functioning as routine schools.

The SPD accepted the fact and replied (February, 2012) that since most of the MCSs are situated in the remote hill areas, sometimes the girl students are not able to reach in time and participate in the respective programme/activity. The SPD further assured that strong efforts will be made to cover more number of girls and utilise the funds in the coming financial year.

(i) Model Cluster Schools (MCSs)

MCSs aimed at improving the achievement of girls, fostering an interest in education among them, and raising the importance of girls' education in the community.

Audit Scrutiny of records revealed that 150 MCSs¹⁴ were functioning in the selected districts during 2010-11. Out of these, 43 MCSs¹⁵ (29 per cent) at PS level were run by single teacher against the norms of two teachers making it difficult for them to look after the educational needs of the enrolled children as well as to manage various activities of NPEGEL. Thus, funds remained unspent in MCSs as shortage of teachers affected the implementation of various activities.

The SPD accepted the fact and stated (February, 2012) that the issue of single teacher schools will be taken care by way of providing at least two teachers under the RTE revised teacher norms.

(ii) Out of School/ Dropout of Girls in NPEGEL blocks

Test check of records revealed that dropout of girls in the 13 NPEGEL blocks of sampled districts have decreased over the years during the period 2006-07 to 2009-10 (except in 2010-11). However, in the four¹⁶ out of five test checked districts, it was found that the percentage of girl dropout in NPEGEL blocks was alarmingly on a higher side as compared to overall dropout of girls. Year wise details are shown in the table-2.1.12 below.

¹³ Champawat-₹ 2.61 lakh and Dehradun-₹ 12.52 lakh.

¹⁴ Jakholi-17, Ukhimath-8, Lamgarh-17, Dhauladevi-23, Barakot-5, Pati-6, Champawat-7, Lohaghat-6, Dharchula-8, Munsyari-8, Gangolihat-10, Chakrata-18 and Kalsi-17.

¹⁵ Data of Rudraprayag not available.

¹⁶ Almora, Pithoragarh, Rudraprayag & Champawat.

Table-2.1.12

Total out of school/ dropout of girls			Dehradun out of school/ dropout of girls	
Year	Four districts	NPEGEL Blocks	District	NPEGEL blocks
2006-07	942	676(72%)	757	235(31%)
2007-08	795	541(68%)	345	162(47%)
2008-09	433	342(79%)	608	124(20%)
2009-10	204	157(77%)	534	71(13%)
2010-11	376	275(73%)	942	78(8%)

Source: Information provided by DPOs & Bal Ganana/HHS

The objective of bringing out of school girls of Educationally Backward Blocks (EBBs) into the schooling system in a time bound manner was thus defeated. However, the SPD is of the opinion (February, 2012) that the number of out of school girls is gradually decreasing.

2.1.11.3 Kasturba Gandhi Balika Vidyalaya (KGBV)

The KGBV scheme launched (August, 2004) by GOI for setting up of residential schools at UPS level for girls belonging predominantly to the SCs, STs, OBCs, and minorities in difficult areas has been merged with SSA as a separate and distinct programme. Under the scheme, the girls are identified, enrolled in the nearby UPS and were provided facilities like accommodation, food, uniforms, books etc. free of cost. Three models for construction of buildings were permissible under KGBV viz.:

Model I: Schools along with hostels for 100 girls

Model II: Schools along with hostels for 50 girls

Model III: Hostels in existing schools for 50 girls.

There were 28 KGBV residential hostels functional in 12 districts of the State¹⁷ and 5,499 girls¹⁸ were enrolled in these KGBV during the period 2006-07 to 2010-11. It was found that from 2008-09 onwards, 822 girls studying in high schools, who were not eligible for these facilities, were accommodated in the KGBV hostels.

(i) Abnormal delay in construction of KGBV buildings

During the period 2004-05 to 2010-11, 28 KGBV residential buildings¹⁹ were sanctioned in 12 districts²⁰ of the State. However, only five residential buildings sanctioned in the year 2006-07 of Haridwar district had been completed so far. The delay in completion of 21 KGBV hostel buildings ranged from two to five years whereas, two KGBV residential buildings have been sanctioned in 2010-11. As a result, the State Government had to bear extra burden of ₹ 3.44 crore for getting construction works completed in nine KGBVs due to cost and time over run. Further, revised estimates for nine other incomplete KGBVs buildings have also been submitted for approval of Government by the Department.

¹⁷ Excludes Rudraprayag district, where KGBV was not approved.

¹⁸ 4677 of Class-6th to 8th & from 2008-09 onwards 822 girls of class 9th to 12th.

¹⁹ 2004-05: 14; 2006-07:11; 2008-09: 1; 2010-11:2.

²⁰ This scheme was not implemented in Rudraprayag.

Audit Scrutiny of the records of test checked districts revealed that five residential buildings were sanctioned in 2005. Construction works of these buildings were not completed as per MOUs (before 31 December 2006) by Rural Engineering Service (RES) of the respective districts. GOI, in the meantime, approved Model-III in April 2008 at a revised cost of ₹ 23.10 lakh. As per the revised MOUs, the agency was required to complete the construction of buildings between November 2008 to February 2009 but no construction work was completed so far despite an expenditure of ₹ 1.41 crore (82 per cent) against the sanctioned amount of ₹ 1.73 crore. Details of the physical and financial achievements as of July 2011 were as per table-2.1.13:

Table -2.1.13

(₹ in lakh)

Name of KGBV	MOUs Executed/ Scheduled date of completion		Construct ion cost of Model -III	Up to date Sanction		Total funds released	Exp.	Revised estimates submitted	Physical progress
	Pre revised	Revised		SSA	SCP				
Lamgaraha	July,06/ Dec, 06	June,08/ January, 09	23.10	23.10		9.18	8.19	53.90	Plinth level
Dhauladevi	July,06/ Dec, 06	March,08/ November, 08	23.10	15.00	72.06	65.59	65.59	-	Finishing level
Gangolihat	July,06/ Dec, 06	June,08/ January, 09	23.10	23.10	12.90	36.00	18.70	64.59	Door level
Tanakpur	July,06/ Dec, 06	March,08/ November, 08	23.10	15.00	16.80	31.80	28.83	56.80	Ground floor
Korba, Kalsi	July,06/ Dec, 06	July,2008/ February, 09	23.10	23.10		20.00	20 .00	50 .00	80% complete
Tuni, Chakarata	Not done			80.15		10.00	Nil		land not available

Source: DPOs and SPO

It is evident from the details that the progress of construction work was not in accordance with MOU executed with the RES. The abnormal delay in the execution of these construction works were indicative of poor monitoring mechanism of the Parishad which ultimately led to cost escalation and non-achievement of intended objectives.

On this being pointed out, the SPD replied (February, 2012) that KGBV buildings in hilly areas could not be completed with the sanctioned unit cost. The SPD further stated that the Government has provided additional funds to make up this shortfall and a request has also been put up before the GOI for sanctioning of additional amounts to complete the half constructed buildings.

The reply is not justified in view of the fact that the sufficiency of the approved funds should have been known to the authorities concerned at the time of the approval of the estimates. Despite knowing this fact, there was no point in starting the construction and subsequent blocking of funds.

2.1.11.4 Delayed distribution of free text books

Free textbooks up to class VIII were supplied to all focus group children viz; girls, SC/ ST children of government and government aided schools under SSA. The ceiling of text books under the programme is ₹ 150 per student in PS and ₹ 250 per student in UPS.

The allotment and expenditure on the procurement of free text books by State Project Office is shown in the table-2.1.14 below:

Table-2.1.14				(₹ in crore)
Year	Approved outlay	Expenditure	Savings	Savings in per cent
2006-07	13.30	9.87	3.43	25
2007-08	12.02	8.03	3.99	33
2008-09	12.57	9.86	2.71	21
2009-10	14.82	12.30	2.52	17
2010-11	14.14	6.94	7.20	51

Source: Audited figures & Annual reports of the Parishad

Above table indicates that 17 to 51 *per cent* of funds remained unspent. The SPD replied that the savings were due to low cost of publishing and less number of actual enrolled children in the schools *vis-a-vis* the planned figures.

Further, instructions were issued by the Directorate of Education that free text books should be distributed in the first week of April each year. For timely distribution of text books, printing and proof reading was to be completed by the end of 30th November and these books were to be supplied to districts by the Directorate of Education by the end of January.

Audit Scrutiny of the records of the test checked districts and Directorate of Education revealed that work order for publishing and printing of text books were placed as late as between February to March mainly due to delay in tendering process during the period 2006-11, whereas the academic sessions start from April. As a result, complete set of text books were not made available to any of the school within the prescribed time. Audit also noticed that free text books procured during 2006-2011 were distributed with delays ranging from one to nine months in violation of the instructions issued by the Directorate of Education.

During the exit conference, the Dy. Secretary accepted the fact and stated (December, 2011) that the delay was due to the lack of permanent staff, unfixed publishers, absence of text book bureau in the State and late approval by the Government. However, no remedial measures were reported to be initiated.

2.1.12 Release of various grants to schools

The Parishad was required to release various grants like Teaching, Learning Equipment (TLE) Grant, School Grant, Maintenance and Repair Grants and Teacher Learning Material (TLM) Grant to the Village Education Committees (VECs)/ School Management Committees (SMCs).

2.1.12.1 Teaching Learning Equipment (TLE) Grant

Prior to 2008-09, TLE grant was admissible at the rate of ₹ 10,000 and ₹ 50,000 for PS and UPS respectively as well as to those existing UPSs not covered under Operation Black Board (OBB)²¹ subject to furnishing a certificate to this effect. Thereafter, the rate for PS was revised to ₹ 20,000. The TLE grant was to be released as per local specific context and requirement/need was to be determined

²¹ Up to 2007-08, thereafter at the rate of ₹ 20,000 and ₹ 50,000 to newly opened PSs and UPSs respectively.

by the teachers/Village Education Committees (VECs)/ School Management Committees (SMCs).

Audit Scrutiny of records revealed that TLE grant of ₹ 5.86 crore was released to 1,765 schools (PSs-837, UPSs-857 & existing UPSs-71) during the period 2006-07 to 2010-11 by the respective District Project Offices (DPOs). Audit could not confirm expenditure incurred by way of utilisation of TLE grant for want of UCs in the test checked districts. In one of the test checked schools²², the amount released as TLE grant had not been utilized although it was being reported as utilized in the annual accounts.

During the exit conference, the Dy. Secretary accepted the fact and replied (December, 2011) that the authorities of DPOs have been directed to collect UCs against the expenditure incurred.

2.1.12.2 School Grant

School grant was admissible for replacement of non functional equipments and for other recurring costs such as consumables etc. This grant can also be used for science laboratories and computer education requirements in UPSs. Prior to 2008-09, school grant was admissible at a uniform rate of ₹ 2,000 per year per PS and UPS. Thereafter, the rate was enhanced to ₹ 5,000 per year per PS and ₹ 7,000 per year per UPS.

Audit Scrutiny of records revealed that ₹ 35.18 crore (96 *per cent*) were utilized in the State during the period 2006-11 against the approved outlay of ₹ 36.36 crore. In the test checked districts, ₹ 12.81 crore was utilized against the approved outlay of ₹ 13.21 crore. Audit, however, was unable to verify expenditure due to non production of UCs by the District Project Offices (DPOs).

School grants of ₹ 3.50 crore were released directly in the accounts of the Village Education Committees (Gram Nidhi), in the test checked districts, by the DPOs in 2010-11. Joint physical inspection of sampled schools revealed that, in 2010-11, 65 *per cent* of schools had not utilized the released amount and the remaining schools, who have reported utilisation, failed to furnish the vouchers in support of expenditure.

During the exit conference, the Dy. Secretary accepted the fact and replied (December, 2011) that the authorities of District Project Offices have been directed to collect UCs against the expenditure incurred.

2.1.12.3 Maintenance and repairs grant

Schools up to three classrooms were eligible for maintenance grant up to a maximum of ₹ 5,000 per school per year while schools having more than three classrooms were to get a maintenance grant up to a maximum of ₹ 10,000 per school per year, subject to the condition that the overall eligibility for the district would be ₹ 7,500 per school. This grant was to be provided on the specific proposal from the Village/ School Education Committees and on availability of

²² UPS Umedpur, Dehradun.

data on number of existing government schools having their own buildings and school buildings requiring maintenance and repairs.

Test check of records revealed that maintenance and repairs grant of ₹ 49.37 crore was approved for the State during the period 2006-07 to 2010-11. Against the sanctioned amount, ₹ 44.67 crore (90 *per cent*) were shown as utilized by the SMCs/ VECs. Meanwhile, in the selected districts, maintenance and repairs grant amounting to ₹ 15.56 crore were released without receipt of specific proposal from the VECs/ SMCs. Audit was unable to verify the reported expenditure without production of UCs.

Further, maintenance and repairs grant of ₹ 3.57 crore were released directly in the accounts of the VECs (Gram Nidhi), in the test checked districts, by the DPOs in 2010-11. Joint physical inspection of sampled schools revealed that in 2010-11, 70 *per cent* of schools had not utilised the released amount and the remaining schools, which have reported utilisation, failed to furnish the vouchers in support of expenditure.

On this being pointed out, the respective DPOs replied that efforts were being made to collect the UCs and transfer of unutilized funds in the accounts of SMCs.

2.1.12.4 Teaching Learning Material (TLM) Grant

The TLM grant at the rate of ₹ 500 was admissible to the teachers of Government and Government aided schools. Out of approved outlay of ₹ 11.49 crore during the period 2006-07 to 2010-11, only ₹ 10.13 crore (88 *per cent*) were shown as utilized in the State. However, it was found that ₹ 3.58 crore (91 *per cent*) of the approved outlay of ₹ 3.93 crore, meant for 78,602 teachers, were utilized in the test check districts.

Joint physical inspection of the sampled schools revealed that these funds were released directly in the saving accounts of the teachers and were utilized by them for the purchase of chart papers etc. Entries of the TLM grant were not found in the cash book/ registers of the physically inspected schools. Hence, proper utilization of TLM grant could not be ascertained in audit.

On this being pointed out, the State Project Director (SPD) replied (February, 2012) that teachers are advised to maintain the accounts in a separate register and keep the vouchers at their end. The reply is not acceptable as government money is to be accounted for in the cash book and its proper utilisation is to be watched through passed vouchers.

2.1.13 Management of teaching staff

There are prescribed norms for deployment of required number of teachers in the PSs/ UPSs and their capacity enhancement in the SSA framework. Besides, there was provision for additional staff for overall monitoring and supervision of the implementation of SSA programmes. Audit analysis of the same is being discussed in the following paragraphs:

2.1.13.1 Teaching Staff

As per the norms of the SSA, there should be at least two teachers in a PS and three teachers (one for each class) in UPS. The number of PSs and UPSs which did not comply with this norm is tabulated in table-2.1.15 below:

Table-2.1.15

Year	Government PSs	Number of PS functioning		Government UPSs	Number of UPS functioning		
		without teacher	Single teacher		Without teacher	Single teacher	Two teachers
2006-07	11,767	35	2,761	2,698	9	225	616
2007-08	12,291	59	2,584	2,866	32	180	350
2008-09	12,534	211	2,931	2,962	122	168	301
2009-10	12,593	129	2,425	3,034	82	201	374
2010-11	12,485	118	2,922	2,997	44	200	388

Source:-DISE

Above table indicates that 162 schools were without teachers and 3,510 schools (PSs: 2,922 & UPSs: 588) were having less teachers posted against the prescribed norms in the State during 2010-11. Similarly, it was found in the five test checked districts, that 1,492 (32 *per cent*) out of 4,601 PSs and 302 (28 *per cent*) out of 1,061 UPSs were having less number of teachers posted against the norms.

Further scrutiny revealed that out of 2,997 UPSs, 974 schools (33 *per cent*) were without mathematics and science teachers and 1,717 schools (57 *per cent*) were functioning without Headmaster in the State. As against the shortage mentioned above, 845 schools (PSs-568, UPSs-277) were having more teachers²³ than the norms. It was further noticed that 1,265 teachers of UPS were not called back to resume their duties in the parent cadre after existing UPS were upgraded into High Schools/ Government Inter Colleges. The above shortage could have been minimized by better management of available teachers.

On this being pointed out, the SPD replied (September, 2011) that shortage of teachers and delay in recruitment was the main reason behind the aforementioned facts. The reply was not acceptable as teachers were available but deployed disproportionately.

The SPD further replied (February, 2012) that State Government has brought new act providing for the deployment and transfer of teachers in the schools as per norms to arrest the inequitable deployment of teachers.

2.1.13.2 Pupils Teachers Ratio (PTR)

SSA envisaged one teacher for every 40 children but scrutiny revealed that PTR in PS stood at 23:1 and in UPS at 15:1 in the State which was well within the prescribed norms. However, an average calculation of PTR does not give a correct picture as 10 schools out of 125 test-checked and physically inspected schools²⁴, had average PTR up to 61:1 with the highest being 106:1; thus,

²³ Around 1011 teachers of PSs & UPSs calculated on the basis of number of teachers norm as well as PTR norm up to 120 students.

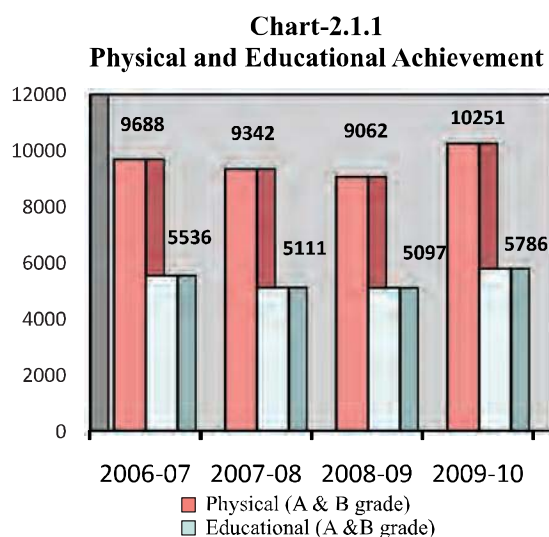
²⁴ Joint physical inspection-61 & test checked-64.

Audit scrutiny revealed that 392 posts (26 *per cent*) were filled in by teaching staff who were given additional charge; thus, compromising the teaching activities in the schools.

