

OVERVIEW

This Report contains three Performance audits on Himachal Pradesh State Compensatory Afforestation Fund Management and Planning Authority, Medical Education and Research and Working of Public Works Department and 22 paragraphs involving ₹ 1258.95 crore relating to excess/ wasteful/ unfruitful/ infructuous/ avoidable unproductive expenditure, undue favour to contractors, idle investment, blocking of funds, diversion of funds, etc. Some of the major findings are mentioned below:

PERFORMANCE AUDIT

A performance audit of **Himachal Pradesh State Compensatory Afforestation Fund Management and Planning Authority** was conducted. Some major findings are given below:

- An unspent amount of ₹ 21.51 crore in respect of catchment area treatment Plans of hydro electric projects pertaining to 2002-06 was not credited into *Ad hoc* CAMPA and remained with the State Government as of May 2013.
(Paragraph 2.1.7.1)
- In 142 cases of diversion of forest land (between October 2002 and April 2008), the Department did not realise the net present value (NPV) of ₹ 25.85 crore.
(Paragraphs 2.1.7.3 and 2.1.7.4)
- Against total available funds of ₹ 188.38 crore during 2009-13, the State CAMPA could utilise ₹ 127.09 crore only and year-wise percentage utilisation during the above period ranged between four and 48.
(Paragraph 2.1.8)
- As against required Compensatory Afforestation for an area of 8160.46 hectares during 2006-12, 2789.51 hectares was covered during the above period, resulting in shortfall of 66 *per cent*.
(Paragraph 2.1.9.1 (i))
- The allotment of *rim* plantation of Kol Dam Hydro Electric Project (HEP) and plantation work under CAT Plan of Larji HEP to an outside agency led to cost escalation of ₹ 18.63 crore (Kol Dam: ₹ 12.22 crore and Larji: ₹ 6.41 crore).
(Paragraph 2.1.9.2)
- Monitoring mechanism was ineffective as the specified inspections of CAMPA works were not carried out by the functionaries at the field and State level. Besides, the prescribed system of concurrent monitoring and evaluation had not been evolved as of May 2013.
(Paragraph 2.1.12)

A performance audit on **Medical Education and Research** was conducted. Some major findings are given below:

- The overall expenditure of the Department exceeded the approved outlay by over ₹ 55 crore. In Government Medical Colleges except for 2008-09 and 2012-13, there were excesses ranging from ₹ 8.77 crore to ₹ 30.08 crore during 2009-12.
(Paragraph 2.2.7.1)

- Against funds of ₹ 21 crore released to Public Works Department for execution of four works during 2004-12, an amount of ₹ seven crore was diverted in one work for objectives other than the ones sanctioned.

(Paragraph 2.2.8)

- Non-utilisation of central assistance of ₹ 8.14 crore by the medical institutions against the total receipt of ₹ 14.03 crore during 2008-13, resulted in non-creation of infrastructure, etc., besides non-receipt of further central assistance of ₹ 11.27 crore.

(Paragraphs 2.2.9.1 to 2.2.9.4)

- Machinery and equipment costing ₹ 3.52 crore were lying unutilised in the Government Medical Colleges and hospitals attached to them for want of repairs and non-renewal of annual maintenance contracts.

(Paragraph 2.2.10.1)

- The shortage in cadres of teaching and teaching supporting staff was 11 to 71 and 12 to 52 *per cent* respectively as of March 2013.

(Paragraphs 2.2.12.1 and 2.2.12.2)

- Prescribed monitoring mechanism and internal audit arrangements for effective implementation of various schemes and activities of the Department were non-existent.

(Paragraph 2.2.13)

A performance audit of **Working of Public Works Department** was conducted. Some major findings are given below:

- No comprehensive road policy was in place. The Department had not formulated any long term plan for providing a time-bound connectivity to all census villages in the state.

(Paragraph 2.3.6.1)

- Budget Estimates were prepared on a completely unrealistic basis, as against the provisions, there was excess expenditure of ₹ 1084.14 crore during 2008-13 (2008-09: ₹ 134.66 crore; 2009-10: ₹ 224.30 crore; 2010-11: ₹ 242.55 crore; 2011-12: ₹ 232.99 and 2012-13: ₹ 249.64 crore).

(Paragraph 2.3.7.1)

- Withdrawal of funds of ₹ 15.21 crore from treasury merely to avoid lapse of budget, by charging the expenditure to works, thus showing their utilisation without actual execution and keeping the funds in Deposit head for utilisation in the subsequent financial years was against the canons of financial propriety.

(Paragraph 2.3.7.3)

- Of 914 works taken up for execution during 2008-13, construction of 823 works having an estimated cost of ₹ 521.92 crore were stipulated to be completed by March 2013. Against this, only 183 works were completed after incurring an expenditure of ₹ 152.74 crore and 640 works on which ₹ 126.50 crore had been spent, were lying incomplete as of March 2013.

