

# **CHAPTER-III**

## **GENERAL SECTOR**



## CHAPTER III : GENERAL SECTOR

### 3.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2017 deals with the findings on audit of the State Government units under General Sector.

The names of the major State Government departments and the Budget provision and expenditure of the State Government under General Sector during the year 2016-17 are given in the table below:

**Table 3.1.1: Budget provision and expenditure of major departments**

(₹ in crore)

Sl. No.	Name of Department	Budget provision (Original and Supplementary)	Expenditure
1.	Finance	1082.60	1207.82
2.	Home/Police/Jail	706.95	644.06
3.	Election	34.86	29.77
4.	Transport	75.20	66.75
5.	Printing & Stationery	25.74	21.40
6.	Law	41.99	31.58
7.	Assembly Secretariat	83.19	67.85
8.	Chief Minister's Secretariat, Secretariat Administrative Department, Personnel, including Passport	86.20	76.71
	<b>Total</b>	<b>2136.73</b>	<b>2145.94</b>

Source: Budget Estimates, Appropriation Acts and Appropriation Accounts

#### 3.1.1 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns. Audit of 12 auditee units were conducted during 2016-17 involving expenditure of ₹ 1201.81 crore (including expenditure pertaining to previous years audited during the year) of the State Government under General Sector. The chapter contains one Compliance Audit paragraph.

The major observations under General Sector detected in audit during the year 2016-17 are given in the succeeding paragraphs.

## COMPLIANCE AUDIT PARAGRAPH

### HOME (POLICE) DEPARTMENT

#### 3.2 Unfruitful expenditure

**A police academy could not be completed in time and as the Finance Commission award period is over, State would have to complete the project with its own funds as it had lost central grant of ₹ 25 crore and meanwhile, till the facility is completed, the objective (training of policemen) would not be achieved.**

The Thirteenth Finance Commission (XIII FC) awarded (December 2009) an amount of ₹ 50.00 crore for setting up the 'Meghalaya Police Academy' (hereinafter referred as the Police Academy). The Police Academy was to be set up as per norms laid down for a Police Academy with a training capacity for 450 trainees. The norms laid down 35 different infrastructures such as Parade Ground, Obstacle Course, Stadium, Firing Range, Indoor Shooting Range, Classrooms, Mini Forensic Science Lab, Living accommodation/ Barracks, Administrative Building, etc. (**Appendix-3.2.1A**).

- GoM accorded (March 2012) administrative approval (AA) of ₹ 50.00 crore for the project based on the proposal sent by the office of the Director General of Police (PHQ<sup>1</sup>) for constructing 26 items of works for the proposed academy (**Appendix-3.2.1B**).
- A year later, GoM acquired (March 2013) 100 acres of land for the proposed Police Academy at Umran, Niangbyrni, Ri-Bhoi District. The project was entrusted (April 2013) to Meghalaya Government Construction Corporation Limited (MGCCCL).
- Audit observed that the scope of the proposed Police Academy was reduced substantially. The reduction of scope happened first by the PHQ which only included 26 items of work in the Action Plan and the Estimate submitted to Government of India. Thereafter, MGCCCL further reduced the scope of work to only 13 items (**Appendix-3.2.1C**). This was done as the earlier estimate was based on Schedule of Rates (SOR) of 2010-11 for Buildings and SOR 2007-08 for Electrical Works while the Detailed Project Report was revised to SOR of 2013-14. Finally, MGCCCL only called tenders for 11 items of works.
- The work was awarded to six contractors with a stipulation to complete the work between September 2016 and March 2017. The Police Academy was however, incomplete with the physical progress of work ranging between 40 per cent and 80 per cent (November 2016) and incurring expenditure of ₹ 33.09 crore (**Appendix-3.2.1D**). Further, GoI after having released the ₹ 25.00 crore<sup>2</sup> did not

<sup>1</sup> The office of the Director General of Police is also referred as 'Police Headquarters' (PHQ).

<sup>2</sup> 1<sup>st</sup> installment of ₹ 12.50 crore during March 2012 and 2<sup>nd</sup> of ₹ 12.50 crore during February 2015.

release any more fund to the State as the currency of XIII FC had expired on 31 March 2015. Hence, the delay had resulted in the State having to forego ₹ 25.00 crore of the balance award of XIII FC. In March 2016, GoM sanctioned ₹ 3.61 crore for the project from the State Plan and the fund was released (September 2016) to MGCCL.

On being pointed out (August 2017) to the Government, the Assistant Inspector General of Police (Administration), Meghalaya attributed (October 2017) the delay to a lot of ground work done for acquiring the land. He stated that ₹ 30.61 crore was released to MGCCL and that further fund of ₹ 10.00 crore was sought (June 2017) from the Government for early completion of the project.

The fact however, remained that even after completing works valuing ₹ 33.09 crore, the project was not completed. More importantly, the facility could not be completed in time and as the XIII Finance Commission award period is over, State would have to complete the project with its own funds as it had lost central grant of ₹ 25.00 crore and meanwhile, till the facility is completed, the objective (training of policemen) would not be achieved.