2.1.14 Internal control, Supervision, Monitoring and Evaluation

Internal control is a process affected by the management of implementing agencies and other personnel designed to provide reasonable assurance that the objectives of the programme are being achieved in the areas of (a) effectiveness and efficiency of operations, (b) reliability of financial and operational reporting and, (c) compliance with the provisions and other orders issued from time to time. Monitoring and supervision of the implementation of the programme and internal audit are the main controls exercised in internal control. Audit noticed the following deficiencies in the system:

- Annual Audit Report on SSA accounts was required to be submitted by Chartered Accountant (CA) to the Parishad by 30th September each year which was delayed by one to six months during the period 2006-07 to 2009-10²⁷ in contravention of the SSA guidelines.
- Cash book and bank reconciliation statements were not maintained/ prepared by DPO, Almora since 2006-07.
- Different sets of data were available for the same purpose such as population, enrolment, out of school and number of schools etc.
- As discussed in paragraph 2.1.13.4, a number of vital posts, which were primarily responsible for monitoring and supervisions of the schools at district, block and cluster levels, were lying vacant. As a result of it, regular teachers were given additional charge of the CRCs. This stopgap arrangement adversely affected the performance and quality of imparting education as well as the monitoring process. Lack of adequate supervision and monitoring was reflected in the declining trends of educational achievements of the schools in all the years, except the last year (2009-10)²⁸. Year wise physical and educational grade achieved by the schools at State level is shown in the Chart 2.1.1.



²⁷ The audit for the year 2010-11 was under progress.

²⁸ From 2010-11, the existing grading system was replaced with Comprehensive and Continuous Evaluation (CCE) system.

indicating uneven distribution of teachers in schools which needs to be reviewed at the Government level for taking appropriate corrective measures.

The SPD replied (February, 2012) that the Government of Uttarakhand has passed an Act for regulating postings, promotions and transfers of State Government employees which would facilitate the redeployment of teachers appropriately.

2.1.13.3 Teachers training

There is a provision for 20 days in-service training for teachers each year under SSA. District Institute for Education & Training (DIET) at district level under guidance of State Council for Education and Training (SCERT), Narendranagar were responsible for imparting In-Service Training to teachers for upgrading their teaching skills.

Audit Scrutiny of the records revealed that an outlay of ₹ 33.81 crore was approved for conducting training in respect of 2,34,357 teachers of the State during the period 2006-11. Out of this, 2,10,898 teachers (90 *per cent*) received training²⁵ at a cost of ₹ 27.93 crore. In the test checked districts, 73,146 (93 *per cent*) out of 78,610 teachers received In-Service Training at a cost of ₹ 8.65 crore during the said period.

A study on the impact of In-Service Training of teachers on class room transactions and perception about the effectiveness of the programme was conducted by the Academy of Management Studies (AMS), Dehradun, which disclosed that 67 *per cent* of the teachers considered the training modules, prepared for the year 2008-09 & 2009-10, to be appropriate in fulfillment of their academic needs. However, it was noticed that performance level of the schools in education were showing a declining trend over the years exception being 2009-10 (as shown in the chart-2.1.3). This was indicative of the fact that planning for training was not done on need basis; therefore, the objective of upgrading the skills of the teachers was not fully achieved.

2.1.13.4 Operational staff

The details of sanctioned strength and men-in-position of operational staff for supervision, monitoring and implementation of various SSA programmes at district, block and cluster level are given in the table-2.1.16 below:

Table-2.1.16

Operational Posts	Sanctioned strength	Men in position		Vacant
		Qualified	Adjustment ²⁶	
District Coordinators	65	52	0	13
Block Resource Coordinators	95	49	19	27
Asstt. Block Resource Coordinators	190	111	33	46
Cluster Resource Coordinators	994	576	340	78
Resource Teachers	183	160	0	23
Total	1527	948	392	187

Source: State Project Office

²⁵ In-service training to 2,10,378 teachers, MT training to 401 teachers and Induction training to 119 teachers.

²⁶ Where teachers have been given additional charge without having qualified the prescribed examination.

On this being pointed out, the authorities of the districts attributed decrease in learning level achievements to the shortage of teachers and deployment of single teachers in the schools. The reply was justifiable to some extent²⁹, but simultaneously lack of supervision staff at district, block and cluster level adversely affected the monitoring of the various schemes/ interventions in elementary education.

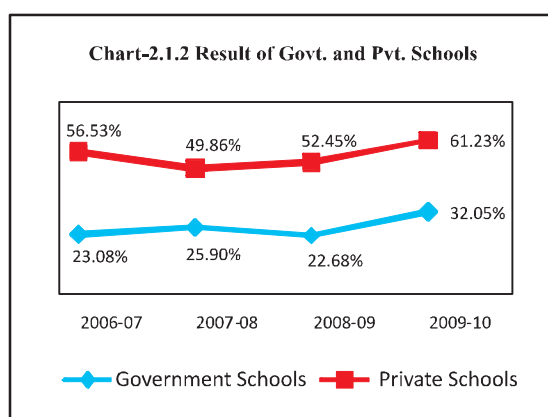
2.1.15 Impact analysis of the scheme

2.1.15.1 Assessment of Learning Level Achievements

National Policy on Education (NPE) lays emphasis on substantial improvement in the quality of education to enable all children to achieve essential level of learning.

A Competency Based Assessment of Children Studying in Class III, V and VIII of 1,900 schools of the State was conducted by the State Project Office (SPO), SSA and School Education Department, in October 2009, to get a feel of the learning levels of children in Uttarakhand at PSs and UPSs. The study revealed that there was a decline in learning levels from class III to class VIII. The performance was poor in Hindi language and better in Science and Mathematics.

Further, audit compared examination results (as per DISE data) of government and private schools of the State pertaining to class V and class VIII for the period 2006-07 to 2009-10 which showed, as can be seen in the graph alongside, that government run schools were far behind the private schools. The gap in the achievement ranged between 24 to 33 *per cent* in favour of the private schools.



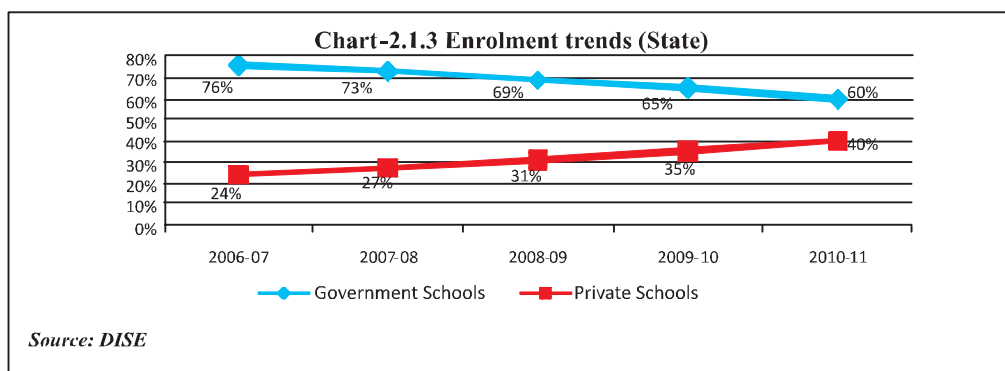
On this being pointed out, the Dy. Secretary replied (December 2011) that shortage of teachers as well as teachers being engaged in multiple tasks like census, election and pulse polio duties etc. were the main reason behind it. Thus, the objective of SSA to provide quality education was not fulfilled despite incurring huge expenditure on elementary education.

2.1.15.2 Enrolment of children in the Government Schools & Private Schools

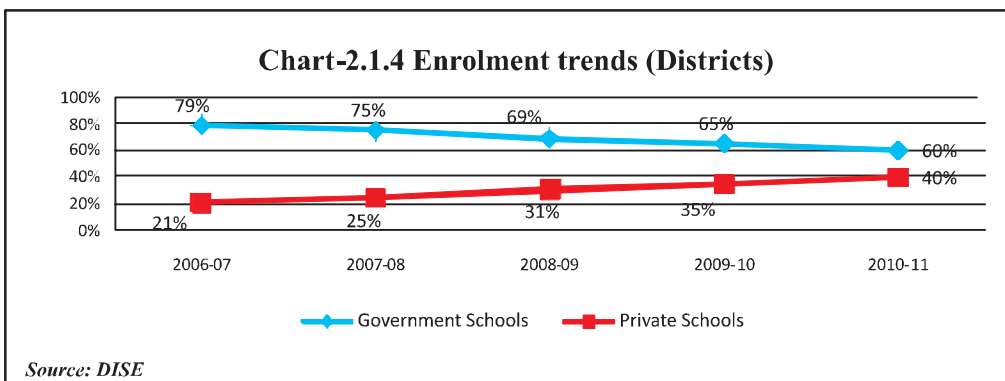
Audit scrutiny of the records of State Project Office and test checked districts revealed that during 2006-11, enrolment of children in the targeted age group of

²⁹ Average 23 *per cent* of Primary schools were having no teacher or single teacher deployed during the period 2006-07 to 2010-11.

6-14 years, in the PSs and UPSs has shown an overall decrease in comparison to private schools as depicted in the chart-2.1.3.



The above chart clearly indicates that there is a decreasing trend of enrolment in the government schools in the State despite infrastructural facilities worth ₹ 322.77 crore created during the period 2006-07 to 2010-11. Similar trend was noticed in the sampled districts as depicted in the chart-2.1.4 below. (*also refer Appendix-2.1*)



On this being pointed out, the Dy. Secretary attributed (December, 2011) it to the shortage of teachers in government schools and attraction of parents towards private schools. However, audit analysed that the various shortcomings in infrastructural facilities and implementation of various schemes were also the reasons for this declining trend.

2.1.15.3 Enrolment of children

The objective of the SSA was to enroll children in the age group of 6-14 years in schools by 2005. In addition, it aimed to bridge gender and social category gaps at primary stage by 2007 and at the elementary stage by 2010 and also achieve universal retention by 2010.

The eligible children identified in house hold survey (HHS)/ Bal Ganana³⁰ and their enrolment in Government and Private schools in the State during 2006-11 was as per table-2.1.17:

Table-2.1.17

Year	Child population (Age 6-14 years)			Enrolment (Age 6-14 years)		Out of school children		
	Boys	Girls	Total	Boys	Girls	Boys	Girls	Total
2006-07	9,56,748	8,73,508	18,30,256	9,45,828	8,62,199	10,920	11,309	22,229
2007-08	9,38,628	8,52,869	17,91,497	9,31,070	8,44,531	7,558	8,338	15,896
2008-09	9,44,143	8,61,665	18,05,808	9,40,277	8,57,398	3,866	4,267	8,133
2009-10	9,37,138	8,56,138	17,93,276	9,32,860	8,51,941	4,278	4,197	8,475
2010-11	9,11,312	8,32,043	17,43,355	9,06,880	8,28,307	4,432	3,736	8,168

Source: State Project Office (Bal Ganana report)

From the above table, it is seen that the main objective of SSA to attain universal enrolment by 2010 was not achieved as there was still 8,168 out of school children in the State. Moreover, the District Information System of Education (DISE) report for the year 2010-11 indicated that there were still 83,914³¹ out of school children in the State. No attempt was found made by the Parishad to analyse an in-depth study of reasons behind the dropout/ out of school children. This need to be looked into and the Government must take corrective measures for the achievement of the intended objectives of the SSA.

2.1.15.4 Gross Enrolment Ratio and Net Enrolment Ratio

The Gross Enrolment Ratio (GER) and Net Enrolment Ratio (NER) of the children in the school system are performance indicators for enrollment. GER³² is the percentage of total enrolment in elementary level of education to the targeted child population in the State. NER³³ indicates the percentage of enrolment of targeted children corresponding to the targeted child population. The position of GER/ NER as per District Information of School Education (DISE) and Annual Work Plan & Budget (AWP&B) figures is depicted in the table-2.1.18 below:

Table-2.1.18

For the year 2010-11	GER as per		NER as per	
Age Group	AWP&B	DISE	AWP&B	DISE
6 - 11 years	101.73	99.00	99.00	79.91
11 - 14 years	101.14	87.99	98.67	64.45

Source: DISE & SPO

³⁰ By Department of Education.

³¹ 83,914= 17,22,406(Population as per DISE)-16,38,492 (Enrolment as per DISE).

³² GER =(Enrolment in grade I to VII/Total population of targeted age group (6 to 13)x100.

³³ NER = (Enrolment of the targeted population in PSs and UPSs/ Targeted population)x100.

Low NER of 64 as per DISE data indicates that there is a need to increase efforts to enroll targeted children at the elementary level. As GER, NER are principal indicators of elementary education, there is a need to reconcile the figures for correct assessment of the schemes.

2.1.15.5 Retention/ Dropout trends of students

The number of students who either dropped out or failed in the examination from Class-I to Class V over the years is depicted in the table-2.1.19 below:

Table-2.1.19

Year	Class							
	I	II	III	IV	V	VI	VII	VIII
2006-07	235477	203267	196478	183722	166632	155820	140255	131417
2007-08	237979	221030	214446	199090	186203	171237	158615	146524
2008-09	243016	218859	220915	206287	193639	185173	173694	164578
2009-10	239670	209556	207758	205317	194398	184776	177947	174267
2010-11	251154	218632	210065	204177	200232	192108	183626	178498

Source: DISE data

Only 2,00,232 out of 2,35,477 children (as depicted in blue colour) enrolled at primary level in 2006-07, could be retained in class V up to 2010-11. Thus, the Department failed to retain 35,245 children during the period 2006-11. On this being pointed out, the SPD replied that facilities like Mid Day Meal (MDM), free text books etc. were being provided to enhance retention.

The reply does not reflect the ground reality as there were numerous shortcomings in the implementation of the programmes under SSA as discussed in preceding paragraphs.

2.1.15.6 Out of School/ Dropout trends of Special focused children

The year wise details of out of school/ dropout of girls and children of SC/ ST are depicted in table-2.1.20 below:

Table-2.1.20

Year	State			Sampled districts		
	Total Out of School/ dropout	Out of the total dropout		Total Out of School/ dropout	Out of the total dropout	
		SC/ST (per cent)	All Girls (per cent)		SC/ST (per cent) (Boys+Girls)	All Girls (per cent) (All categories)
2006-07	22,229	5,851 (26)	11,309 (51)	2,910	1,220 (42)	1,699 (58)
2007-08	15,896	4,465 (28)	8,338 (52)	2,010	848 (42)	1,140 (57)
2008-09	8,133	2,540 (31)	4,267 (52)	1,917	784 (41)	1,041 (54)
2009-10	8,475	2,644 (31)	4,197 (50)	1,633	783 (48)	737 (45)
2010-11	8,168	2,943 (36)	3,736 (46)	2,730	1,054 (39)	1,318 (48)

Source: Information provided by DPOs and SPO (Bal Ganana)

Above table indicated that though the overall position of out of school students had gradually decreased but the special focused category (SCs/STs and Girls) in the sampled districts showed an increase with respect to total out of school children particularly in 2010-11.

Thus, the State as a whole and the sampled districts in particular failed to achieve the goal of universal retention even after the lapse of 10 years of the implementation of programme.

2.1.16 Conclusion

There were instances of under utilization of funds in all years due to faulty planning, delay in release of funds, short releases and poor implementation and monitoring of various programmes carried out by the executing agencies of the Parishad. The State also suffered from curtailment of funds of ₹ 239.47 crore because of under utilisation of funds received. Late release of funds retarded the achievement of annual targets of the scheme. Further, non submission of UCs by the line agencies, advances being booked as expenditure in the books of accounts and maximum disbursement of funds at the fag end of the financial year reflected poor financial management of the Department.

The scheme suffered due to lack of infrastructure and basic amenities like drinking water, toilets, electricity, kitchens etc. in the schools and the trend did not show any significant achievement in learning level of children enrolled in government run schools. The construction of school buildings and KGBV hostels were abnormally delayed.

There was shortage and disproportionate deployment of teachers in the schools and field level monitoring/ supervisory staff was also not sufficient which adversely affected the overall achievement of goals of the Department.

The objective of SSA to have all the children enrolled in school by 2005 and 100 *per cent* retention of children by the end of 2010 are yet to be achieved as 8,168 children were still out of school by the end of the year 2010-11.

2.1.17 Recommendations

The Government may consider to improve the effectiveness of the working of the Parishad through:

- Preparation of habitation level plans through involvement of grass root level functionaries.
- Preparation of correct and updated database on retention, drop out and out of school children for evaluation and future planning.
- Strengthening monitoring and internal control mechanisms at every level.

REVENUE DEPARTMENT

2.2 Performance Audit on Acquisition and Allotment of Land

Highlights

The Land Acquisition Act was introduced in 1894 for acquisition of land by Government and Government Grant Act came into force in 1895 for the allotment of Government land. Requirement of land for development activities has increased manifold in recent times. Land belonging to private owners can be acquired in public interest after following all laid down procedures. The compensation to land owners should also be made according to prescribed rules and regulations. Again, land at the disposal of Government may be allotted for specified purposes within the frame work of land policy, relevant Acts and Rules etc. Performance audit of Acquisition and Allotment of Land in Uttarakhand revealed delayed acquisition, excess payment of interest, violation of rules, etc. In the absence of proper monitoring mechanism, the utilization of allotted land could not be ascertained in respect of land acquired for public purposes. There were instances which indicated that Government land was allotted free of cost to both private and Government institutions in contravention of the rules. Some of the significant audit findings are highlighted below:

❖ *Acquisition proceedings were carried out under urgency clause in every case of acquisition in the selected test-checked district without ascertaining the genuineness and emergent requirement on case to case basis by the Department.*

[Paragraph 2.2.8]

❖ *Undue benefit of ₹10.48 crore was allowed to the land owners without seeing if they are migrants or landless and marginal farmers as prescribed in the National Rehabilitation & Resettlement Policy, 2007.*

[Paragraph 2.2.10.4(A)&(B)]

❖ *District Administration did not ensure availability of expected land reserved for general utilization and systematic development of villages before allotment of land to Government and non-Government bodies.*

[Paragraph 2.2.15(A),(B) &(C)]

❖ *Undue benefit of ₹1.99 crore was extended to private institutions on account of allotment of Government land deviating from the prescribed allotment norms meant for realization of Nazrana and Malguzari.*

[Paragraph 2.2.16(A)]

❖ *Lease holders in 103, 143 and 365 cases of leased land in Champawat, Lohaghat and Tanakpur respectively continued to occupy Government land despite expiry of the initial period of allotment of 30 years without renewal of lease and making payment towards lease rent.*

[Paragraph 2.2.18(A)&(B)]

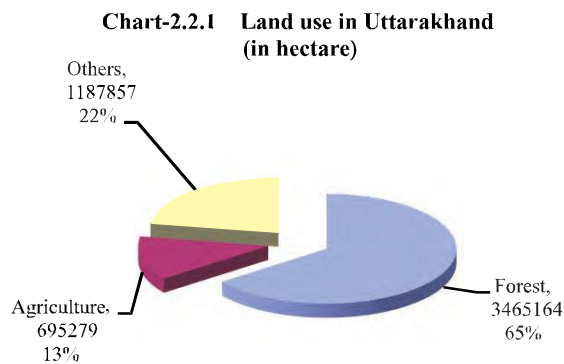
❖ *Mussoorie Dehradun Development Authority (MDDA) used 13.454 hectare of land acquired for construction of bus terminal, for construction of a shopping mall and a housing scheme without obtaining Government approval.*

[Paragraph 2.2.19.3]

2.2.1 Introduction

‘Land Acquisition’ means acquiring of land for some public purpose by Government, as authorized by the law, from the landowner(s) after paying compensation in lieu of losses suffered by land owner(s) due to surrender of his/their land to the concerned Government agency. For this purpose, the Land Acquisition Act (the Act) came into existence in 1894. Under Section 55 of the Act, the Government shall have the power to make rules consistent with this Act for guidance of officers in all matters connected with its enforcement and the State may from time to time alter and add to the rules so made. No such rule has been made by the State Government even after a lapse of a decade since formation of the State. Land, under the management of Revenue Department is allotted on lease to various users; both Government and non-Government Institutions under Government Grants Act, 1895 (G G Act) of Uttar Pradesh as adopted by Uttarakhand State.

