

Overview

OVERVIEW

This Report contains four performance audits viz. (i) ‘Implementation of the Right of Children to Free and Compulsory Education Act, 2009’, (ii) ‘Implementation of the Food Safety and Standards Act, 2006 in Delhi’, (iii) ‘Up-gradation of Healthcare Facilities in Delhi’, and (iv) ‘Implementation of Labour and Safety Laws in Industries by the Labour Department’ and 12 paragraphs with financial implication of ₹ 336.87 crore relating to avoidable/wasteful expenditure, lack of monitoring of surplus balance, non-claiming of refund, deviation of rules/provisions of agreement, non-recovery and idle investment.

The total expenditure of the Government of the National Capital Territory of Delhi (GNCTD) increased by 33.36 *per cent* from ₹ 25,314.54 crore to ₹ 33,760.34 crore during 2011-16 while the revenue expenditure increased by 46.63 *per cent* from ₹ 17,964.85 crore in 2011-12 to ₹ 26,342.55 crore in 2015-16. Non-Plan revenue expenditure increased by 55.88 *per cent* from ₹ 11,524.00 crore to ₹ 17,963.23 crore and capital expenditure increased from ₹ 4,004.27 crore to ₹ 4,723.47 crore during the period 2011-16.

Some of the major findings detailed in the Report are summarized below.

PERFORMANCE AUDIT

Implementation of the Right of Children to Free and Compulsory Education Act, 2009

The Right of Children to Free and Compulsory Education Act, 2009(RTE Act) provides a fundamental right to the children in the age group of 6-14 years for free and compulsory elementary education. A performance audit covering the period 2010-16 brought out that effective implementation of the Act suffered due to poor planning and preparation, continuing vacancies as well as delay in release of funds and its utilisation.

- The Government lacked effective planning for implementing the RTE Act in Delhi. It failed to complete the mandatory household survey to collect and maintain a database of all children from their birth till they attain the age of 14 years and link it with the mapping of schools for the purpose of determining and establishing neighborhood schools. In the absence of such crucial data base, it was not possible for the Government to ensure enrolment of every child in the age group of 6 to 14 years in school. No specific targets for enrolment of children were fixed by GNCTD and local bodies.

(Paragraph 2.1.2(a))

- There were delays and short release of funds by the Union Ministry of Human Resource Development and the Directorate to the ‘Universalization

of Elementary Education Mission' (UEEM). Against approval of ₹ 1,115.72 crore by the Project Approval Board, only ₹ 647.48 crore was made available to UEEM during 2010-16. The UEEM actually spent only ₹ 534.29 crore during the same period.

(Paragraph 2.1.3.1)

- Enrolment in class 1 in the Government and aided schools decreased by 23 *per cent* from 2,04,884 in 2010-11 to 1,56,911 in 2015-16 while the almost static position in respect of overall enrolment (including private schools) during 2010-16 was not consistent with the increase in the population of Delhi during the same period.

(Paragraph 2.1.4.1)

- Provisions relating to special training of children and for children with disabilities or those belonging to weaker sections and disadvantaged groups were not adhered to. In unaided schools of the Directorate, only 90,262 children belonging to Weaker Section and Disadvantaged Group were admitted against 1,45,142 seats which should have been reserved for them during 2011-16.

(Paragraphs 2.1.4.2, 2.1.4.3 and 2.1.4.4)

- Despite the need to augment infrastructure, ₹ 18.29 crore sanctioned during 2015-16 to UEEM for construction of additional rooms and toilets remained unutilized as of June 2016 while 69 to 81 *per cent* of construction works of classrooms, halls, toilets and boundary walls remained unexecuted in North and South Municipal Corporations.

(Paragraph 2.1.4.5(b) & (c))

- In Directorate schools, 8,579 posts (22 *per cent*) out of 38,916 sanctioned posts of teachers and librarians were vacant as of July 2016.

(Paragraph 2.1.5.1)

- Uniforms, text books and writing materials were not distributed to all the students of 34 selected Delhi Municipal Corporations (DMCs) schools, and where provided, issued with delay. Uniforms and writing materials were not issued even to a single student of aided schools of DMCs.

(Paragraph 2.1.5.4 (a) & (b))

- Institutional mechanisms envisaged under the Act for monitoring the implementation of the RTE Act were ineffective as various advisory and monitoring committees were either not constituted or did not meet regularly.

(Paragraph 2.1.6)

Implementation of the Food Safety and Standards Act, 2006 in Delhi

The Food Safety and Standards Act, 2006 provides for food safety standards in the country. A performance audit covering the period from August 2011 to March 2016 brought out weak regulatory and administrative mechanism for enforcement of the Act and non-compliance with key provisions which compromised with the quality of food posing health hazard to the general public.

- The Department neither conducted a survey to identify food business operators nor maintained the database of food business establishments. Many food business operators engaged in mass consumption items remained out of the coverage under the Act.