(Paragraphs 2.3.9.1(ii), 2.3.9.2(i) and 2.3.9.3(i))

- Against the compensation of ₹ 10.43 crore in 171 cases, the Department had levied compensation of ₹ 2.86 crore in 36 cases only, which also had not been recovered as of May 2013.

(Paragraph 2.3.12.2)

COMPLIANCE AUDIT

Working of Himachal Pradesh University, Shimla

Annual accounts have not been prepared in accordance with provisions of the Act. The Director, International Centre for Distance Education and Open Learning (ICDEOL) irregularly transferred ₹ 13.65 crore from the student fund to the corpus fund (₹ 3.39 crore) and main account (₹ 10.26 crore) of the University. Contingent advances of ₹ 2.04 crore granted to officers/ officials of the University during 2010-13 remained unadjusted as of April 2013. The grants of ₹ 2.50 crore received by the University during March 2009 to January 2011 for creation of infrastructural facilities, remained unutilised. The University also incurred a loss of ₹ 1.49 crore on uneconomical running and maintenance of buses.

(Paragraph 3.1)

Financial Management in Dr. Y.S. Parmar University of Horticulture and Forestry, Nauni (Solan)

Annual accounts have not been prepared in accordance with provisions of the Act. The University had furnished inflated certificates of utilisation of grant of ₹ 5.71 crore to the Indian Council of Agricultural Research (ICAR) during 2010-13. Contingent advances of ₹ 18.41 crore granted to officers/ officials of the University during 1997-2012 remained unadjusted as of June 2013. Construction of five works sanctioned for ₹ 2.50 crore during April 2008 and March 2011 remained incomplete as of June 2013 after incurring an expenditure of ₹ 1.69 crore.

(Paragraph 3.3)

Execution of Irrigation and Water Supply Schemes

The expenditure of ₹ 8.14 crore incurred on construction and maintenance of six Lift Irrigation Schemes proved infructuous/ unproductive/ idle due to inherent deficiencies in planning process for their implementation and execution. In respect of seven lift irrigation schemes, the expenditure had exceeded the estimated cost by ₹ 2.86 crore due to delay in their completion ranging between 20 and 62 months.

(Paragraph 3.4)

Implementation of Vidhayak Kshetra Vikas Nidhi Yojana

During 2010-13, the Deputy Commissioners of test-checked districts had sanctioned 1362 works costing ₹ 14.62 crore without obtaining prior technical sanctions. Contrary to the scheme guidelines, the DCs had also sanctioned ₹ 3.84 crore for execution of 296 inadmissible works. Out of 1610 works sanctioned for ₹ 18.10 crore during 2010-13, 378 works were completed and the remaining 1232 works were lying incomplete as of May 2013.

(Paragraph 3.6)

Execution of works under Pradhan Mantri Gram Sadak Yojana (PMGSY)

During 2006-10, a total number of 38 roads (length: 282.605 kms) sanctioned by Government of India for ₹ 87.67 crore could not be executed due to absence of encumbrance free land for the entire stretch of road alignments. In nine divisions, 55 road works having length of 440.070 kms and approved for ₹ 103.93 crore were abandoned after partially executing for a length of 240.885 kms and incurring an expenditure of ₹ 41.13 crore.

(Paragraph 3.7)

Unproductive expenditure on incomplete community hospital building

Failure of the Public Works Department to ensure timely completion of community hospital building at Killar (Chamba district) for more than four years resulted in unproductive expenditure of ₹ 1.12 crore.

(Paragraph 3.8)

Total Sanitation Campaign (TSC)

In the test checked districts, against the total availability of funds of ₹ 16.04 crore during 2010-13, the concerned DRDAs could utilise only ₹ 9.20 crore leaving ₹ 6.84 crore unutilised with them as of March 2013. The shortfall in achievement of physical targets during 2010-13 ranged from 11 to 84 *per cent*. As against the target of 1043 school toilets, 383 anganwadi toilets and 392 community sanitary complexes, the achievement was 657, 228 and 63 respectively.

(Paragraph 3.9)

Internal Control System in the Himachal Pradesh Bus Stands Management and Development Authority

Functional and accounting manuals and other basic records were not maintained by the Authority since its inception. There was inadequate control to ensure economical, efficient and effective operations and safeguarding of resources of the Authority against pilferages/ losses as assets valuing ₹ 1.15 crore were being used by Himachal Road Transport Corporation (HRTC) but no agreement for their utilisation and levy of rental charges existed between the authority and HRTC.

(Paragraph 3.11)

Infrastructure development and service delivery in Anganwadi Centres

There were delays in construction of anganwadi buildings. Of 1016 anganwadi centres buildings sanctioned for ₹ 24.31 crore during 2007-12, construction of 191 buildings involving ₹ 4.68 crore were not taken up for execution and 333 works on which an expenditure of ₹ 4.56 crore was incurred, had not been completed as of June 2013. Against the requirement of ₹ 237.54 crore for providing Supplementary Nutrition to 19.01 lakh identified beneficiaries during 2009-12, the Department made provision of only ₹ 224.77 crore resulting in short provisioning of funds of ₹ 12.77 crore.

(Paragraph 3.13)