Uttarakhand consists of 13 districts having geographical area of 53,48,300 hectare which includes forest land of 34,65,164 hectare. In compliance with decision of the Hon’ble Supreme Court (SC) (T N Godavarman *versus* Government of India), the entire 65 per cent hilly land of the State was declared forest land. This land is out of the purview of State Government for acquisition and allotment purposes. Due to the aforesaid decision of the Apex Court, there is limited scope for the Government for acquisition and allotment of land as only 13 per cent of land is governed by the Act, in the State.



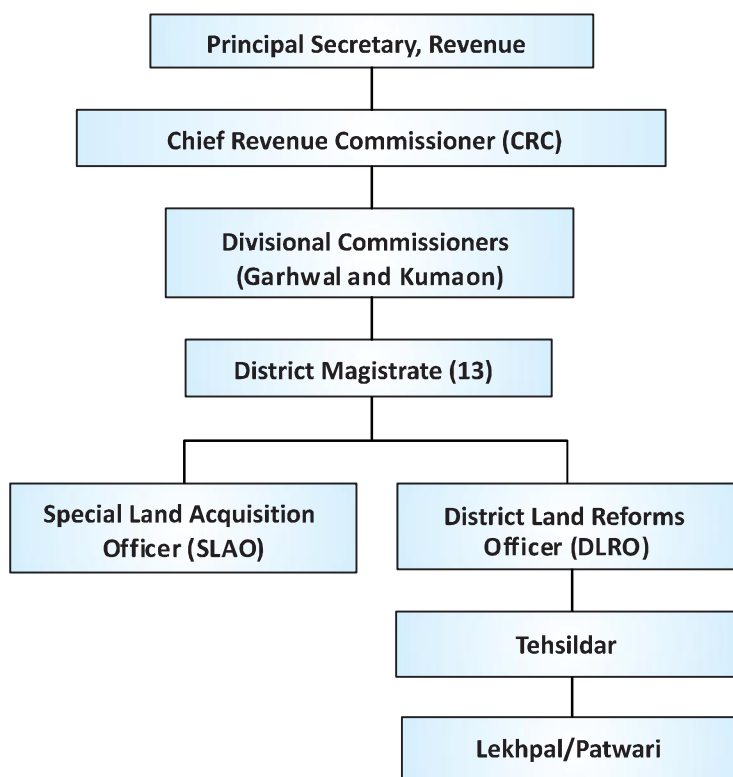
Source: Annual Report (2010-11) of Chief Revenue Commissioner, Uttarakhand & Uttarakhand Forest Statistics (2009-10).

2.2.2 Organizational set-up

The Principal Secretary, Revenue is the administrative head of the Revenue Department. As per Government Order (September, 2001), the post of Chief Revenue Commissioner (CRC) has been created, as head of the Revenue Department instead of Board of Revenue as prevalent in the erstwhile State of Uttar Pradesh. The CRC performs duties of the Head of Department of various Departments *viz.*, Revenue, Consolidation, Land Acquisition and Land Settlement.

CRC is mainly responsible for maintenance of land records, excavation of land, administration of Government estates and administration of GG Act. All awards under acquisition process exceeding ₹ five crore is to be approved by the CRC. The CRC is assisted by two Divisional Commissioners, one each for Garhwal and Kumaon Divisions. All awards ranging from ₹ two crore to ₹ five crore is approved by the Commissioners. As per duties defined in Government Order (GO) dated December 2010, the Commissioners at Division level and District Magistrates (DMs) at district level are responsible for maintenance and upkeep of the land records. As per Paragraph 1137, Chapter 49 of the Revenue Manual, the Commissioners and the DMs are responsible for providing guidance, inspections and review of works performed by the officers in their respective domain. The main function of the DM, in the matters of acquisition and allotment, is to ensure payment of compensation to the affected land owners and allotment of government land as per priorities prescribed, with the assistance of Special Land Acquisition Officer (SLAO) and District Land Reform Officer (DLRO) respectively. The work of the SLAO is to execute entire acquisition proceedings within the purview of the Act as Collector. The function of DLRO is to examine the proposals regarding allotment of land to various Government and non-Government institutions as per prescribed priorities. The Tehsildar and Lekhpal assist the DLRO in the matter of allotment of Government land.

The organizational set up of the Revenue Department is as follows:



Besides, the jurisdiction of SLAO, Nainital includes Udham Singh Nagar and SLAO, Almora includes Bageshwar district, while the jurisdiction of SLAO, Pauri extends to district Chamoli also.

2.2.3 Audit Objectives

The main objectives of the review were to assess whether:

- the proceedings for acquisition of land were carried out as per Land Acquisition Act and compensations and awards given were as per norms;
- allotment of Government land to various institutions was as per guidelines/ Government Orders and allotment was judicious and as per the provisions;
- land acquired for Development Authorities were in accordance with the Act and provisions thereon and allotment of land by Development Authorities to the beneficiaries were as per objectives fixed by Government; and
- computerised central database of land at the Government, Chief Revenue Commissioner (CRC) and District levels and mechanisms for adequate and effective monitoring and evaluation executed.

2.2.4 Audit Criteria

The criteria for evaluating the performance was derived from the following:

- Land Acquisition Act, 1894 (the Act).
- The Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950 Adaption & Modification Order, 2001 (Amendment) Act 2003.
- Government Grants Act, 1895 (G G Act).
- Guidelines, Government Orders & clarifications issued from time to time.

2.2.5 Scope of Audit and Methodology

The Performance Audit was conducted during May 2011 to September 2011 and covered the period from 2006-07 to 2010-11. Out of 13 Districts in the State, five Districts³⁴ were selected for test-check on the basis of Probability Proportional to Size with Replacement (PPSWR) method. Before commencing the performance audit, the audit objectives, criteria and scope were discussed with the Principal Secretary, Revenue, Government of Uttarakhand in an Entry Conference (July, 2011). In the districts, SLAOs and DLROs were covered for scrutiny of records and collection of information. Audit conclusions were drawn after scrutiny of relevant data and records of the related districts. Haridwar Development Authority (HDA) and Mussoorie Dehradun Development Authority (MDDA) were also covered in the performance audit. Further, joint verification of affected land owners in two acquisition cases each in three districts³⁵ was also conducted.

³⁴ Champawat, Chamoli, Dehradun, Haridwar and Nainital.

³⁵ Dehradun, Haridwar and Nainital.

The audit findings were also discussed (December, 2011) with the Principal Secretary, Revenue, Government of Uttarakhand in an Exit Conference and views of the Government were incorporated suitably in the report.

2.2.6 Procedure for acquisition of land

Acquisition of land for a public purpose or company means acquiring the land of landowner(s) by appropriate Government authority under the Land Acquisition Act, 1894 read with Amendment Act, 1984 (the Act) by paying compensation to the entitled persons, in lieu of the acquired land, in accordance with the provisions of the Act.

Acquisition proceedings start with the proposal being submitted by the user Departments mentioning the needs along with the details/ particulars of the land. If the land is required urgently, a certificate to this effect under Section 17 (urgency clause) of the Act is also required to be attached with the proposal. After verifying the requirement, preliminary notification, under Section 4, is published in the official Gazette and at least in two daily newspapers. Section 5 (A) provides an opportunity to the affected persons to file objections against any such acquisition within a period of 30 days from the date of notification. If the acquisition is being done under urgency clause, objections under Section 5 (A) are not applicable. Further, declaration under Section 6 of the Act is made within one year from the date of notification. Under Section 9, objections relating to claims are received and award is declared by the Collector under Section 11. Section 34 of the Act prescribes the conditions for payment of interest in the cases of delay in payment of compensation.

Section 48 of the Act provides liberty to the Government to withdraw the proceedings of the acquisition at any time before taking possession of the land but compensation to the interested persons shall be paid for the loss or damage caused due to acquisition proceedings.

Section 55 of the Act empowers the State Government to make rules consistent with the Act for the guidance of its officers in all matters connected with its enforcement and may from time to time alter and add to the rules so made. However, audit noticed that even after lapse of a decade since the formation of the State, no rules and orders had been formulated in this regard. The matter was raised during exit conference; no reasons were intimated by the Government.

Audit findings

Important audit findings are discussed in the succeeding paragraphs.

2.2.7 Overall status of acquisition

(A) Status of acquisition in the State

The overall status of acquisition of land in the State during the period 2006-11 as provided by the CRC is depicted in the table-2.2.1 below:

Table-2.2.1

Name of District	No of acquisition cases	Total acquired area (in hectare)	Total compensation (₹ in crore)			Court cases
			Deposited	Paid	Remained undistributed	
Dehradun	17	12.53	22.30	22.15	0.15	Nil
Haridwar	3	1.29	0.51	0.44	0.07	Nil
Tehri	4	114.73	43.34	43.34	Nil	Nil
Pauri	NA	NA	NA	NA	NA	NA
Chamoli	24	84.24	43.90	25.96	17.94	Nil
Uttarkashi	3	5.64	1.64	1.59	0.05	Nil
Udham Singh Nagar	1	0.244	NA	2.51	NA	Nil
Nainital	4	2.20	2.57	2.22	0.35	1
Champawat	Nil	Nil	Nil	Nil	Nil	Nil
Pithoragarh	2	9.51	NA	5.54	NA	Nil
Almora	6	5.61	NA	1.11	NA	Nil
Bageshwar	Nil	Nil	NIL	NIL	NIL	Nil
Rudraprayag	NA	NA	NA	NA	NA	NA
Total	64	235.994	114.26	104.86	18.56	1

Source: Figures provided by the CRC, NA=Not Available

It is evident from the above table that information relating to two districts³⁶ was not provided to audit whereas for other three districts³⁷, with a total acquired area of 15.36 hectare, information regarding the amount of compensation paid was provided but the actual amount due for compensation was not made available to audit. Further, in respect of 55 acquisition cases of 220.63 hectare of land in the remaining eight districts, only an amount of ₹ 95.70 crore was disbursed to the affected land owners against ₹ 114.26 crore deposited by various user Departments. Hence, ₹ 18.56 crore remained unutilized. The reason regarding non-disbursement of the total award was not furnished to audit. The findings were discussed in the exit conference (December,2011) and the Government was in agreement with the audit observations.

On this being pointed out, the Department stated (November,2011) that the required data for state were not being maintained by CRC and could be provided by the districts. The reply of the Department was not satisfactory as the structure of the Department have been framed by the State Government in September 2001, under which the duties, powers and functions of the CRC in relation to acquisition and allotment of land have been clearly indicated.

(B) Non-maintenance of records at the State level

Audit noticed that no mechanism existed in CRC for regular maintenance of records, compilation of data and consolidation of any periodical information (Monthly Progress Reports) from various districts. It was noticed that no computerized data of acquisition and allotment of land was maintained at any stage by any of the District Authorities/Divisions/CRC. The Department was fully

³⁶ Pauri and Rudraprayag.

³⁷ Udham Singh Nagar, Pithoragarh and Almora.

dependent on district authorities for the various requisite information which were required to be maintained, as per norms by the CRC.

As per the Revenue Manual Volume (I), Divisional Commissioners, as the head of Divisions in the matters of Revenue, monitor all the work relating to land revenue including acquisition and allotment of land. The approval of Divisional Commissioner was necessary in acquisition cases where the amount of award declared was more than ₹ two crore. Moreover, the Commissioners were to act as a bridge between the DMs and CRC.

Audit scrutiny of records revealed that there was no mechanism in the Department to maintain the records up to the Division level and like the CRC, the Divisions were dependent on the district authorities for information relating to acquisition and allotment of land. Consequently, due to non-maintenance of records in the CRC and Divisions, Audit was unable to comment on the overall status of acquisition and allotment of land in the State.

(C) Status of acquisition in the sampled districts

The status of total number of acquisition proceedings finalised, compensation received and disbursed in the test checked districts during the period 2006-11 is tabulated below in table-2.2.2:

Table-2.2.2

Name of district	Total number of cases			Total amount of compensation (₹ in crore)				
	Received	Lapsed	Finalised	Due	Received	Paid	Excess/ deficit (5-6)	Remained undistributed (5-7)
1	2	3	4	5	6	7	8	9
Chamoli	24	Nil	24	27.17	43.90	25.96	16.73	1.21
Dehradun	17	Nil	17	22.30	22.30	22.15	0.00	0.15
Haridwar	38	2	3	0.47	0.51	0.44	0.04	0.03
Nainital	4	Nil	3 ³⁸	2.22	2.57	2.22	0.35	0.00
Total	83	2	47	52.16	69.28	50.77	17.12	1.39

Source:-Information collected from concerned district during the audit

It is evident from the above table that out of the 83 cases received, only 47 cases were finalized (September, 2011). Even in the finalized cases, a sum of ₹ 1.39 crore still remained undistributed to the land owners. Audit further noticed that in Chamoli, Haridwar and Nainital districts, the expected amount of compensation was not based on actual estimation as per land acquisition norms resulting in excess deposit of ₹ 17.12 crore which was still to be refunded to the respective user agencies³⁹.

³⁸ One case is pending due to court case.

³⁹ Tehri Hydro-electric Development Corporation (THDC) and National Thermal Power Corporation (NTPC) in Chamoli, Provincial Division, Upari Ganga Nahar Adhunik Khand, Roorkee and Commercial Tax Department in Haridwar and Revenue Department, Irrigation Department, PWD and Power Corporation Limited in Nainital.

Audit looked into the methodology of estimation and found that despite clear guidelines for deriving the lump sum amount of expected compensation to the land owners, there was huge difference between the actual award and the deposited amount.

The matter relating to delay in finalization of cases was raised during exit conference; no reply was received.

2.2.8 Acquisition under urgency clause (Section 17)

Urgency clause facilitates the acquisition of land for any purpose, urgent in nature, by suppressing Section 5 (A) of the Act i.e. by denying the landowners the right of protest against the acquisition of land. However, it was noticed that the definition of urgency and the cases which qualified as urgent, were not clearly outlined either in the Act or by the Government. However, Section 17 (2) identifies some urgency cases such as land required for Railways, irrigation, water supply, road communication and electricity. Audit scrutiny in the test checked districts revealed that out of the total 83 acquisition cases received during the period 2006-11, in all cases acquisition proceedings were carried out under the urgency clause. The reason for cent *per cent* evocation of urgency clause could be due to non defining of cases qualifying as urgent. Urgency clause, by its very nature, should have been used in rare cases and only after ascertaining the genuineness of each case. There is also a strong probability that this clause could have been misused to deprive the landowners of their rights to raise objections against acquisition of their land under Section 5 of the Act. Various shortcomings noticed in acquisition under urgency clauses are discussed in the succeeding paragraphs.

2.2.8.1 Non utilization of land acquired under urgency clause

(A) SLAO, Haridwar acquired 15.258 hectare land under urgency clause for the establishment of Transport Nagar on the request of Haridwar Development Authority (HDA). The possession of land was taken on 24 June 2004 and compensation of ₹ 7.75 crore was paid. Audit Scrutiny of records revealed that even after a lapse of 7 years, 4.73 hectare (31 *per cent*) land remained unutilized.

On this being pointed out, HDA replied that due to poor response of the applicants, land was lying vacant. The reply was not acceptable as the required land for selling for commercial purposes was acquired under urgency clause which should have been applied only after careful scrutiny of the proposal submitted by the HDA. Thus, non-utilization of land acquired under urgency clause even after seven years shows the arbitrary use of the urgency clause by the district authorities. Government in their reply (February, 2012) stated that for sale of vacant land, opening of registration is proposed.

(B) Government of Uttarakhand issued notification (January, 2006) under urgency clause for acquisition of Helvelian Out House and attached vacant land measuring 0.162 hectare for construction of residential and non-residential buildings of Revenue Department in District Nainital. The possession of the said land was taken on 20 August 2007 and compensation of ₹ 64.21 lakh was paid.

Audit scrutiny of records (August, 2011) of SLAO, Nainital and joint physical verification of the site revealed that the acquired land was still lying unutilized. On this being pointed out, the SLAO confirmed and said that the land was to be used by the Revenue Department. However, no specific reply regarding non-usage of land acquired for the purpose of construction of buildings both residential and non-residential was furnished by the Department.

Thus, acquisition under urgency clause was made by the Collector without detailed scrutiny of the proposal submitted by the Department which resulted in non-utilization of acquired land for four years.

2.2.8.2 Unauthorized work

On the request of Provincial Division, Public Works Department (PWD), Dehradun, Government of Uttarakhand issued preliminary notification (June, 2008) under Section 4 (1) by applying urgency clause for acquisition of 0.20 hectare land for construction of Ring Road (Rajpur Nagal Sahastradhara Road portion) in Village Tarla Nagal, District Dehradun and declaration issued on 20 July 2009.

Audit scrutiny of records of SLAO, Dehradun revealed that contrary to acquisitions rules, the PWD had unauthorisedly constructed the road on the land prior to possession and payment of compensation to land owners.

On this being pointed out, the SLAO stated that the land was not demarcated by the Department so far due to technical aspects. The reply was not acceptable as it was the duty of SLAO to demarcate the land proposed for acquisition and also to prevent encroachment on the proposed land before handing over the possession to user Department.

Due to apathy of the Department, the user Department had unauthorisedly constructed the road and further due to non finalization of acquisition, compensation to the land owners was pending since last two years.