(Paragraphs 2.2.2.2 and 2.2.2.3)

- State Food Laboratory got accreditation from National Accreditation Board for Testing and Calibration Laboratories in the year 2012 for two years. The accreditation could not be renewed beyond March 2014 as no up-gradation could take place due to shortage of technical staff and lack of requisite equipment.

(Paragraph 2.2.3.2(a) & 2.2.3.2 (b))

- There was delay in issue of licenses and registrations to Food Business Operators. 1,914 Licenses and 12,200 Registration Certificates expired due to non-renewal.

(Paragraphs 2.2.3.3 and 2.2.3.4)

- No inspection was carried out in 97 per cent of cases. Lifting of samples was very low at four per day against 49,796 licensed food establishments and other without valid license. Department prescribed no criteria for lifting food samples. The food samples were declared to be conforming to the food safety standards without testing them in totality for the prescribed parameters.

(Paragraphs 2.2.4.1 and 2.2.4.2)

- The Department did not monitor compliance with its internal orders for monitoring the implementation of the Act. Non-maintenance of daily diaries for allocation of field duties to Food Safety Officers, complaint registers for grievance redressal and progress registers to watch the pendency of cases in various courts showed weak internal control.

(Paragraph 2.2.6.1)

Up-gradation of Healthcare Facilities in Delhi

In National Capital Territory of Delhi, healthcare facilities are managed by the Department of Health and Family Welfare (DHFV). The performance audit of 'Up-gradation of Healthcare Facilities in Delhi' covering the period 2010-16 brought out poor planning and execution of plans and projects resulting

in delay in their fructification and denial of the intended benefits to needy patients.

- Directorate of Health Services (DHS) took possession of 77,558.35 sqm of land for 30 projects of new health facilities during 2007-16 at a cost of ₹ 14.26 crore and incurred additional expenditure of ₹ 3.28 crore on boundary walls, fencing, entry gates and security. But none of these plots were utilised as of August 2016.

(Paragraph 2.3.3.1)

- No headway could be achieved in 11 other projects of new hospitals with proposed bed capacity of 2,575 though executing agencies had been decided. DHS had incurred expenditure of ₹ 17.06 crore on these projects towards land cost, boundary walls and security.

(Paragraph 2.3.3.2)

- Maternal and Child Health(MCH) and Diabetes, Endocrine and Metabolic (DEM) Blocks of Guru Tegh Bahadur Hospital constructed at a cost of ₹72.07 crore remained underutilized even after 2-4 years of their completion due to shortage of staff, non-installation of medical gas pipeline and delay in procurement of requisite equipment. Rajiv Gandhi Super Speciality Hospital and Janakpuri Super Speciality Hospital remained under utilized even after 4 to 8 years of completion due to non-recruitment of staff and lack of equipment.

(Paragraphs 2.3.4.3, 2.3.4.4 and 2.3.4.5)

Implementation of Labour and Safety Laws in Industries by the Labour Department

With a view to assessing the performance of the Department in enforcing the labour laws and safety measures in industries, a performance audit covering the period 2011-16 was conducted from May 2016 to September 2016. The audit exercise brought out that lack of diligent adherence to and enforcement of the provisions of the Acts provided no assurance as to the achievement of the fundamental objective of ensuring expeditious and fair resolution of industrial disputes and protection of the legitimate interests of the workers in terms of safety and health standards and protection from exploitation.

- The conciliation and dispute redressal machinery for Industrial Disputes was neither fully constituted nor activated. Works Committees had not been set up.

(Paragraph 2.4.3.1)

- There was delay ranging from one to 121 days in commencement of the conciliation proceedings by the Conciliation Officers and also in completion of conciliation proceedings beyond the prescribed period of 14 days in 891 cases.

(Paragraph 2.4.3.2(a))

- There were delays in publication and implementation of awards. 45 *per cent* of the awards were published with a delay ranging from three months to more than six months.

(Paragraph 2.4.3.3(d))

- The enforcement of awards and recovery of dues from the employers of workmen was inadequate. Out of 1,245 recovery certificates aggregating ₹ 36.32 crore issued during 2011 to 2016 (April), recoveries in 379 cases amounting to ₹ 4.46 crore were pending.

(Paragraph 2.4.3.3 (e))

- The department did not carry out periodical verification of establishments/contractors to ensure that they were registered and had the requisite licenses under the Contract Labour Act. Inspections were not conducted in a planned manner and follow-up action on inspection reports was not adequate to ensure prevention of exploitation of contract labour.

(Paragraph 2.4.4.1)

- Factory licences were granted without ensuring whether factories had prepared the Health and Safety Policy in 54 out of 55 cases.

(Paragraph 2.4.7.4)

- The assessment of cess cases was done without considering all cost factors in construction of buildings. There was short levy and collection of cess and interest thereon amounting to ₹ 1.53 crore.

