

CHAPTER - III

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CHAPTER III

Audit of Transactions

Audit of transactions of the Government Departments, their field formations as well as that of the Autonomous Bodies brought out instances of lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs.

Revenue and Forest Department

3.1 Preparedness for Disaster Management

3.1.1 Introduction

Disaster is a catastrophe, mishap, calamity or grave occurrence in any area, arising from natural or manmade causes, or by accident or negligence which may result in substantial loss of life or human suffering or damage to, and destruction of property, or damage to or degradation of environment and is of such nature or magnitude or scale that is beyond the normal coping capacity of the affected community. Efficient management of disasters, rather than mere response to their occurrence, has received increased attention both within India and abroad.

Government of India (GoI) enacted (December 2005) the Disaster Management Act, 2005 (Act), which laid down institutional, legal, financial and coordination mechanisms at the national, State and district level. Government of Maharashtra (GoM) has identified the disasters such as cyclone, drought, earthquake, landslide, epidemics, fire, flood, industrial & chemical and road accidents *etc.*, for disaster preparedness.

Disaster Preparedness includes organisational activities which ensure that the systems, procedures and resources required to meet a natural disaster are available in order to provide timely assistance to those affected, using existing mechanisms wherever possible.

3.1.2 Organisational set up

The Revenue and Forests Department (R&FD), GoM through its Relief and Rehabilitation (R&R) Division is responsible for the implementation of disaster management programme. It also involves co-ordination with the line departments¹.

At the State level, the State Disaster Management Authority (SDMA) discharges its functions through the Disaster Management Unit (DMU). At district level, District Disaster Management Authorities (DDMAs) headed by the District Collectors (in areas other than those covered by the municipal corporations), Regional Disaster Management Centres (RDMC) headed by the Municipal Commissioners in urban areas under their jurisdiction are responsible for implementation of the Act in their respective jurisdictions. As regards Mumbai City and Suburban district, Greater Mumbai Disaster

¹ Departments such as Public Works, Water Resources, Environment, Home and Urban Local bodies *etc.*, are responsible for implementation of the DMP

Management Authority (GMDMA) of Municipal Corporation of Greater Mumbai (MCGM) is responsible for implementation of the Act in MCGM area.

3.1.3 Audit Scope and Methodology

The audit was conducted between March 2018 and June 2018, with a view to assess the disaster preparedness of the government agencies in terms of preparation of annual disaster management plans, identification of risk and mitigation measures taken up in respect of earthquakes, landslides, school safety, chemical, biological, radiological and nuclear disasters and stampede at the State level and flood risk mitigation measures in MCGM area. For this purpose, records for the period 2013-18 were test-checked in DMU, R&FD, Mantralaya, Mumbai along with six² selected DDMA, six³ RDMCs, and GMDMA. Entry Conference was held in May 2018 wherein audit objectives and criteria were discussed with the Director, State Disaster Management Unit (SDMU) and the officials from MCGM. The exit conference was held in December 2018 wherein audit findings and recommendations were discussed with the Director, SDMU and the officials from MCGM. Replies received (February 2019) from the Government were incorporated wherever required.

Audit findings

3.1.4 Planning

3.1.4.1 Delay in framing of State Disaster Management Rules

As per Section 78(1) of the Act, the State Government may, by notification in the Official Gazette, make rules to carry out the provisions of the Act.

It was observed that the Maharashtra Disaster Management Rules were notified by the Government in January 2019 *i.e.*, after of 14 years from the enactment of the Act. It was further seen that the responsibilities of the RDMCs such as periodicity of meetings, formation of various committees and their functions were not defined in the Rules.

3.1.4.2 Non-enactment of legal framework for Flood Plain Zoning

Flood Plains are low-lying land areas adjacent to a river. Flood Plain Zoning (FPZ) is a concept to regulate land use in the flood plains to restrict the damage caused by floods and aims at determining the locations and the extent of areas for developmental activities in such a manner that it does not impact the environment.