2.2.8.3 Acquisition of land without complying rule(s)

Under Section 16 (General clause), 0.162 hectare land was to be acquired for construction of residential and non-residential buildings for the officers of Revenue Department, under the Nagar Palika Parishad, Nainital. Audit noticed that the notification (Section 4) was issued (December, 2005) under general clause whereas, the declaration (Section 6) was made (December, 2006) by imposing urgency clause. Provisions of the Act stipulate that Section 17 should be used with 4 (1) so that the protests by the land owner under Section 5 may be avoided and the acquisition proceedings completed at the earliest. Section 17 was imposed after completion of the proceedings under Section 5 in violation of the Act. Further scrutiny revealed that notices in the newspaper was published (December, 2005) prior to the publication of notification (January, 2006) in the official gazette in contravention of the Act.

On this being pointed out, SLAO stated that the decision of declaration under urgency clause was taken at the Government level. The SLAO further stated that

due to printing of Gazette at Government press, Roorkee, the publication of notice in newspapers preceded the publication of Gazette notification.

The reply was not acceptable as urgency clause is imposed only after it is proposed by the SLAO and Gazette notification should precede the publication of notice in the newspaper as per the Act. The arbitrary imposition of urgency clause in this matter was in violation of the Act, so that the protest by the land owners under Section 5 may be avoided.

2.2.8.4 Inordinate delay in possession of land under urgency clause

Under Sub-Section (1) of Section 17 of the Act, the Collector may on the expiry of fifteen days from the publication of the notice in Sub-Section (1) of Section 9 take possession of any land needed for a public purpose.

Audit scrutiny of records of SLAOs of the test checked districts revealed that Government of Uttarakhand issued notifications under urgency clause in all the cases. Out of this none of the cases could be finalised within 15 days but took 79 days to nearly two years. The details are at ***Appendix-2.2***

On this being pointed out, the SLAO stated (June, 2011) that the proceedings were completed with legal and technical process in which the delay was natural. The replies were not acceptable as time taken in finalization of cases clearly showed that the decision to impose urgency clause in these cases was not taken judiciously.

2.2.9 Delay in acquisition of land

As per the Act, declaration under Section 6 should be published within one year and award should be declared within three years from the date of notification under Section 4. Failure in adherence to the schedule would lead to automatic lapse of acquisition proceedings. Under urgency clause, possession of any land needed for a public purpose may be taken on the expiry of fifteen days after publication of notice under Section 9. Audit scrutiny revealed that out of 83 cases received in the test checked districts, only 47 cases were finalised. Out of the 47 finalised cases, there was delay in payment of compensation in 15 cases and delay in taking possession of the acquired land in 14 cases.

2.2.9.1 Interest of ₹ 63.82 lakh paid due to delay in payment of compensation

Section 34 of the Act provides that interest on compensation has to be paid by Collector at the rate of 9 per cent per annum for the first year and thereafter at the rate of 15 per cent per annum from the date of possession.

Audit scrutiny of records of SLAOs of test checked districts revealed that awards in 15 cases were declared with a delay ranging from one month to over 12 years, from the date of possession of land, for which interest of ₹ 63.82 lakh was paid to the parties as shown in ***Appendix-2.3***

On this being pointed out, the SLAOs stated (June, 2011) that it was a time consuming process and according to the Act it was permissible. The reply was not acceptable because as per Government Order (October, 1970), acquisition

proceedings including declaration of award should be completed within 11 months, so that payment of interest could be avoided. Hence, an avoidable interest of ₹ 63.82 lakh was paid due to non-adherence to the time frame prescribed in the Government Order.

2.2.9.2 Slow progress of acquisition of land for Railways

Government of Uttarakhand issued declaration (July & September, 2010) for acquisition of 70.5888 hectare land for construction of Deoband–Roorkee new railway line project in district Haridwar under urgency clause. The land was to be acquired in nine villages⁴⁰.

Audit Scrutiny of records revealed that the possession of 11.8023 hectare of land of three villages⁴¹ was handed over to the Railways in time and possession of the remaining 58.7865 hectare land of six villages was pending since last one year which was contrary to the Government Order⁴² (October, 1970). Further scrutiny revealed that despite lapse of one year from the date of issue of declaration no award was declared.

On this being pointed out, the SLAO stated that the farmers were against the acquisition on the ground that the Department was taking possession of the land in excess of declaration made.

The reply of the SLAO was not convincing on the ground that the possession to Railways could be restricted up to the declared land only and if more land was required by the Railways, fresh notification should have been issued. Moreover, the SLAO did not furnish any evidence in support of the objections raised by landowners. Consequently, despite taking over possession of land under urgency clause, the complete land acquisition had not taken place and the land acquired is lying unutilized. This resulted in non-completion of new railway line project.

2.2.9.3 Delay in declaration of award

197.5373 hectare of land of 46 villages in District Haridwar was to be acquired for National Highway 58. The declaration under urgency clause was issued in April 2010 and even after a lapse of 18 months (November, 2011) awards for only 141.0679 hectare land of 35 villages were declared (December, 2010) and declaration of award for 56.4694 hectare land of 11 villages was pending. On this being pointed out, the SLAO stated (August, 2011) that due to non-receipt of valuation of the assets of area to be acquired, award could not be declared. The reply is not acceptable as the declaration of award should have been made within eight months from the date of notification and after that the compensation should be disbursed within three months as per GO (October, 1970).

⁴⁰ Village: Rahimpur, Nazumpur Paniyali, Salhapur, Paniyala Chandapur, Jhabredi Kalan, Bahistipur, Sheetalpur, Lathardeva Shekh and Jhabreda.

⁴¹ Village: Rahimpur, Salhapur and Bahistipur.

⁴² As per GO of 24th October 1970, the award must be declared within eight months from the date of notification and after that the payment of compensation must be disbursed within three months.

2.2.10 Award Management

At the time of land acquisition, the user Departments have to deposit 100 *per cent* of the expected award in advance under the general clause and 80 *per cent* advance in urgency case to SLAO for payment of compensation to the affected land owners. As per Government Order (February, 1971) there is a provision for charging acquisition proceeding fees from the user Department at the rate of 2.5 *per cent* of expected award amount after notification, five *per cent* after declaration and remaining 2.5 *per cent* on the completion of acquisition proceedings. Various shortcomings noticed in award management are discussed in succeeding paragraphs.

2.2.10.1 Status of land acquisition and payment of awards

The status of award pronounced, value of compensation collected and disbursed and area of acquired land in four test checked districts⁴³, for Government agencies and for Government commercial agencies in district Chamoli is depicted in the table-2.2.3 below:

Table-2.2.3

Particulars	Purpose of Acquisition	2006-07	2007-08	2008-09	2009-10	2010-11	Total
Area of acquired land for (in hectare)	Public purposes	6.6134	4.7493	3.5871	0.8276	141.3169	157.0943
	Company	25.902	38.597	4.271	2.790	12.682	84.242
No. of awards pronounced	Public purposes	5	8	5	5	36	59
	Company	4	6	4	3	7	24
Compensation awarded (₹ in Crore)	Public purposes	5.23	13.31	3.52	2.60	137.76	162.42
	Company	7.26	13.93	1.10	0.99	3.89	27.17
Amount collected (₹ in Crore)	Public purposes	5.33	13.36	3.54	2.83	52.50	77.56
	Company	35.92	0.94	1.26	0.68	5.10	43.90
Amount disbursed (₹ in Crore)	Public purposes	5.08	13.31	3.48	2.60	33.60	58.07
	Company	7.19	13.83	1.01	0.57	3.35	25.95
Amount deposited in court for court cases (₹ in Crore)	Public purposes	0.15	Nil	Nil	Nil	Nil	0.15
	Company	Nil	Nil	Nil	Nil	Nil	Nil

Source: Information obtained from SLAO, Dehradun, Haridwar, Nainital and Joint Organization, Pauri Garhwal.

The above table shows that during the period 2006-07 to 2010-11, the total amount of compensation awarded was ₹ 189.59 crore against which the concerned SLAOs had collected only ₹ 121.46 crore (64 *per cent*) from the user Departments. Thus, there was a short collection of ₹ 68.13 crore from the user Departments due to incorrect estimations as per land acquisition norms. Audit further noticed that only 44 *per cent* of the actual land value was paid to the landowners. It indicated the slackness of the Departments in collection of

⁴³ No land was acquired in Champawat district.

compensation amount from the user Department and disbursement to the landowners. Further, it was also noticed that the major difference in the award pronounced and collected was in the year 2010-11 pertaining to 35 cases of acquisition under public purposes in Haridwar district.

2.2.10.2 Short payment to land owners

(A) SLAO, Haridwar issued notification (May,2007) and declaration (December,2007) for acquisition of 0.1859 hectare of land under urgency clause for the construction of incoming and outgoing Margin lane at combined check post Kuwanheri Narsan, district Haridwar. The SLAO declared the award (April, 2009) at a rate of ₹ 85 lakh per hectare, including 30 *per cent* solatium. After deducting 30 *per cent* solatium, cost of land was arrived at ₹ 59.50 lakh per hectare in place of the actual cost of ₹ 65.38 lakh per hectare. Thus, due to wrong application of rate per hectare of land, the total award of ₹ 28.04 lakh in place of ₹ 29.71 lakh led to short payment of ₹ 1.67 lakh to the land owners as depicted in **Appendix-2.4**. Further, the user Department will have to bear the interest, at the rate of 15 *per cent* per annum, on the residuary amount.

On this being pointed out, SLAO stated (August, 2011) that the facts would be informed after due verification by them.

(B) As per Section 23 of the Act and Government Order (October,1970), the compensation of the acquired land is determined at market value and based on earlier executed sale deeds adjacent to affected land at the date of notification of Section 4 (1).

Audit scrutiny of records of HDA revealed that possession on 15.258 hectare acquired land was taken over (June,2004) for establishment of Transport Nagar (as discussed in *Paragraph 2.2.8.1 (A)*). Initially, the total compensation of ₹ 12.01 crore was calculated (August,2001) at the market rate, in accordance with the Act. On the request of HDA, the value of the land was recalculated at circle rate and compensation was fixed (October,2001) at ₹ 7.75 crore which was against the Act.

On this being pointed out, HDA stated that compensation was determined on the part of SLAO. Thus, a short payment of ₹ 4.26 crore was made due to wrong calculation of compensation which led to undue favour to the user agency.

2.2.10.3 Arbitrary recovery of interest

Audit scrutiny of records (June, 2011) of SLAO, Dehradun revealed that an amount of ₹ 3.44 crore was paid to the affected land owners after taking possession in four out of 30 cases of acquisition. After taking possession (2004-05) of the said land, the Government decided to exempt them from acquisition and the SLAO started recovery of the compensation amount paid (₹ 3.44 crore) to the land owners along with an interest of ₹ 55.12 lakh (calculated at a rate of 12 *per cent* per annum) (as discussed in *Paragraph 2.2.11.1*). As the decision to exempt the land from acquisition was taken by the Government, the imposition of recovery of interest was not justified, there being no fault on the part of land owners. On this being pointed out, the SLAO stated that this was

done in accordance with rule 48⁴⁴ of the Act and Section 17⁴⁵ of Uttar Pradesh Urban Planning and Development Act, 1973. Further, Government also stated (February, 2012) that the levy of interest was according to rules.

The reply was not acceptable as the conditions specified in both the above mentioned Acts were not applicable in this case and levying interest at the rate of 12 *per cent* was arbitrary on the part of SLAO.

2.2.10.4 Excess payment of compensation

(A) As per National Rehabilitation and Re-settlement Policy, 2007 (NRRP), the benefits of lump sum amount of compensation on agreement basis can be provided to those affected landowners who have become marginal farmers or had to migrate due to acquisition of their land.

Audit scrutiny of records of SLAO, Joint Organisation, Pauri revealed that the acquisition of 7.76 hectare (388 *Nali*) land in Auli for Tourism Department was carried out. The SLAO fixed compensation at the rate of ₹ 1.52 lakh per *Nali* in the light of NRRP although not a single case of migration in the affected area was reported by the SLAO. The Tourism Department was made to pay a compensation of ₹ 6.67 crore (80 *per cent* of compensation) against the admissible ₹ 4.56 crore as per the Act.

On this being pointed out, the SLAO admitted that there was no migration case and there was no information regarding landless and marginal farmers in the affected areas. The Government also stated (February, 2012) that an inflated payment was made in accordance to Government decision. Thus, wrong adoption of NRRP in the aforesaid case resulted in excess payment of ₹ 2.11 crore to the land owners.

(B) According to point 6 of the chapter VI of NRRP, a profile of resettlement scheme regarding identification of migrated, landless and marginal farmers would be prepared by Rehabilitation Officer. Thereafter, the report would be brought into notice of the affected land owners through Gazette notification.

Audit scrutiny of records relating to acquisition of land in five villages⁴⁶ of District Chamoli revealed that without ensuring the aforesaid guidelines in the Policy, the advantage of the NRRP was given to all the affected land owners irrespective of whether they belonged to the identified category or not. Further, an inflated payment of ₹ 15.57 crore, against the admissible amount of ₹ 7.20 crore as per the Act, was made in violation of the policy. The Government stated (February, 2012) that compensation of ₹ 15.57 crore including inflated amount was paid to land owners of five villages.

⁴⁴ Provisions of Rule 48 are discussed in paragraph 2.2.6.

⁴⁵ Section 17 of UP Urban Planning and Development Act, 1973 provides that the land owners can reclaim their land on the pretext that the acquired land is not being used for the purpose for which it was acquired. On such request, the land can be exempted on payment of interest as well as refund of compensation.

⁴⁶ Village: Selang-19.02 hectare; Regaon-15.78 hectare; Dhak-7.02 hectare; Chamtoli-1.25 hectare and Tapovan-1.05 hectare. **Total: 44.12 hectare.**

Hence, the failure of the Department to follow the provisions of the policy led to an excess payment of ₹ 8.37 crore to the land owners.

2.2.11 Miscellaneous issues

2.2.11.1 Infructuous acquisition proceeding

Once land has been acquired and handed over to user Department, the acquisition proceedings cannot be terminated except under certain conditions under Section 55 of the Act.

Audit scrutiny of the records of SLAO, Dehradun, revealed that 30 proposals for acquisition of 654.0608 hectare of land of 30 revenue villages of Dehradun District were submitted (2002-03 to 2004-05) under urgency clause for systematic and planned development of Dehradun city. Mussoorie Dehradun Development Authority (MDDA) deposited ₹ 103.90 crore with the SLAO, Dehradun for the payment of compensation to landowners and expenses relating to acquisition proceedings. Notifications under Section 4 (1) and Section 6 of the Act were issued in all 30 cases. Out of 30 cases, possession of land (area 209.526 hectare) in six cases was given and mutation in revenue records was also done in favour of the MDDA. However, the Government exempted (October, 2006 and October, 2007) this land from acquisition after handing over possession of land.

Even as the land was exempted from acquisition without any request of MDDA, the SLAO disbursed ₹ 3.44 crore as compensation to the affected land owners and ₹ 15.06 crore was adjusted against the expenses on land acquisition proceedings. The amount of ₹ 18.50 crore was not refunded to MDDA as of June 2011.

On this being pointed out, the SLAO stated (June, 2011) that land owners' opinion was against the acquisition due to which the Government had taken the decision to exempt the land from acquisition, while MDDA accepted the facts and stated that demand for the refund of deposited amount had already been sent to the Government, but no action has been taken so far. The reply of SLAO was not acceptable as the proceedings of acquisition were exempted and thus, no acquisition expenses should have been realized.

Thus, the decision of the Government to exempt the land from acquisition due to land owners' resistance was contrary to Section 17 (urgency clause) of the Act.

2.2.11.2 Violation of the Act

Section 48 of the Act provides that the Government shall have the liberty to withdraw from acquisition of any land of which possession had not been taken. This was further clarified in GO (February, 1971) that acquisition proceedings can not be stalled after handing over possession of the land to the users.

Possession was taken of 209.526 hectare of land in six cases by SLAO Dehradun by adopting urgency clause, details of which is being depicted in table-2.2.4 below:

Table-2.2.4

Case No	Mauza	Area of land (in hectare)	Date of possession	Date of exemption
4/2002-03	Mazra	61.2080	11-02-04	22-10-2007
6/2002-03	Cargi Grant	29.1280	24-09-04	22-10-2007
5/2002-03	Dhoran Khas	15.9090	22-06-05	22-10-2007
7/2002-03	Tarlanagal	42.5870	07-07-05	22-10-2007
8/2003-04	Brahamanwala	49.6130	23-01-06	22-10-2007
1/2002-03	Raipur	11.0810	06-07-05	22-10-2007
Total		209.526		

Source: SLAO, Dehradun.

However, all the land was exempted by the Government in October 2007 with the direction to recover the cost of land paid to the land owners with interest, in violation of the Act.

On this being pointed out, the SLAO stated that the decision of exemption was taken at Government level and Government also stated (February, 2012) that the land was exempted in accordance to Government discussion. Reply was not acceptable as the Act clearly states that no land can be exempted after taking possession and thus, the exemption after possession of land was contrary to the provisions of Act.

2.2.11.3 Non-compliance of prescribed provisions

(A) As per Land Acquisition (Uttar Pradesh Amendment) Act, 1954 SLAO works in the capacity of Collector under Section 3 (c) in the matters of land acquisition. SLAO should put his signature on award as Collector in lieu of 'for Collector'.

Audit scrutiny of the records of SLAO Dehradun, Nainital and Haridwar revealed that the acquisition authorities did not perform the acquisition proceedings as Collector. Audit Scrutiny of acquisition cases of Chamoli revealed that there was no certified details of sale deeds on the basis of which compensation was calculated. Hence, the acquisition authorities did not perform their duties as per prescribed provisions.

(B) As per Government Order (February, 1971) only 10 *per cent* of expected compensation amount should be taken by SLAO after completion of acquisition proceedings.

Audit Scrutiny of records of SLAO Haridwar revealed that in acquisition cases of 3.3099, 6.1485 and 2.3439 hectare land in Rahimpur, Salhapur and Bahastipur respectively (November, 2009) 10 *per cent* of expected compensation amount of ₹ 28.06 lakh⁴⁷ was taken from Railway by the SLAO before ensuring the declaration of award, and the acquisition proceedings were pending from the last two years.

⁴⁷ Rahimpur ₹7.87 lakh, Salhapur ₹14.62 lakh and Bahastipur ₹ 5.57 lakh.

On this being pointed out, SLAO admitted the irregularities.