(Paragraph 2.4.8(b))

COMPLIANCE AUDIT

Avoidable expenditure of ₹ 1.09 crore

The Directorate of Education failed to take cognizance of Notification exempting payment of service tax by educational institutions for auxiliary services resulting in avoidable expenditure of ₹ 1.09 crore to a firm.

(Paragraph 3.1)

Wasteful expenditure and blocking of funds

Procurement of Satellite Phones without ensuring availability of hub for their connectivity and purchase of an ambulance without ensuring services of a Medical Officer resulted in wasteful expenditure and blocking of ₹ 59.08 lakh.

(Paragraph 3.2)

Implementation of Right to Public Services Legislation

Implementation of the Right to Public Services Legislation was tardy as all the notified services were not uploaded on the electronic-Service Level Agreement (e-SLA) portal and where uploaded, was partial and incorrect. The Competent Officers were not vested with powers of Drawing and Disbursing Officers for making payment of cost or compensation to applicants for delayed delivery of service. Timelines were not fixed for each stage for time bound delivery of services. Though services were delivered with delay, neither the applicants were paid any compensatory costs nor the defaulting government servants penalized. No action was initiated either for identifying the erring official for fixing responsibility or for encouraging the efficient employees through cash incentive.

(Paragraph 3.3)

Non-claiming of refund of TDS

Failure of the Delhi Building and Other Construction Workers' Welfare Board (DBOCWWB) to file income tax returns and claim refund of tax deducted at source (TDS) by banks, resulted in blocking of funds of ₹ 15.95 crore and consequential loss of interest of ₹ 2.73 crore, which could have been earned had the refund of TDS been claimed timely and invested in Fixed Deposits in banks.

(Paragraph 3.4)

Lack of effective monitoring of surplus balances

Failure to effectively monitor transfer of funds from district account to the main account of the DBOCWWB resulted in loss of interest of ₹ 3.74 crore.

(Paragraph 3.5)

Loss due to projection of excess requirement

The DBOCWWB projected a requirement of 20 mobile van dispensaries against 10 approved and thereafter released ₹ 4.24 crore without ensuring their availability. This resulted in loss of interest of ₹ 1.15 crore that the Board could have earned by investing the unspent amount of ₹ 2.07 crore.

(Paragraph 3.6)

Implementation of Projects in Public Works Department

PWD did not invest adequate efforts and time in planning and design for the projects before their actual execution resulting in inflated detailed estimates, revision of drawings and designs and increase in quantities of items/execution of extra items after award of works. There were delays in completion of works and non-levy of compensation in delayed works. PWD failed to incorporate penal clause for variation in estimation of quantities in agreements entered into with consultants

and did not levy compensation on consultants for delay in supplying of drawings for the works despite contractual provisions. There were both avoidable payments on account of price variation as well as cost escalation. Incorrect adoption of base price and taking incorrect quantities, while calculating cost variation, resulted in non/short recoveries. These shortcomings have financial implications of ₹ 241.20 crore.

(Paragraph 3.7)

Failure to appeal against arbitral award within time prescribed in the Act

Failure of Public Works Department to challenge an arbitral award within the stipulated time resulted in rejection of the application and an opportunity lost to defend its case to avoid payment of ₹ 14.92 crore.

(Paragraph 3.8)

Development and Modernisation of Infrastructural Facilities in Technical Institutes

With the increasing number of students, Institutes were suffering from shortage of infrastructural facilities viz. class rooms, hostels and laboratories. However, projects intended to cater to the increased requirement could not be progressed in a timely manner leading to both denial of benefits to the students as well as cost escalations. The project of World Class Skill Centre was lagging behind the schedule while Delhi Technological University failed to commence construction of much needed infrastructural facilities and implement the Technical Education Quality Improvement Programme. Inordinate delay in execution of project of installation of lifts in Netaji Subhash Institute of Technology and construction of PG Block of Delhi Institute of Pharmaceutical Sciences and Research resulted in cost overrun of ₹ 22.29 crore.

(Paragraph 3.9)

Inclusion of price variation clause in lump sum contract in deviation of rules

Inclusion of a price variation clause in a lump sum contract without specific approval of competent authority resulted in avoidable payment of ₹ 10.22 crore.

(Paragraph 3.10)

Non-recovery of cost of treated effluent water

Failure of Delhi Jal Board to have any Agreement with Delhi Development Authority before supply of treated effluent water (TEW) to its Golf Course at Bhalswa resulted in non- recovery of ₹ 3.95 crore as cost of TEW supplied for the period from April 2004 to March 2016.

(Paragraph 3.11)

Idle investment in land

Due to lackadaisical approach of Urban Development Department in taking concrete decisions, a land measuring 3.78 acre, where ₹ 2.86 crore had been invested, was lying idle for 15-16 years, depriving the residents of Trans Yamuna area of intended facilities.

(Paragraph 3.12)