According to the National Water Policy, 2002 there should be strict regulation of settlements and economic activity in the flood plain zones along with flood proofing, to minimise the loss of life and property on account of floods. The flood forecasting activities should be modernised, value added and extended to other uncovered areas. Inflow forecasting to reservoirs should be instituted for their effective regulation. Further, river basin-wise master plan to identify flood prone basins and frequency based flood inundation maps were also to be prepared.

² Amravati, Nagpur, Nashik, Pune, Satara and Thane

³ Amravati, Nagpur, Nashik, Navi Mumbai, Pune and Thane

The National Disaster Management Guidelines (NDMA) for Management of Floods, 2008, *inter alia*, elaborate the mechanism for preparedness for prevention of flood; flood forecasting and warning; regulation and enforcement of systemic measures like flood plain zoning; constructions in flood prone areas *etc.*

Maharashtra is largely vulnerable to floods and there were many manmade reasons for floods and there were flash floods in the State due to *nalla* overflows, poor drainage systems.

It was observed that the details of FPZ, river basin-wise master plan to identify flood prone basins and frequency based flood inundation maps, were not incorporated in the State DMP for the year 2016.

The Government stated (February 2019) that the matter was related to the Water Resource Department (WRD).

The reply is not acceptable since the SDMU, R&FD did not pursue the matter with the WRD despite being the nodal agency for implementation of the Act in the State.

3.1.4.3 Annual Disaster Management Plan

Section 23(2) of Act provides that every State should prepare a State Disaster Management Plan. Section 23(4) *ibid* provides that the State Plan should *inter alia* include vulnerability of different parts of the State to different forms of disasters, measures to be adopted for prevention and mitigation of disasters, the manner in which the mitigation measures should be integrated with the development plans and projects *etc.* Further, Section 23(5) *ibid* provides that the State Plan is required to be reviewed and updated annually. Similarly, District Plan is also required to be reviewed and updated annually as provided under Section 31(4) of the Act *ibid*.

Scrutiny of records revealed that annual Disaster Management Plan (DMP) was prepared only for the year 2016 by the SDMU during the period covered by audit. Thereafter, the DMP was neither updated nor prepared afresh. The DMP contained probable disasters identified by the respective DDMA and RDMCs, areas prone to those disasters, identification of line departments and their responsibilities, available equipment, and emergency contact members *etc.* Further, 15⁴ places (other than Mumbai City and Suburban), which are located near river and/or dam were identified as areas prone to floods. However, village level vulnerability of population to floods was not identified. In addition, specific areas prone to disasters such as, landslides, nuclear disasters, chemical disasters, biological disasters, oil spills and marine disasters, stampede and tsunami were also not included in the DMP. It was seen that DMPs were prepared annually by all the selected DDMA and RDMCs except in RDMC Amravati. Further, Flood Preparation Guidelines/Plans were also prepared along with annual DMPs by all the selected DDMA, GMDMA and RDMCs except RDMC, Amravati.

⁴ (1) Pandharpur; (2) Nira-Narsingpur; (3) Pune; (4) Daund; (5) Sangli; (6) Karhad; (7) Paithan; (8) Nanded; (9) Nashik; (10) Akola; (11) Beed; (12) Mahad; (13) Panvel; (14) Chiplun; and (15) Raipatan

The Government stated (February 2019) that instructions will be issued to all the concerned.

▪ ***Annual Plans for Disaster Management for Mumbai City and others***

The Annual DMP for Mumbai City and Mumbai Suburban districts were prepared in 2013, 2016 and 2017. The DMP, 2013 was followed in 2014 and 2015. The DMP for 2018 was under finalisation.

It was further seen that the RDMC, Amravati had undated DDMP, available on record.

3.1.5 Efficacy of DMPs

Identification of disasters and efficacy of DMPs for effective planning and mitigation of impact of disasters identified at the State-level and the selected DDMA and RDMCs are discussed below:

3.1.5.1 Earthquakes

NDMA defines earthquake as a series of vibrations on the earth's surface caused by the generation of elastic (seismic) waves due to sudden rupture within the earth during release of accumulated strain energy. Bureau of Indian Standards, based on the past seismic history, grouped India into four seismic Zones, viz., Zone II, III, IV and V. Of these, Zone V is the most seismically active region, while Zone II is the least. As per these standards some small parts on the west coast of Maharashtra fall under Zone III while rest of Maharashtra falls under Zone II.