(C) Audit Scrutiny of the records of SLAO, Haridwar revealed that two cases of acquisition of land⁴⁸ for Irrigation Department for 0.030 hectare and 0.193 hectare were respectively initiated (August, 2006 & February, 2007). The Department, contrary to Government Order (February, 1971), charged the acquisition fees at the rate of 10 *per cent* instead of the admissible rate of 2.5 *per cent* of the entire cost of acquisition. In the meantime, the user Department negotiated the purchase of land with landowners and requested the Department for termination of the acquisition proceedings and refund of the deposited fees. The Department forwarded (July, 2007) the request to Government but decision on cancellation of acquisition was pending.

On this being pointed out, the Department failed to justify the charging of 10 *per cent* acquisition fees in advance.

2.2.12 Allotment of land

Government land is allotted on lease according to Government Grant Act, 1895 (GG Act). According to Government Order (October 1987), the land is allotted on lease initially for a period of 30 years and may be renewed twice for the same period subject to a maximum of 90 years. The allotted land must be utilized for intended purpose within three years from the date of allotment. The Government Order (May, 1984) envisages prioritization⁴⁹ in allotment. Before the allotment, it should be ensured that the category wise priority envisaged in the GO is exhausted accordingly and a certificate to this effect has been attached by the competent authority.

2.2.13 Procedure of allotment

Allotment of land means leasing out of Government land, for a specified period of time, for certain purposes on the basis of defined priorities under Government Grants Act, 1895.

Under the G G Act, land under the control of Government, which had come under the Government fold under Uttar Pradesh Zamindari Abolition & Land Reforms Act, 1950 and Uttar Pradesh Ceiling Act, 1960 & 1976 and was handed over to village Panchayats, Urban Local Bodies and Development Authorities for its management, could be allotted on lease. In addition to the GG Act, Government Orders (GOs) can also be issued for facilitating the leasing criteria. Accordingly, GO (May, 1984) has been issued by Government of Uttar Pradesh stating the priorities of allotment to various categories. The allotment was to be made free of cost for the first three categories enlisted in the priority list and on payment of Nazrana (cost of land) and Malguzari (lease rent) as per specified rates from the remaining categories.

⁴⁸ For construction of Parallel Deoband branch feeder channel in village Lathar Deva Hoon, Pragana Manglore

⁴⁹ Priority sequence: (i) landless people (ii) planned development of villages (iii) Service and Commercial Department /agencies of State Government (iv) Central Government and private persons/ institutions.

2.2.14 Status of allotment in the test-checked districts

The position of allotment of land during 2006-11 in test-checked districts is given in the table-2.2.5 below:

Table-2.2.5

Year	Number of Districts	No. of allotment	Area of land allotted (in hectare)
2006-07	3	37	42.0116
2007-08	3	38	72.9125
2008-09	3	46	40.7372
2009-10	3	32	27.3338
2010-11	3	41	47.2902
Total		194	230.2853

Source: Information obtained from DM, Dehradun, Haridwar and Nainital.

Note: Five districts were selected as test-checked districts, out of which in Chamoli and Champawat district there was no allotment cases during the period 2006 to 2011 due to Supreme Court decision related to Godavarman case where the entire unmeasured hilly land has been declared as forest land.

2.2.15 Violation of rule in allotment of land

As per GO (May, 1984), the management of Government land is to be looked after by the Village Panchayat, Urban Local Bodies (ULBs) and Development Authorities and land may be allotted by the Government to various agencies after production of a certificate by DM that the land has been allotted to all entitled persons viz; landless people, planned development of villages, Service and Commercial Department/ agencies of State Government, Central Government and private persons/ institutions.

(A) As per GO (May, 1984), the concerned DM has to certify that the land has been allotted to the entitled persons as prioritized in the rule and the expected land has been reserved for general utilization and systematic development of village.

Audit scrutiny of records of DMs of Dehradun, Haridwar and Nainital revealed that 58.507 hectare⁵⁰ of land was allotted on lease to Government Departments without the required certificate.

On this being pointed out, the DLROs stated (July & August, 2011) that the proposals were sent to Government by DM for allotment of land. The reply was not acceptable as the DLRO was to assist the DM in this regard and the function of DLRO included examination of various proposals regarding allotment of land.

⁵⁰ **Dehradun:** Air Force Navel Housing Board, 6 hectare; Uttarakhand Power Corporation Ltd, construction of 132 KV sub station at Lal Tappar, 2 hectare; Archeological survey of India, 0.08 hectare; Co-operative Cane Development Society Doiwala, 0.045 hectare; SIDCUL, 4.24 hectare; Bharat Sanchar Nigam Ltd, 0.02 hectare; **Haridwar:** Sita Devi Memorial Institute of Education and Technology, Idgah Road, Jwalapur, 2.141 hectare; India Reserve Vahini, Village Kheri Shikohpur Jadid Mustkat, 40.27 hectare; Matri Anchal Sanskar Kendra, 0.41 hectare; SOS Children Villages, 1.70 hectare; **Nainital:** Uttarakhand Power Corporation Ltd for construction of 33/11KV sub station at village Phoolchaur, 1.601 hectare.

Thus, in the absence of the prescribed certificates, the audit could not verify the veracity whether the allotment was carried out as per the priority list envisaged in the GO.

(B) Village Panchayat Bhopal Pani, Dehradun had moved (April,2006) an application for allotment of land for Panchayat Ghar and play ground, which was second on the list of priority for allotment as per rule. However, the Government allotted (July,2007) the aforesaid 3.237 hectare land to India TV Institute by ignoring the priority prescribed in the rule. The matter was reported (May,2008) to Chief Minister by the villagers but no action on the complaint was taken since the last three years.

On this being pointed out, DM, Dehradun stated that the land was allotted on the direction of Government and a letter has been issued to Tehsildar, Dehradun asking whether land was available for general use like play ground and Panchayat Ghar.

The reply was not acceptable because at the very first instance the allotment should have been made as per the priority prescribed in the GO, which was not the case.

(C) The Revenue Department received 1250.87 acre land⁵¹ from ceiling in District Nainital. According to Government Order (May,1984), the first preference was to be given to the landless for allotment of land. Out of the acquired land, 1080.96 acre⁵² was allotted to Government bodies but no piece of land was allotted to the landless. Audit scrutiny revealed that no exercise for identifying the landless in the area was carried out, which was in violation of the Government order as the land was allotted without ensuring the availability of entitled persons. The DM Nainital failed to produce evidence to show that there was no landless person for allotment of land.

On this being pointed out, DM stated that the decision was taken at Government level. Further, Government stated (February,2012) that land at Dhari Tehsil was non-agricultural land and physical verification is being carried out in respect of land at Nainital Tehsil.

The reply was not acceptable as it was the responsibility of DM to submit a certificate to the Government while sending the proposal of allotment of land that the land had been allotted to all entitled persons as per the priority list and as envisaged in G.O (May,1984) the non-agricultural land should be reserved for planned development of village.

2.2.15.1 Arbitrary change of category of land

The Government of Uttarakhand allotted submerged land to four user Departments as detailed in the table-2.2.6 below:

⁵¹ Tehsil Nainital 1190.19 acre and Tehsil Dhari 60.68 acre.

⁵² Tehsil Nainital 1020.28 acre and Tehsil Dhari 60.68 acre.

Table-2.2.6

Year	Name of user Departments	Name of Area	Area allotted (in hectare)	Purpose
2007-08	Police Department	Harrawala	0.020	Police chowki
2008-09	Air Force Naval Board	East Hopetown, Jhajhara	6.00	Residential
2009-10	Zila Yuwa Kalyan Evam Prantiya Rakshadal	Badhau	1.155	Construction of Stadium
2010-11	Directorate of Home guard	Nanoor Khera	0.154	Office building
Total			7.329	

Source: DLRO, Dehradun.

It is evident from the above table that the land was required by the user Departments for residential, welfare activity and official purposes. Audit Scrutiny revealed that the Government had allotted the aforesaid land to user Departments with arbitrary change of category of land from submerged land to residential, without getting any geological or feasibility reports from the National Institute of Hydrology (NIH), Roorkee or from any recognized geologist. Moreover, construction work on the land allotted to Air Force and Naval Board has started on the basis of map approved by the MDDA.

On this being pointed out, the DM admitted the fact (July, 2011) while the Secretary, MDDA assured investigation in the matter.

2.2.16 Collection of Nazrana and Malguzari

Government Order (May, 1984) provides that the cost of land was to be realized as Nazrana from Central Government/ State Commercial Departments and private institutions at the rate of two times of prevailing market rate.

In addition to this, as per G O (September, 1997) the lump sum rent of the land as Malguzari was to be realized at the rate of 100 times, 150 times and 20 times, of the prevailing rates, from Central Government, State Commercial Departments and private persons/Institutions respectively.

(A) According to Government Order (May, 1984) issued under Uttar Pradesh Zamindari Abolition Act, 1950 Nazrana (cost of land) at 2 times of market rate along with 20 times of Malguzari (lease rent) was to be realized from private institutions in lieu of Government land allotted to them.

Audit scrutiny of records of DM, Haridwar revealed that Government of Uttarakhand allotted 1.70 hectare and 0.410 hectare land to two NGOs viz; SOS children villages and Matri Anchal Sanskar Kendra in October 2006 and September 2008 respectively. The land was allotted to these NGOs on payment of ₹ one and ₹ 33.70 lakh respectively instead of ₹ 12.11 lakh and ₹ 2.21 crore respectively contrary to GOs issued under UPZA Act, 1950. On this being pointed out, the DLROs stated (August, 2011) that the lands were allotted at the Government level. The reply was evasive, because as per procedure, the proposal of allotment is always mooted by the district authorities. It was also noticed

during joint physical verification of the site that the allotted area of land was lying unutilised from three to five years as depicted in the pictures below:



Thus, the Government had allotted the land to the NGOs in violation of the GO (May, 1984) which resulted in loss of revenue of ₹ 1.99 crore⁵³.

(B) Similarly, during scrutiny of records of DM, Dehradun it was noticed that an area of 4.385 hectare⁵⁴ land was allotted to the Central Government and Commercial Departments during 2006-11 by the Government free of cost in contravention of GOs (May, 1984 & September, 1997) issued under UP Government Grant Act, 1895, where under cost of land (Nazrana) and lease rent (Malguzari) was to be realized at the rate of two times and 100 or 150 times of the prevailing market rate respectively. On this being pointed out, Department admitted the facts (July, 2011) but failed to report the amount of revenue loss.

(C) Ministry of Road Transport and Highways (MORTH), Government of India, issued notification (April, 2010) to acquire 197.5373 hectare land for widening/ four laning etc. for National Highway-58 in the chainage of km 152 to km 210.620 Muzaffarnagar-Haridwar section.

Audit scrutiny of records (August, 2011) of SLAO, Haridwar revealed that out of total required land, 24.8808 hectare land belonged to the State Government. Nazrana and Malguzari was not recovered from the National Highways Authority of India (NHAI) as per Government Orders (September, 1997) on the State land. On this being pointed out, the SLAO stated (August, 2011) that the matter is pending at Government level. The reply was not acceptable, as no demand was raised by the Department with NHAI before grant of land.

(D) As per Government Orders (May, 1984 and September, 1997) the lump sum Nazrana as a cost of land and lease rent recovery was to be made from the Departments of Government of India, Commercial Department of State Government and annual lease rent from private institutions.

⁵³ ₹ 2.21 crore – ₹ 0.34 crore = ₹ 1.87 crore + ₹ 0.12 crore = ₹ 1.99 crore.

⁵⁴ Indian Archeological Department 0.080 hectare, Co-operative Cane Development Society Ltd Doiwala 0.045 hectare, SIDCUL 4.240 hectare and Bharat Sanchar Nigam Ltd 0.020 hectare.

Audit scrutiny of records of DM, Dehradun revealed that lease rent of ₹ 2.02 lakh was not realized from six⁵⁵ Departments/private institutions in lieu of Government land allotted to them.

At the instance of audit, the Department issued (July, 2011) letters to the defaulter Departments/private institutions for recovery of lease rent.

2.2.17 Non-utilization of land within prescribed time limit

As per GO (October, 1987), the allotted land must be utilized for intended purpose within three years from the date of allotment failing which the allotment stands cancelled. Further, there are no clear cut guidelines regarding timelines for execution of lease deed and giving the possession of land after allotment which makes it difficult for the allottees to utilize the land within three years. Audit noticed that no such exercise was carried out either at the district or State level to ensure utilization of allotted land in compliance with this order. No data or reports were being maintained at either level as a result of which audit was unable to comment on the status of utilization of land after allotment.

(A) The Government of Uttarakhand allotted (October, 2003) 20 hectare land to Taleem Research Foundation (Institute), Ahmedabad, Gujarat to establish Himgiri Nabh Vishwavidyalaya at Village Shishambara, Tehsil Vikas Nagar, District Dehradun at a cost of ₹ 1.58 crore and annual lease rent of ₹ 0.49 lakh. The Institute deposited the amount and lease deed was executed on 6 December 2004.

As per conditions specified in the allotment letter, the land was to be utilized within three years, otherwise allotment would be cancelled.



Audit Scrutiny of records of DM, Dehradun revealed that the first report of non utilization was reported to DM, Dehradun by Sub District Magistrate (SDM), Vikasnagar after elapse of more than five years (July, 2010) since the execution of the lease deed. Out of the proposed construction on 12.55 hectare of land, the Institute could only partially

utilize 0.16 hectare of land. Moreover, the Institute did not deposit the lease rent of ₹ 1.47 lakh since the last three years. During joint physical verification of the construction site, audit noticed that no work was being carried out on the partially constructed building since 2006. The under construction Vishwavidyalaya is depicted in the picture given along side:

⁵⁵ India TV ₹ 3,000; Jagran Public Trust ₹ 3,000; Border Road Organization ₹ 36,600; Meteorology Department ₹ 9,000; Army Welfare Housing Organization ₹ 3,836 and Himgiri Nabh Vishwavidyalaya ₹ 1,46,706.

On this being pointed out, the DLRO replied (July, 2011) that the cancellation of the allotment was under consideration from 2010. However, as mentioned above the first reporting was made in July 2010.

Thus, the government could neither ensure utilization of the allotted land nor cancellation of its allotment as per the GO.

(B) It was observed in audit scrutiny that six cases of allotment of land were made by the Government from 2007 to 2009 in which the lease agreements were executed with considerable delay. The details of such cases are being depicted in table-2.2.7 below:

Table – 2.2.7

Date of Allotment	Area of land in (hectare)	Purpose of allotment of land	Date of execution of lease	Delay in finalization of lease (in days)
17-12-2007	2.0235	Hostel of Jagran Public School Trust	04-08-2008	231
30-06-2008	0.6070	Residential and Office of Meteorology Department	12-07-2010	742
27-05-2008	4.0000	Residential building of Air Force and Naval Board	01-06-2009	370
04-08-2008	7.0650	Establishment of State Art Institute	01-06-2009	301
06-03-2009	0.2594	Construction of Passport Office	15-04-2011	770
27-02-2009	1.2140	Monitoring center of Communication & Information Technology Department	12-01-2011	684

Source: DLRO, Dehradun.

On this being pointed out, the DM, Dehradun stated (July, 2011) that the delay was due to some formalities relating to lease rent, Nazrana and registration of lease deed.

The reply was not acceptable. As can be seen from the details above, the time taken in executing the lease deed from the date of allotment took as much as two years thus, making it difficult for the lessee to comply with the utilisation clause of allotment and consequent cancellation of the allotments made.

(C) The Government of Uttarakhand allotted (December, 2007) 7.406 hectare of land to Border Road Organization (BRO) for establishment of Project Office of the Chief Engineer with the condition that the allotted land must be utilized for intended purpose within three years from the date of allotment otherwise it will be automatically deemed to have been cancelled.

Audit scrutiny of records of DM, Dehradun revealed that the Department had executed the lease deed with BRO with a delay of more than two years in March 2010 and possession of the land had not been handed over to BRO. Moreover, the BRO itself had requested for possession of land for the first time in May 2011.

On this being pointed out, the DM, Dehradun stated (July, 2011) that the delay in execution of lease deed was due to late deposition of cost of land by the user agency and SDM, Rishikesh had been directed (July, 2011) for handing over possession. The reply of DM was not convincing as the land was allotted to BRO

more than three years back and according to allotment conditions, the allotment of land was to be automatically cancelled after the lapse of three years from the date of allotment.

(D) Audit scrutiny of records relating to the allotment of Government land in district Dehradun, revealed that 2.0234 hectare land was allotted (December, 2007) to Sri Puran Chandra Gupta Memorial Trust, Kanpur for residential school with the condition that land was to be utilized for the intended purpose within three years of allotment. The aforesaid trust failed to use the land within the stipulated period and instead applied to the Government to change the purpose of the utilization of land to Jagaran School of Integrated Law. The request was accepted by the Government and change was made accordingly (August, 2010). Despite this the allotted land was lying idle till July 2011 and the required certificate regarding exhausting the priority list was also not found in the record.

On this being pointed out, the DLRO replied (July, 2011) that the allotment and the change of purpose of allotment was made by the Government itself and promised to sort out any procedural mistake made if any at the time of sending of proposal to the Government.

(E) According to Section 167 of UPZA Act, land holding by a land owner beyond 12.5 acre (5.06 hectare) was to be treated as Government land.

Audit scrutiny of records of DM, Dehradun revealed that Birla Yamaha Limited had purchased 14.90 hectare land to establish a manufacturing unit. As per the Ceiling Act, the excess land of 9.842 hectare was acquired by the Government. However, the same land was allotted (June, 1986) to the said company on lease for 30 years on payment of an annual lease rent. The DM, Dehradun informed (September, 2000) the Secretary, Revenue Department, after 14 years of allotment, to cancel the lease as 7.284 hectare land was lying idle and the company had also not paid the lease rent. Further, the Government sanctioned (September, 2005) fresh lease with the instruction that the company was to pay a lump sum amount as Nazrana (twice the present value of land) and lease rent (20 times of Malguzari) per annum. But the company had not paid Nazrana and lease rent. The DM, Dehradun instructed (May, 2008) the SDM, Rishikesh to submit a report for cancellation of allotment of land which was submitted in July 2008. In the mean time, the company filed (2008) a court case against the cancellation of lease.

On this being pointed out about the inaction on the part of the district authorities in getting the lease cancelled, the DM, Dehradun stated that there was no delay on the part of administration and that the Company was intimated about the cancellation of lease through the GO.

The reply of the Department was not acceptable for the fact that the DM failed to produce any record in support of the cancellation notice served. Further, the allotment which should have been cancelled by 1989 as per the GO (May, 1984) was not cancelled till the date of audit leading to the matter being taken to court.

2.2.18 Non-renewal of lease land allotted under GG Act

According to Government Order (October, 1987), the land is allotted on lease initially for a period of 30 years and may be renewed twice for the same period subject to a maximum of 90 years. However, the State Government (UP/Uttarakhand) issued orders from time to time to freehold the Nazul land in favour of lease holders.

(A) Audit scrutiny of records (May, 2011) of DM, Champawat revealed that 343 plots were allotted on lease during 1974 to 1984. The tenure of lease was 90 years subject to the condition that the lease would be renewed after every 30 years. Audit scrutiny revealed that 103 lease holders continued to occupy the land even after expiry of lease period. No mechanism was adopted for realization of periodical revised lease rent. The Department was not in a position to work out the pending amount of lease rent.

On this being pointed out, the Department stated that necessary steps would be taken up in respect of lease expired cases as well as realization of revised lease rent.

(B) A total number of 143 lease holders were settled temporarily in the military cantonment in an area of 35.8771 hectare at Lohaghat in Champawat district. Further, scrutiny of records of the DM, Champawat revealed that there were several cases of transfer of lease land by original lease holders to others without prior permission of the controlling authority (Revenue Department). Renewal proceedings had also not been initiated till May 2011, and lease holders unauthorizedly occupied the land without paying the lease rent.

Similarly, there were 365 cases of temporary lease land covering the area of 6.1028 hectare noticed as per the records maintained by Nagar Palika Parishad, Tanakpur in Champawat District. The Nagar Palika Parishad, Tanakpur approached the Government (July, 2010) for conversion of this land into *Nazul* land to regularize the unauthorized occupants through freehold. Before 1971, it was managed at the level of Tehsil under the control of Revenue Department and thereafter no renewal proceedings were carried out and lease holders continue to occupy the land unauthorizedly.

On this being pointed out, the DM admitted the facts and stated (May, 2011) that the matter has been taken up with the Government for making the policy in this regard.

The matter was raised during the exit conference; no reply was received from the Government.

(C) The *Nazul* Land⁵⁶ in district Haridwar and Nainital was being managed by Municipal Corporations. The leases on *Nazul* Land were allotted for 90 years subject to renewal of two times at the interval of 30 years.

Audit Scrutiny of records (August 2011) of DM, Haridwar and Nainital and information collected from Municipal Corporations revealed that there were

⁵⁶ The plot of ground lying in or near a city belonging to the Government.

283 lease holders in Haridwar having 6.1998 hectare land and 2,557 lease holders in Nainital having 210.0109 hectare land as depicted in the table-2.2.8 below:

Table -2.2.8

Name of District	Name of Municipal Corporation/ Municipality	No. of lease holders	Area of lease land in hectare	No. of lease not renewed	No. of free hold plots	Area of free hold in hectare	Percentage of free hold plots with reference to lease hold plots
Haridwar	Haridwar	110	6.0641	63	47	1.8027	42.73
	Manglore	170	NA	168	2	-	1.18
	Roorkee	3	0.1357	-	1	0.0168	33.33
Total		283	6.1998	231	50	1.8195	17.67
Nainital	Bhowali	307	20.9736	147	113	4.1437	36.81
	Haldwani	1057	144.0183	588	47	4.6214	4.45
	Nainital	154	23.2840	122	32	1.7438	20.78
	Ram Nagar	1039	21.7350	478	437	8.2620	42.06
Total		2,557	210.0109	1,335	629	18.7709	24.6

Source: Information collected from Nagar Nigam, Haridwar & Haldwani, Municipality Manglore, Rorkee, Bhowali, Nainital & Ramnagar.

According to Government Order (October, 1987), the lease rent may be increased by 2.5 times of existing lease rent at the time of renewal. But 231 and 1335 lease holders in Haridwar and Nainital respectively never renewed the lease after initial allotment. Maintenance of records was very poor and lease rent was also not being recovered from the lease holders. Amount of outstanding lease rent recoverable from lease holders was not calculated by the respective Municipal Corporations/ Municipalities. Further it was revealed that in Haldwani, Nainital and Ram Nagar 82, 19 and 5 lessees respectively who were allotted before 1921 had expired and the lease expired land was neither cancelled nor converted to freehold. On this being pointed out, the DM stated (August, 2011) that the Municipal Corporations/ Municipalities have been directed to take necessary action.

Thus, even though Government of Uttar Pradesh and Government of Uttarakhand issued orders from time to time to freehold the *Nazul* Land in favour of lease holders as can be seen from the table above, only 50 (18 *per cent*) and 629 plots (25 *per cent*) were converted to freehold in Haridwar and Nainital respectively and is indicative of slow approach of Revenue Department and Municipal Corporations for such conversion.

2.2.19 Management of land by Development Authorities

The motto of the development authorities is to promote the urban development and planning the work in the State. The source of land bank for this purpose is formed through *Nazul* land, Ceiling land (Surplus land acquired in ceiling) and acquired land (through Land acquisition proceedings).

2.2.19.1 Short acquisition of land

Government of Uttarakhand issued notification (March, 2003) under Section 17 of the Act for acquisition of 12.330 hectare land for construction of Transport Nagar/Storage (Bhandaragar) at Mauza Sewala Khurd, district Dehradun.

Audit scrutiny of records (June, 2011) of MDDA revealed that instead of 12.330 hectare of land, only 8.393 hectare was acquired for the project and 3.937 hectare left out from acquisition without any revised notification issued by the Government.

On this being pointed out MDDA stated (June, 2011) that 8.393 hectare land was acquired as the same was found useful on spot.

The reply was not acceptable as the Government issued preliminary and final notification for acquisition of 12.330 hectare land and neither had MDDA pointed out at any stage that only 8.393 hectare land was required nor approached the Government for issuing revised notification.

2.2.19.2 Poor management of Nazul Land

Government of Uttar Pradesh transferred the management of *Nazul* Land from Municipal Corporation, Dehradun to MDDA in September 1986. As per records maintained by MDDA, there are 498 lease holders having 67.4547 hectare land in their possession in Dehradun.

Audit scrutiny of records (June 2011) of MDDA revealed that from the year 1932 to March 2011 lease of 422 allottees had expired. However, neither their lease was renewed nor cancelled by MDDA and lease rent was also not being recovered from them. Reasons for non-recovery of lease rent not forthcoming from the records. Only 76 lessees holding 3.6848 hectare land were valid.

On this being asked by audit, the MDDA stated that no notice was issued to the lease holders.

Further, audit scrutiny revealed that, despite of several orders issued from time to time by Government of Uttar Pradesh and Uttarakhand to freehold the *Nazul* Land in favour of lease holders, only 151 leases involving an area of 6.3433 hectare were converted to freehold, out of which 57 plots were fully freehold and 94 were partially freehold. Similarly, in Mussoorie 9.8189 hectare of *Nazul* land was allotted to 211 lease holders. Out of this, only 12 plots were converted into freehold. It is evident from the above that the progress of freehold of *Nazul* land was very slow.

On this being pointed out, the MDDA accepted the facts and stated (June, 2011) that due to settlement of objections, progress was slow.

2.2.19.3 Diversion of land for unapproved purposes

Government of Uttarakhand issued notification (June 2001) under Section 17 of the Act for acquisition of 13.921 hectare land for construction of Bus Terminal at Mauza Mazra, Dehradun and finally 13.454 hectare land was acquired for the purpose.

However, scrutiny of records (June, 2011) of Mussoorie Dehradun Development Authority (MDDA) revealed that apart from construction of Inter State Bus Terminal (ISBT), a Mall was also constructed on 4.255 hectare of land. Housing Scheme was under construction on the remaining land measuring 9.199 hectare as depicted in the pictures :



Thus, the land which was acquired for construction of Bus Terminal was irregularly diverted for additional activities viz; construction of Mall and a Housing Scheme.

On this being pointed out the Secretary, MDDA stated (June, 2011) that the additional construction alongwith ISBT was made according to Uttarakhand Uttar Pradesh Urban Planning and Development Act, 1973 as amended by Uttarakhand Government in 2000. Further Government stated (February, 2012) that, if the land was acquired for public purpose and after completion of such work, if land remains balance the same could be used for public purpose. The reply was not acceptable as according to the Act, the land should have been utilized for the purpose for which it was acquired. Moreover, the land was diverted for additional activities without issuing revised notification.

2.2.20 Non-maintenance of records

2.2.20.1 Variation in reports furnished by Revenue Department and District Administration

As per annual report (2010-11) of CRC, 3,310 leases covering an area of 2,135.14 hectare of land were allotted under GG Act, 1895 prior to 2006-07 in Nainital district whereas the DM, Nainital reported 735 lease cases on the basis of their records, while in audit DM could provide a list of only 639 lease holders covering area of 67.947 hectare. Moreover, 512 lease holders had not renewed their leases since their expiry. Hence their occupation was unauthorized.

On this being pointed out, the district administration admitted (July, 2011) the facts but was unable to justify the variations. Thus, there was huge variation between the two sets of figures of CRC and DM itself. The matter needs to be investigated and reconciled at both the levels of the Government.

2.2.21 Conclusion

The Land Acquisition Act (the Act) came into existence in 1894 and under the Act, the Government had the power to make/alter/add rules for guidance of officers in all matters connected with its enforcement. However, no such rules have been made by the State Government even after a lapse of a decade since formation of the State. No mechanism existed in CRC/Divisions for proper maintenance of records, compilation of data and consolidation of any periodical information from the districts and the Department was fully dependent on the district authorities for various requisite information. No computerized data of acquisition and allotment of land was maintained at any stage by any of the District Authorities/Divisions/CRC. Cent percent acquisition proceedings were carried out under the urgency clause in the test-checked districts. Even in the cases of land acquired under urgency clause there were cases of inordinate delay in possession of land, unauthorized work and non-utilization of acquired land. Audit also noticed delay in acquisition proceedings and out of the 83 cases only 47 were finalized. The delay occurred at various stages; from delay in declaration of award to delay in compensation to the landowners. Audit also noticed cases of both excess and short payment of compensation to landowners.

The allotment in the State, governed by the GG Act, showed violation of rule whereby, land was to be allotted as per the priority list prescribed by the GG Act. There were cases in which land was allotted free of cost to both private and Government institutions. There were instances of violation of the GG Act whereby the allotted land was neither utilized within the prescribed period nor was the allotment cancelled by the competent authority. Further, the allotted land was not used for the purpose for which it was allotted. In most of the cases, it was noticed that the leases of land, which were to be renewed every 30 years, were not renewed and the lease holders continued to occupy the land without paying the lease rent. The arbitrary application as well as non compliance of the Acts led to mismanagement of allotment and acquisition of land in the State.

2.2.22 Recommendations

The Government may consider to ensure:

- *compliance of Section 55 of the Act through making suitable amendments for the Department.*
- *rational use of the urgency clause for acquisition of land.*
- *timely completion of acquisition proceedings to avoid payment of interest on compensation to land owners.*
- *prompt action on the cancellation of allotment in cases of non-utilisation of allotted land.*
- *timely renewal of all leased land.*

Thematic paragraphs

PUBLIC WORKS DEPARTMENT

2.3 Use of Forest land for non-forest purposes

Test check of 17 divisions (out of 77 divisions) revealed that 339 road works amounting to ₹ 497.35 crore remained suspended due to non-obtaining of forest clearance. Of this, funds to the tune of ₹ 229.16 crore against 142 works were found blocked due to inaction/laxity of the Department. Besides, 34 works were taken up in violation of the Forest (Conservation) Act, 1980 and expenditure incurred thereon worth ₹ 15.13 crore proved unfruitful.

2.3.1 Introduction

Government of India (GOI) introduced the Forest (Conservation) Act, 1980 to regulate the use of forest land for non-forest purposes by adopting a balanced approach towards development and natural resources so that adverse effect on environment can be avoided.

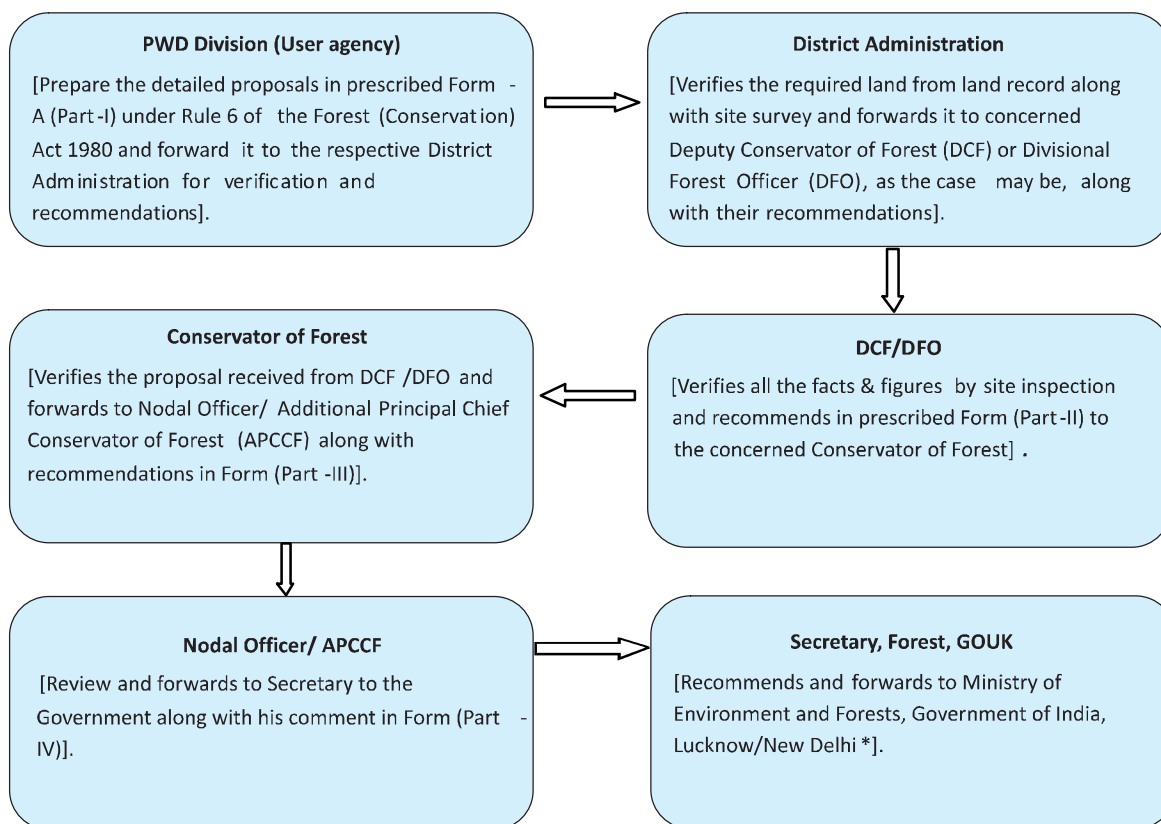
The Public Works Department (PWD) of the State Government is mainly responsible for construction of the roads, bridges and buildings to address necessity of local populace and large number of these works involve use of forest land. Keeping this in view, the functioning of PWD in respect of use of forest land for non-forest purposes was examined in audit. The audit was carried out (between May and August, 2011) through test-check of records of randomly selected 17 Divisions⁵⁷ (out of total 77 Divisions of the PWD, except Electrical & Mechanical Divisions) and information for the State as a whole was obtained from the office of the Chief Engineer (Level-1), Uttarakhand, Dehradun.

Ongoing 2101 construction works for 8391.84 km road length and 299 bridges as on 31 March 2011 of the sampled divisions were analysed to identify the works involving forest land and to know the status of works remaining incomplete due to delay in preparation of proposals/submission of incomplete proposals, delay in construction and non-settlement/clearance of forest land cases which led to idling/blocking of funds and non-achievement of intended objectives.

2.3.2 Procedure for acquiring forest land

A brief description of the procedure for acquiring the forest land through various stages is depicted in the flowchart given below:

⁵⁷ Provincial Divisions: Champawat, Pithoragarh, Didihat (Pithoragarh), Almora, Lansdowne, Rudraprayag, Construction Divisions: Lohaghat, Narendra Nagar, Duggada, Almora, Bajrao, Ukhimath; Temporary Divisions: Bhowali, Sahiya, and PMGSY Divisions: Nainital, Kotdwar, Almora.



*Proposals upto 40 hectares are sent to the Regional Office at Lucknow and proposals above 40 hectares are sent to the Ministry of Environment & Forest, GOI, New Delhi.

2.3.3 Audit findings

The audit findings are discussed in the succeeding paragraphs:

2.3.3.1 Status of works and proposals

At the end of March 2011, there were 6891 sanctioned road works amounting to ₹ 6,348 crore with the PWD for construction of roads in all over the State, of which, 1705 works amounting to ₹ 2,785.62 crore required clearance of forest land from the GOI. However, the Department succeeded in obtaining final approval from the GOI in 666 cases (39 per cent). Of these, 87 works amounting to ₹ 360.18 crore were yet to be taken-up, for want of marking and cutting of trees by the Van Nigam which was in progress, even after final approval of the GOI. The proposals for the rest of 1,039 works amounting to ₹ 1,642.76 crore were pending at different levels.

In 17 test checked divisions, there were 2,101 sanctioned works amounting to ₹ 2,314.16 crore, of which, 489 works (23.27 per cent) involved use of forest land and only 150 works (30.68 per cent) were granted final approval by the GOI. The

proposals for the rest 339 works (69.32 *per cent*) costing to ₹ 497.35 crore were pending at different levels as per details given in the table-2.3.1 below:

Table: 2.3.1

Sl. No	Particulars	No. of cases	Amount (₹ in crore)	Audit observation
1.	Proposals sent to the GOI	72	112.41	The pendency was due to inaction and laxity in processing/pursuance of the cases by PWD divisions as detailed in succeeding paragraph 2.3.3.2, 2.3.3.3 and 2.3.3.4.
2.	Proposals with the Nodal office	31	59.98	
3.	Proposals with the CF office	22	28.09	
4.	Proposals with the DFOs	34	45.73	
5.	Proposals with Distt. Administration	10	16.98	
6.	Pending at division's level	170	234.16	
Total		339	497.35	

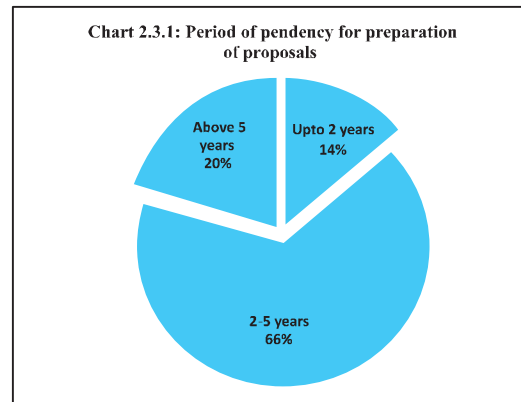
Source: Information obtained from test checked divisions.

2.3.3.2 Non-preparation of proposals

A joint inspection/survey with Forest and Revenue Departments for determining actual position of the land *viz*; title and type of land has to be conducted before preparation and submission of the proposal for transfer of forest land to forest authorities. The proposal includes a 1:50000 scale map showing the forest land, boundary of adjoining forest, justification for locating the project in forest area, cost benefit analysis etc. An undertaking to bear the cost of raising and maintenance of compensatory afforestation etc; is also submitted along with Form-A for seeking approval from the Forest authorities.

Audit scrutiny of the records of the test checked divisions revealed that out of 170 works involving forest land pending at the divisions' level, 122 works amounting to ₹ 154.49 crore (under which 668.88 km roads were proposed to be constructed to provide connectivity to 243 villages /64557 people) were more than one year old (sanctioned between January, 2002 and March, 2010) but no proposals were prepared for these works by the respective divisions. The period of pendency for preparation of proposals of these works could be seen from the chart alongside.

Audit observed that the proposals could not be prepared in absence of the joint inspection/survey with Revenue and Forest Departments and due to non-finalisation of alignment of roads. Moreover, there was no time frame fixed by the Department for preparation of proposals and also no urgency was reflected in the Departmental efforts in this regard. This resulted in non-utilisation of sanctioned funds to the tune of ₹ 154.49 crore. Such undue delay in early stages of road works ultimately leads to revisions of sanctioned cost or causes incomplete construction in most of the cases. Therefore, Department may consider fixing time frame for preparation of proposals relating to road works.



2.3.3.3 Delay in processing the proposals

Randomly selected 17 works of the sampled divisions were scrutinized in detail by the audit which revealed that there was a delay of one to seven years in preparation and submission of proposals for obtaining the forest clearance from the GOI. The details are given in the table-2.3.2 below:

Table: 2.3.2

Sl. No	Name of Motor road	Name of division	Sanction cost (₹ in lakh)	Month of sanction	Date of Submission of proposal to the DFO	Delay in years (Upto March 2011)
1	Satuda-Doodpokhra	PD, Champawat	14.40	Dec-03	18.12.2008	5
2	Dhaun-Dauri	PD, Champawat	8.60	Jan-04	18.03.2010	6
3	Kweetad-Haldu Motor Road	PD, Pithoragarh	172.80	Feb-04	15.01.2009	5
4	Cheda-Kumiyachaur-Rasiyapata	PD, Pithoragarh	820.50	Feb-04	05.06.2007	3
5	Naulada-Kateda-Adichura	PD, Didihat	144.00	Feb-04	23.03.2006	2
6	Swala-Gurjila	PD, Champawat	144.00	Feb-04	03.03.2010	6
7	Pajaina-Dhaena-Lingrani	Ty Div, Bhowali	210.00	Feb-04	16.01.2006	2
8	Sipti-Simar Link Road	PD, Champawat	35.60	Aug-05	07.12.2006	1
9	Chaumail-Mau-Sheel-Baraudi	CD, Lohaghat	106.00	Aug-05	18.06.2010	5
10	Timlagunth-Pipaldeeng	CD, Lohaghat	105.95	Mar-06	10.12.2008	3
11	Dhunaghat-Barmtora	CD, Lohaghat	142.40	Mar-06	23.02.2010	4
12	Marodakhan-Dayartoli to Leeti Hichauda Bans	CD, Lohaghat	213.60	Mar-06	23.09.2010	4
13	Reethakhal-Mentade	CD, Lohaghat	89.00	Mar-06	30.06.2009	3
14	Kanyur-Rauli-Bagwadi-Kuleth Maroda	CD, Bajro, Pauri	166.80	Sep-06	21.12.2009	3
15	Patangaon-Kajeena-Punauli	CD, Lohaghat	53.40	Nov-06	30.06.2009	3
16	Narsing-Danda-Gurauli	PD, Champawat	175.00	Jul-08	31.12.2009	1
17	Chinkachina-Raulmail	CD, Lohaghat	280.00	Mar-10	06.08.2010	-

The delay in preparation and submission of proposals for clearance of forest land indicates a lackadaisical approach of the divisions towards construction of roads involving forest land which mainly results in delayed utilisation of sanctioned funds and cost escalation of the works. A case below highlights the impact of delay in processing of proposals:

State Government accorded administrative and financial sanction (January, 2006) of ₹ 1.09 crore for the construction of seven km long Jawadi-Link motor road involving 1.035 hectare of forest land in 1.150 km stretch (km 2.225 to km 2.700, 2.275 to 3.200 and km 3.575 to 3.750) in district Rudraprayag through the Provincial Division (PWD), Rudraprayag. The transfer of forest land was delayed by four years due to submission of late/incomplete proposal (October, 2007). The proposal was returned (April, 2008) by the Forest Department with objections which were settled in November 2009 by the Department and the GOI approval was received in October 2010. Audit noticed that the division, after spending ₹ 31.66 lakh, felt that the construction of work in the entire stretch of seven km with sanctioned funds was not possible. On this being pointed out, the division replied (June, 2011) that the construction work in only first five km was possible within the sanctioned amount and an additional amount of ₹ 92 lakh (₹ 46 lakh per km) at present rates would be required for construction of the remaining two km.

2.3.3.4 Submission of incomplete proposals

Provisions of the Forest (Conservation) Act, 1980 envisages that the proposal for transfer and use of forest land for non-forest purposes should be submitted to APCCF/nodal office duly completed in all respect in prescribed *Proforma* as per guidelines issued by the GOI from time to time. The proposals prepared/ submitted by the PWD are scrutinized by Divisional Forest Officer (DFO)/Conservator of Forest before final submission to the Nodal office for onward submission to the GOI.

Audit scrutiny of 73 proposals submitted (during 2006-07 to 2008-09) by the test checked PWD divisions to the Forest Department revealed that only 14 proposals (19 *per cent*) were complete which were processed without any objection. Of the remaining 59 proposals, 33 proposals (45 *per cent*) were returned once and 26 proposals (36 *per cent*) were returned twice by the Nodal office with objections. This shows that the majority of proposals were not prepared with due care following the prescribed guidelines and were submitted incomplete to the Forest Department/GOI by the respective PWD divisions.

On this being pointed out, most of the divisions mentioned that main reason for submission of incomplete proposals was non-availability of adequate staff in the divisions for preparation and proper checking of proposals before its submission to the forest authorities.

Main-objections raised by forest Department:

- *Non-submission of topo-sheet map.*
- *Non-submission of Muck disposal plan.*
- *Submission of in-complete fact sheet.*
- *Plan to minimize the cutting of trees falling in the alignment.*
- *Non-submission of compensatory afforestation plan.*

The divisions with available staff should devise an adequate mechanism for ensuring submission of forest clearance proposals complete in all respects within a fixed time frame to speedup the forest clearance process.

2.3.3.5 Obtaining irregular sanctions for PMGSY works

GOI guidelines for the Pradhan Mantri Gram Sadak Yojna (PMGSY) provides that the State Government should ensure availability of land prior to taking up the proposed road works and a certificate to this effect must accompany the proposal submitted to the GOI for its sanction and release of funds.

Audit scrutiny of records of three sampled PMGSY divisions⁵⁸ revealed that these divisional authorities had obtained sanctions (between June, 2009 and October,

⁵⁸ PMGSY Divisions at Almora, Nainital and Kotdwar.

2010) for construction of 20 road works (207.16 km length) amounting to ₹ 74.67 crore to facilitate 73 villages having population of 29,340 from the GOI through Uttarakhand Rural Road Development Agency, Dehradun by submitting false certificates regarding availability of land for these road works. As a result, the works could not be undertaken by the divisions as it involves 99.225 hectare of forest land for which no clearance was obtained.

On this being pointed out, the Divisions stated that Detailed Project Reports (DPRs) were submitted in anticipation of getting the forest clearance and assured that the DPRs will be submitted only after ensuring the availability of land in future. The Departmental reply itself confirms that the sanctions were obtained by the divisions without ensuring availability of land.

Thus, by not complying with pre-requisite formalities for obtaining sanction, the Department could not utilize ₹ 74.67 crore which deprived the targeted public of the intended benefit of road connectivity.

2.3.3.6 Delay in starting of work despite forest clearance

Audit scrutiny of records of the test checked divisions revealed that there were 29 road works for which the final approval of GOI (for use of 79.30 hectare forest land) had been received between August 2007 and December 2010, but construction was not taken up by the Department as of March 2011. These works were sanctioned by the Government for ₹ 35.87 crore between 2003 and 2008 involving construction of 192 km road length to connect 96 villages having a population of 28,088. Audit observed that despite obtaining final approval from GOI, these 29 works could not be commenced in time and were delayed⁵⁹ due to the apathetic approach of the Department. The delay was due to non-cutting of trees falling in the proposed alignment of the roads in most of the cases. Hence, there was no proper coordinating mechanism between the PWD division and Van Nigam which resulted in delay to start the works.

It was stated by most of the divisions in response to audit that work relating to conducting of survey, marking and cutting of the trees rest with the Van Nigam authorities. The reply was not satisfactory as these PWD divisions were primarily responsible to coordinate with the Van Nigam for the survey, marking and cutting of the trees. Thus, apathy of the divisional authorities led to delay in starting work in these cases despite forest clearance.

2.3.3.7 Execution of work in violation of the Act

Clarification-4.4 of Section-3B⁶⁰ of the Forest (Conservation) Act, 1980 provides that if a project/work involves forest as well as non-forest land, the work should not be started even on non-forest land till approval of the GOI for release of forest land under this Act.

⁵⁹ 18 works (62 per cent) were delayed by more than six months, 10 works (34 per cent) were delayed by two years and one (4 per cent) was delayed by more than 4 years.

⁶⁰ Dealing with restriction on Authorities and Government Departments against violation of the Act.

Audit scrutiny of the test checked divisions revealed that 34 works costing ₹ 15.13 crore (sanctioned cost ₹ 55.99 crore) were being executed by the divisions in violation of the Forest (Conservation) Act, 1980. The details are given below:

- (i) The Government sanctioned 31 road works amounting to ₹ 46.40 crore between 2002 and 2009 for construction of 280.50 km motor road in order to provide transport facility to 99 villages with a population of 22,460 (details are as per *Appendix-2.5*). Forest clearances for these works were not obtained even after a lapse of two to nine years from the date of sanction but the divisions started the work on civil/private land in violation of GOI clarification. After construction of 89.62 km road and incurring an expenditure of ₹ 10.83 crore, the construction was stopped for want of forest clearance. Hence, the whole expenditure remained unfruitful and the targeted habitants were deprived of the intended benefits.

It was stated by most of the divisions that the works were taken up on the demand of local public and their representatives.

- (ii) A 9.5 km road stretch was required to be constructed to connect Jakholi-Bheri-Guptkashi motor road with NH 109 (Rudraparyag–Gaurikund) and to provide transport facility to four villages of district Rudraprayag. However, the Government sanctioned (December, 2005 & September, 2006) the construction of Nagjagai-Fengu-Barmadi road in two phases (First: 4 km and Second: 4 km with one bridge at km 9) for ₹ 57.60 lakh and ₹ 289.50 lakh respectively and the remaining length of 1.5 km was yet to be sanctioned.

Audit scrutiny of records of the CD, Ukhimath, Rudraprayag revealed that the division had not obtained forest clearance for the land required for second phase of the work but started (March, 2009) the construction of bridge in 9th km without connectivity of road and an expenditure of ₹ 1.54 crore was incurred (March, 2010) thereon. In reply, the division stated (February, 2012) that the work was taken up on the request of local public and their representatives. The reply was not acceptable as the Department should have obtained forest clearance for the requisite land. Thus, execution of work in violation of the Act led the whole expenditure of ₹ 1.54 crore incurred on the construction of the bridge unfruitful/infructuous.

- (iii) Government accorded (November, 2006) administrative approval and financial sanction of ₹ 3.45 crore for construction of Karnavshram-Simlana-Paukhal motor road (20 km length) including a 72-metre span (double lane) bridge (January, 2009) at first km for ₹ 2.65 crore. Audit Scrutiny of records of Executive Engineer (EE), CD Duggada revealed that the proposal for the forest land clearance could not be initiated for the reason being a dispute between the locals and the concerned authorities over alignment of the road from Karnavshram side. The Department then renamed (January, 2010) the motor road as Paukhal-Simlana-Karnavshram motor road and started the construction of road work in the length of 11 km stretch (June, 2011) from

Paukhal side alongwith the bridge⁶¹ (March, 2010) and incurred an expenditure of ₹ 2.95 lakh and ₹ 93.93 lakh respectively. Hence, the work was started without obtaining of the approval from GOI for forest land involved in remaining 9 km which resulted in blocking of funds to the tune of ₹ 96.88 lakh.

On this being pointed out, the division stated (August, 2011) that the work was started only on non-forest land. The reply was not acceptable as the Act does not permit starting of work even on private land without obtaining the approval of GOI if any portion of the project involves forest land.

- (iv) Government sanctioned (March, 2005) ₹ 2.67 crore for construction of 30 km Madkot-Bauna Motor Road along with a 48 metre span bridge (at km 27) by conversion of existing 25 km Light Vehicle Road (LVR). Audit scrutiny (June, 2011) revealed that the 25 km of the road was completed with an expenditure of ₹ 179.15 lakh upto March 2011 but proposal for forest clearance for the entire length was yet to be prepared even after six years from the date of sanction. Further, scrutiny revealed that the LVR was originally constructed without obtaining clearance of forest land. However, reasons for non-preparation of proposal were not forthcoming from the divisional records which could indicate that proposal for acquiring forest land was prepared or initiated but a report of Geological survey conducted in February 1990 showed that 27 hectare civil forest land (between 6 to 30 km) was required for construction of road upto the Bauna village.

Besides, analysis of information provided by the Chief Engineer (level-I), Dehradun disclosed that there were 86 works amounting to ₹ 61.44 crore all over the State where construction had been started by the Department without final approval of the GOI for the forest land involved in these works.

These facts show that the Department failed to ensure availability of encumbrance free forest land before taking up the road works which was not only against the provisions of the Forest (Conservation) Act, 1980 but also the expenditure of ₹ 61.44 crore in the aforesaid cases remained unfruitful and deprived the targeted villages/population of intended benefits of road connectivity.

2.3.3.8 Loss due to ignorance of rules regarding deposit of NPV

Guidelines issued⁶² by the Ministry of Environment and Forest, GOI for diversion of forest land for non-forest purposes under the Forest Conservation Act, 1980 provides that the Net Present Value (NPV) shall be charged/realized before final approval in all those cases which have been granted in-principle approval after 30 October 2002; however, it was not chargeable in those cases where the in-principle or final approval has been granted prior to 30 October 2002.

Though the NPV was to be deposited in only those cases where in-principle approval was accorded after 30 October 2002, it was seen in audit that the

⁶¹ Forest clearance for bridge and its approach road (0.504 hectare) was obtained in April 2011.

⁶² In compliance with the orders of the Hon'ble Supreme Court of India dated 30.10.2002.

Department deposited an amount of ₹ 4.81 crore for 13 works (involving 63.24 hectares of forest land) as in-principle approvals for these works were granted by the GOI before the said date. The details are as per **Appendix-2.6**.

This issue was raised with the CE (Level-I) who accepted the fact and stated (February, 2012) that the matter will be examined and taken up with the nodal officer i.e; with the Principal Conservator of Forest, Dehradun for adjustment of the said amount.

Thus, the Department suffered a loss of ₹ 4.81 crore due to ignorance of rules regarding NPV.

2.3.3.9 Non-existence of monitoring mechanism

Effective monitoring is the key factor to achieve the objectives and timely/periodic inspection by senior officers serves as a vital tool of control mechanism.

Audit scrutiny revealed that there was absence of any manual or electronic monitoring mechanism in the PWD to keep watch over the processing of the proposals which could ensure speedy/timely clearance of the forest proposals. Even a watch register was not being maintained in the divisions to record flow of the proposals. Besides, the submission of incomplete proposals and repeated objections from the Forest Department further delayed the pace of works and led to blocking of sanctioned funds, as discussed in the preceding paragraphs.

2.3.4 Conclusion

Public works Department could not prepare the proposal on time in respect of 170 works in the test checked divisions. Further, the proposals in respect of 169 works were pending at various levels due to inaction and laxity in processing and pursuance of these cases by the test checked divisions. A detailed scrutiny of 17 works of the sampled division revealed delay ranging between 1-7 years in processing the proposals while scrutiny of the 73 proposals submitted by the test checked divisions disclosed that only 14 proposals were submitted in complete form by these divisions which were processed without any objection. Despite having forest clearance, 29 road works could not take off (March, 2011) due to slackness of the respective test checked divisions. All these factors not only contributed to delayed construction of roads and bridges intended to improve the connectivity despite having sanctioned by the competent authority but also blocked funds amounting to ₹ 229.16 crore.

2.3.5 Recommendations

- There should be a mechanism or specific time frame for preparation and processing of proposals for the use of forest land for non-forest purposes in the Department.
- The Department should nominate and make responsible a Nodal Office for processing and monitoring the proposals so that proposals of forest land could be taken up appropriately with the Forest Department through a single window and their objections could be resolved by frequent interaction.

- Violation of Forest (Conservation) Act 1980 should be dealt with strictly by the administration.

The matter was referred to the Government (November, 2011); replies were awaited (February, 2012).

SOCIAL WELFARE DEPARTMENT

2.4 Implementation of Pension Schemes

Inadequate planning in implementation of the schemes resulted in double payment of pension, pension to deceased and ineligible persons amounting to ₹ 10.12 crore. Besides, there were instances of parking of scheme funds (₹ 58.04 crore) and unfruitful expenditure on hiring of server and software (₹ 2.02 crore).

2.4.1 Introduction

The Social Welfare Department of the State Government is responsible for upliftment of the needy and helpless sections of society through implementation of various social security programmes/ schemes introduced by the GOI and State Government in consonance with the National Social Assistance Programme (NSAP), 1995. These social obligations of the Governments are mainly discharged by providing financial assistance in the shape of various types of pensions to targeted sections/people.

At present, three pension schemes *viz*; Old-age Pension Scheme, Widow Pension Scheme and Disability Pension Scheme are being implemented by the Department in the State in collaboration with Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS). The IGNOAPS was introduced in August 1995 whereas the IGNWPS and IGNDPS were introduced in February 2009 by the GOI. Funds for these pension schemes are provided through State budget and Central assistance which vary according to the schemes. The beneficiaries of the schemes are to be selected in the open meetings of *Gram Sabhas* in rural areas and *Gram Vikas Adhikari* of *Gram Panchayat* prepares a list of eligible beneficiaries after considering the recommendation of the *Gram Sabha*. This list is forwarded to the DSWOs through the ASWOs to sanction the pension. In the municipal areas, the Ward Committee discharges the functions of the *Gram Panchayats*. As per the NSAP guidelines, a unique pension number is to be allotted by the DSWOs to each pensioner and payment of pension to be made through bank/post office accounts of the beneficiaries. No person shall be benefitted by more than one pension scheme.

A brief description of the schemes being implemented in the State along with their financial position for the period 2006-07 to 2010-11 is as under:

(i) **Old Age Pension/IGNOAPS:** Each person below the poverty line (BPL) and between the age of 60 and 64 years is eligible for a pension of ₹ 400 per month under the State Government's Old Age Pension Scheme. On attaining the age of

65 years, the beneficiary will be covered by the centrally assisted IGNOAPS, for which, an assistance of ₹ 200 per beneficiary per month is provided by the GOI and rest ₹ 200 is borne by the State Government. Year-wise allocation/ expenditure under the scheme during 2006-11 was as given in the table-2.4.1 below:

Table-2.4.1

(₹ in crore)

Years	Budget Allotment			Expenditure	Saving/Excess
	State	Central	Total		
2006-07	26.54	15.71	42.25	42.22	0.03
2007-08	32.75	16.76	49.51	48.19	1.32
2008-09	53.19	28.08	81.27	80.11	1.16
2009-10	55.73	41.09	96.82	96.62	0.20
2010-11	93.21	45.72	138.93	138.75	0.18

Source: Information provided by the Department

(ii) **Widow Pension/IGNWPS:** Each widow BPL beneficiary of the age between 18 and 64 years is eligible for a pension of ₹ 400 per month under the scheme. The pension for age group 18 to 39 is borne by the State Government. On attaining the age of 40, the beneficiaries will be covered by the centrally assisted IGNWPS, for which, central assistance is ₹ 200 per beneficiary per month and rest ₹ 200 is borne by the State Government. On attaining the age of 65 year, the beneficiary will automatically be covered under the IGNOAPS. Year-wise allocation and expenditure under the scheme was as given in the table-2.4.2 below:

Table-2.4.2

(₹ in crore)

Years	Budget Allotment			Expenditure	Saving/Excess
	State	Central	Total		
2006-07	30.65	The scheme was introduced in February 2009.	30.65	30.50	0.15
2007-08	35.10		35.10	34.56	0.54
2008-09	38.25		38.25	37.83	0.42
2009-10	35.80	-	35.80	35.80	0.00
2010-11	43.52	2.28	45.80	45.76	0.04

Source: Information provided by the Department

(iii) **Disability Pension/IGNDPS:** Each BPL beneficiary with disability⁶³ of the age group between 18 and 64 years shall receive a pension of ₹ 600⁶⁴ per month under the scheme which will be borne by the State and Central Government at the rate of ₹ 400 and ₹ 200 per month respectively. On attaining the age of 65 years, the beneficiary will automatically be covered under the IGNOAPS with same amount of pension of ₹ 600 (State share: ₹ 400 & Central share: ₹ 200). Year-wise allocation and expenditure under the scheme was as given in the table-2.4.3 below:

Table-2.4.3

(₹ in crore)

Years	Budget Allotment			Expenditure	Saving/Excess
	State	Central	Total		
2006-07	12.08	The scheme was introduced in	12.08	11.92	0.16
2007-08	16.00		16.00	15.40	0.60

⁶³ As defined in Persons with Disabilities Act, 1995.

⁶⁴ The pension up to March 2010 was paid at the rate of ₹ 400 per month by the State Government.

2008-09	18.80	February 2009.	18.80	18.31	0.49
2009-10	19.67	-	19.67	19.64	0.03
2010-11	31.35	0.57	31.92	31.89	0.03

Source: Information provided by the Department

The implementation of these pension schemes was evaluated by test check of records of seven⁶⁵ District Social Welfare Offices (DSWOs) for the period 2006-07 to 2010-11 between April 2011 and July 2011 with the objectives that the allocation, release and utilisation of funds earmarked for various schemes were judicious, adequate and timely as envisaged in the scheme guidelines.

2.4.2 Audit findings

The audit findings are discussed in the succeeding paragraphs:

2.4.2.1 Lack of planning for coverage of schemes

According to the NSAP guidelines, the Department is responsible for preparation and implementation of an annual action plan for publicising the schemes, carrying out field inspections/verification of beneficiaries, monitoring the disbursement of pensions, preparing progress reports/utilisation certificates, conducting social audit to ensure the payment of pensions to eligible beneficiaries under the schemes as per their entitlements.

Audit scrutiny of the test checked DSWOs and information collected (February, 2012) from the Directorate Social Welfare, Haldwani revealed that no annual action plans, as envisaged in the guidelines, were prepared by the Department for the proper implementation of these pension schemes during the period 2006-07 to 2010-11. For this, it was stated by the Directorate (February, 2012) that though the annual action plans were not prepared by the Department, but instructions were issued to the all DSWOs from time to time to carry out the above activities. Audit observed that such instructions were not complied by the DSWOs. On this being pointed out in audit, most of the DSWOs replied (May - June, 2011) that the activities as per guidelines were not followed due to shortage of staff and work load at block/district level.

Thus, the Department lacks proper planning for coverage of the schemes which ultimately resulted in payment of pension to ineligible and deceased persons and double payment of pension in number of cases despite the fact that 50,446 eligible persons were out of coverage at the end of 2010-11 in the State. These issues are discussed separately in the respective paragraphs as follows.

2.4.2.2 Inadequate implementation & monitoring of the schemes

The scheme guidelines provide that the beneficiaries are to be selected in the open meeting of Gram Sabha. A committee consisting of Up-Pradhan, Gram Panchayat Vikas Adhikari, Asha Karyakarti, Aanganbari Karyakarti, ASWO and Lekhpal/Patwari and headed by the Gram Pradhan would monitor the selection of beneficiaries, disbursement of pensions and periodic updation of the list of pensioners on account of death, migration and ineligibility. Applications

⁶⁵ Almora, Dehradun, Haridwar, Nainital, Pauri, Tehri and Udham Singh Nagar (out of 13 DSWOs of the Department in the State).

forwarded by Gram Sabha in rural areas and municipality in urban areas, would be processed through Assistant Social Welfare Officers (ASWOs) at block level and by DSWOs at district level. Thereafter, the payment of pension to the eligible persons is credited to Bank or Post Office accounts of the beneficiaries.

Audit scrutiny of the test checked offices revealed that the procedures for selection of beneficiaries as per the guidelines were not being adhered to as pension applications were received by the DSWOs through different levels viz; camps organized by ministers or directly from applicants in most of the cases. Overall Departmental participation in the Gram Sabha meetings during the period 2006-07 to 2010-11 ranged between 2 to 12 *per cent* against norms (twice in a year) and number of field visits of ASWOs were also found to be very low ranging between 3.28 to 22.26 *per cent* as against the required 120 visits per year in each block of the district (*Appendix-2.7*).

Physical verification and social audit⁶⁶ of the schemes which would have been very helpful tools for identification of actual beneficiaries and other deficiencies of scheme implementation were also not being conducted by the Department at all. However, the State Government (for the first time after creation of the State) directed (December, 2009) all the District Magistrates to conduct physical verification of all pension beneficiaries upto 31 March 2010, but only 2,22,625 (80.33 *per cent*) of the total of 2,77,142 beneficiaries, were covered in this exercise (*Appendix-2.8*). Audit observed that the result of survey could not be utilised fully by the Department, as the columns of verification forms were not filled up as required, rendering the information about beneficiaries incomplete and thus, making the data unreliable and rendering the whole process of verification futile.

On this being pointed out, DWSOs stated (May, 2011) that steps would be taken to overcome the deficiencies.

In sum, the Departmental preparation for planning, implementation and monitoring of the pension schemes was inadequate.

2.4.2.3 Double payment of pension

The guidelines of NSAP as well as guidelines of State Government (governing all the three pension schemes) stipulate that no person shall be benefitted by more than one pension scheme or double payment of the same kind of pension. To prevent such occurrences, a unique pension number was to be allotted by the DSWOs after due verification of the identity to each pensioner and social audit is intended to serve as a tool for monitoring the schemes.

An audit analysis of electronic data of 2010 pension cases relating to release of second instalment under these schemes between September 2010 and March 2011

⁶⁶ As per the guidelines, Social Audit is to be conducted by the Gram Sabha at least once in every six months. For each Social Audit by the Gram Sabha, the Gram Sabha will elect for itself a Social Audit Committee comprising the current beneficiaries of the schemes for scrutinizing and evaluating the implementation of the schemes at field level. It also enhances transparency, accountability and also helps redress grievances in public matters.

by the test checked DSWOs revealed that there were double entries in respect of 990 pensioners (Almora-108, Dehradun-232, Haridwar-187, Nainital-80, Pauri-143, Tehri- 209, U S Nagar-31) which led to a double payment of pension of ₹ 27.02 lakh. The excess amount paid to the said pensioners would be to the extent of ₹ 83.66 lakh if calculated from the date of sanction (**Appendix-2.9**). Thus, it is evident that there was no monitoring mechanism for the data maintained by the Department.

Audit also observed that neither ‘unique pension number’ to every pensioner was allotted nor proper records for the pensions like pension payment register and particulars of pensioners were being maintained by the DSWOs. Besides, regular verification and social audit were also not conducted as prescribed in the guidelines (NSAP). Thus, the database for the pensioners was not fully reliable as it inflated the number of beneficiaries due to double entry of names in the records. The possibility of such erroneous data in the system in other DSWOs can not be ruled out.

On this being pointed out, the DSWOs accepted (May 2011) that proper cross checking of applications before sanction was not done due to shortage of staff, pressure of ‘Members of Legislative Assembly’ to distribute the cheques of pension in camps and non-availability of appropriate software which could detect the double payment of pension. However, it was assured that matter will be looked into and appropriate action taken accordingly. The reply regarding non-availability of appropriate software was not acceptable as the funds for development of software were available with the Department since May 2005 but the same is yet (October, 2011) to be developed as discussed in the *paragraph-2.4.2.9*.

Thus, the Department besides ceasing to stop making double payment of pensions should undertake corrective measures to recover the overpayment of pensions from the beneficiaries.

2.4.2.4 Pension to deceased persons

According to the NSAP guidelines, *Gram Panchayat* and *Tehsildar* have to report every case of death of pensioner to the respective DSWO. The DSWOs should ensure that the payment of pension is not released after the death of the pensioner and pension released in such cases is refunded to the Department.

Audit scrutiny revealed that intimation of death of pensioners was not being received in time and life certificates in respect of beneficiaries were also not being obtained before disbursement of pension every year. A pan-state survey conducted by the respective district administration in 2009-10 disclosed that there were 10,745 deceased beneficiaries in the State. The result of survey⁶⁷ used by audit in respect of all the seven sampled districts revealed that the pension amounting to ₹ 1.44 crore was paid in 2,937 cases for a period ranging from two to 123 months after the death of the beneficiaries (**Appendix-2.10**). Of these, the payment of pension in 1980 cases (67 per cent) was continued as of March 2011

⁶⁷ The result of survey was conveyed to the Department in October 2010.

despite the result of survey having been conveyed to the DSWOs by the surveyors.

On the basis of additional information collected from the Department (February, 2012), it was conveyed that the payment of pension to deceased beneficiaries for the period April 2011 to September 2011 (due in September, 2011) has been stopped after being pointed out during audit it was also stated that efforts are being made with the Banks/Post Offices to recover the released amount of pension in such cases.

In sum, the provisions of the NSAP Guidelines need to be followed strictly with regards to confirmation of each beneficiary before releasing the pensions, but no such exercise was undertaken by the DSWOs.

2.4.2.5 Pension to ineligible persons

The NSAP guidelines provide that the pension sanctioning authority has the right to stop/recover payments of any pension sanctioned on the basis of false or misleading information about the eligibility of the beneficiaries.

The result of pan-state survey disclosed that of the total 3,383 beneficiaries in the State, 1,291 beneficiaries of the test checked districts were ineligible for pension on various grounds like remarriage of widows, being under age and crossing the prescribed limit of income etc.

Audit scrutiny revealed that out of 1,291 ineligible beneficiaries in the sampled districts, payment to 798 (62 *per cent*) beneficiaries continued as of March 2011 and an amount of ₹ 73.91 lakh had been paid to them for a period ranging from two to 162 months (***Appendix- 2.11***). On this being pointed out, no specific reply was furnished by the DSWOs.

Thus, appropriate action needs to be taken to recover the amount of pension paid to the ineligible beneficiaries by the Department.

2.4.2.6 Non-payment of pension to eligible applicants

Test check of records of the sampled districts and information furnished by the Directorate of Social Welfare, Haldwani revealed that 50,446 applicants of pensions (Disability, Widow and Old-age) in the State were in the waiting list at the end of 2010-11 for want of funds and an amount of ₹ 24.79 crore would be required each year to cover the waitlisted applicants in the State (***Appendix-2.12***) for coverage of the scheme.

Thus, such a large number of eligible applicants in the waitlist indicated that the Department failed to fulfill the social obligation of the Government as envisaged in the scheme guidelines. At the same time, the Department incurred an expenditure of ₹ 10.12 crore on disbursement of pension to ineligible and deceased persons etc; (as discussed in *paragraphs – 2.4.2.3, 2.4.2.4, 2.4.2.5 & 2.4.2.7*) which could have been utilised to cover a major part of waitlisted applicants, had the pension schemes been implemented properly by the Department.

2.4.2.7 Avoidable expenditure on disbursement of pensions

The NSAP guidelines stipulate that pension shall be credited, where feasible, into a post office or public sector bank account of the beneficiaries and 'banking correspondent'⁶⁸/facilitator model' may be adopted where old and handicapped beneficiaries find it difficult to travel to the nearest bank/post office branches.

Audit scrutiny revealed that the disbursement of pension in large number of cases (Almora: 45 to 97 *per cent*; Dehradun: 39 to 66 *per cent*; Nainital: 14 to 75 *per cent*; Pauri: 36 to 95 *per cent*⁶⁹; Tehri: 87 to 94 *per cent*⁷⁰) was through money orders⁷¹, for which an avoidable expenditure of ₹ 7.10 crore⁷² (charges of money order is 5 *per cent*) was paid by the Department as commission to the post offices during the period 2006-07 to 2010-11.

On this being pointing out, the DSWOs stated (May, 2011) that pension in the remote areas of the State could be delivered only through the money orders due to lack of bank and post office branches. The reply was not acceptable in view of the fact that the scholarships to students were being disbursed by the Department only through banks or post offices accounts in the same areas of the State.

Thus, the Department would require streamlining the procedure for disbursement of the pensions as per scheme guidelines.

2.4.2.8 Parking of scheme funds

According to Government instructions (April, 2003 and September, 2009), the Government money should remain in Personal Ledger Account (PLA) of the Department and operation of bank accounts for scheme funds is strictly prohibited.

Audit scrutiny revealed that no PLA was opened by the Department and the funds were being kept in bank accounts by the DSWOs. Audit observed that an amount of ₹ 58.04 crore⁷³ which includes funds relating to pension, scholarships etc. and interest earned thereon was parked in various bank accounts of the DSWOs in contravention of the Government instructions.

2.4.2.9 Unfruitful expenditure on hiring of Server

The Department decided in 2005 to develop software and install a server for proper implementation/monitoring of Pension schemes. The work was assigned to a firm⁷⁴ through Information Technology Development Agency, Dehradun

⁶⁸ The RBI working group has recommended banks of the need to accept the business correspondent or facilitator (BC) to provide banking services to inaccessible areas. The BC model is all about a certain set of people or entities allowed by RBI to conduct banking businesses as agents of the banks at places other than the bank premises.

⁶⁹ Only for the year 2006-07 to 2009-10.

⁷⁰ Only for the year 2006-07 and 2007-08.

⁷¹ Mention was made in para 4.12 of the CAG's Audit Report for the year ended 31 March 2008 that an amount of ₹ 3.62 crore was paid as commission to Post Offices for disbursal of pension through money orders during 2006-07 to 2007-08.

⁷² Almora: ₹ 2.23 crore, Nainital: ₹ .90 crore, Tehri: ₹ .95 crore, Pauri: ₹ 1.01 crore, Dehradun: ₹ 2.01 crore

⁷³ U.S.Nagar: ₹ 1.44 crore, Haridwar: ₹ 36.30 crore, Almora: ₹ 3.57 crore, Nainital: ₹ 5.40 crore, Dehradun: ₹ 1.55 crore, Tehri: ₹ 6.53 crore and Pauri: ₹ 3.25 crore.

⁷⁴ M/s Comat Technologies (P) Ltd., Bangalore.

(ITDA⁷⁵). The installation was to be completed within 12 months from the date of signing of MOU (23 May, 2005).

Audit scrutiny of the test checked districts and information gathered from the Directorate of Social Welfare and ITDA revealed that neither the software was developed nor any Departmental server was installed as on date of audit (June 2011). However, an expenditure of ₹ 2.02 crore⁷⁶ under the project was incurred (June, 2011) by the ITDA to hire (December, 2006) a server from 'Centre for Development of Advanced Computing, Noida' but the same was also shut down (March, 2011) due to non-payment of dues. As a result, Departmental work, as envisaged, was being undertaken manually in the absence of the development of software. This led to the instances of double payment of pension besides, non-achievement of connectivity amongst the functionaries as intended for better management of pension schemes.

2.4.3 Conclusion

As required in the NSAP Guidelines, the Department failed to allot the unique pension number to each pensioner, ensure physical verification/social audit of the schemes, maintain appropriate data base of pensioners and adopt the banking correspondent/facilitator model for old and handicapped beneficiaries. All these factors led to double payment of pension of ₹ 83.66 lakh to 990 pensioners, payment of pension of ₹ 73.91 lakh to 1,291 ineligible persons and ₹ 1.44 crore to 2,937 deceased persons despite the fact that 50,446 applicants of pensions were in the waiting list at the end of 2010-11 for want of funds. Besides, an amount of ₹ 58.04 crore was parked in various bank accounts of the DSWOs in contravention to Government orders and an avoidable expenditure of ₹ 7.10 crore was incurred on disbursement of pensions through money orders against the provisions of guidelines.

The matter was referred to the Government (November 2011); replies were awaited (February, 2012).

⁷⁵ An executing agency as project monitoring unit of Information Technology Department, Uttarakhand.

⁷⁶ Hardware: ₹118.86 lakh, Software: ₹13.83 lakh, Consultancy: ₹58.20 lakh and License: ₹10.70 lakh.