State DMP has classified the districts in terms of their damage risk into Medvedev-Sponheuer-Karnik (MSK) zones. MSK is another scale widely used for measuring the intensity of earthquake based on the seismic zone. As per the State DMP, some parts of Raigad, Ratnagiri and Satara districts of the State fall under MSK VIII zone, i.e., high damage risk zone while other districts fall under MSK VI and VII zones i.e., low damage and moderate damage risk zones respectively.

Based on the past earthquakes, the major spots where seismic activity noticed during last few years are near Ratnagiri along the western coast, Koyna Nagar, Bhatsa and Surya areas of Satara and Thane districts respectively.

In order to mitigate the loss on occurrence of earthquakes the State DMP envisaged that structural measures and non-structural measures are to be adopted by the line departments.

Structural measures

- Zoning and building codes and development of safe siting and earthquake resistant structure;
- Retrofitting of weak structures;
- Instrumentation for monitoring seismic activities; and
- Carry out structural audit of all critical infrastructures and key resources.

Non-structural measures

- Prepare departmental earthquake contingency/action plan and Standard Operating Procedure; and
- Organise awareness programmes *etc.*

Details of action proposed in the DMP and the status of implementation are discussed in **Table 3.1.1**.

Table 3.1.1: Action proposed in DMPs for earthquakes and status of implementation

Sl. No.	Action proposed in the DMPs	Status of implementation
1.	Conducting micro-zonation study and preparing seismic maps in earthquake prone areas.	<p>a. District-wise macro-level earthquake zoning was done in the State DMP. However, micro-zonation at Gram Panchyat level as envisaged in the State DMP was not done in the district level DMPs.</p> <p>b. As per the DMPs of the selected DDMA and RDMCs, micro-zonation study was not done and seismic maps were not prepared whereas MCGM conducted micro-zonation study for Mumbai city and suburban areas and the response plan was prepared.</p> <p>The Government stated (February 2019) that in respect of the cities prone to earthquake, the local authorities should prepare micro-zonation study and maintain data of dilapidated buildings. Necessary instructions would be issued to the authorities concerned.</p>
2.	Identification of dangerous ⁵ and extremely ⁶ dangerous structures.	<p>a. Setting up of timelines and milestones for identification of vulnerable/critical lifeline structures and development and periodical updation of database was essential for effective planning and mitigation of losses due to earthquake. However, audit observed that timelines and milestones were not set in the State DMP for identification of such structures.</p> <p>b. The State DMP did not contain the consolidated position of dangerous and extremely dangerous structures in the State.</p> <p>c. In none of the six selected DDMA dangerous and extremely dangerous structures were identified by the respective line departments.</p> <p>d. Further, as per the DMPs of four out of the six selected RDMCs <i>viz.</i>, Amravati, Nagpur, Nashik and Pune, dangerous and extremely dangerous buildings were not identified. As regards the remaining two RDMCs <i>viz.</i>, Navi Mumbai and Thane, 315 and 3,693 buildings in their jurisdiction respectively were identified under the dangerous/extremely dangerous category.</p> <p>e. As per the annual DMP of GMDMA for the year 2016, MCGM identified 717 buildings which required to be completely demolished and 2,536 buildings in all the 24 wards in MCGM area, either required to be partly demolished or structurally repaired.</p> <p>The Government stated (February 2019) that it would not be possible to incorporate a consolidated database of dangerous and extremely dangerous buildings in the State DMP since State DMP is a policy document.</p> <p>The reply is not acceptable since database of such buildings was not maintained by DDMA also.</p>
3.	Develop a database of existing private and Government buildings in the State.	<p>Database of Government buildings was not prepared by the selected DDMA and RDMCs.</p> <p>During Exit Conference, the Chief Officer, Disaster Management, MCGM stated that the database of various types of buildings was being prepared and nearly 60 <i>per cent</i> of the work was completed.</p>

⁵ Buildings which require immediate structural repairs

⁶ Buildings which require immediate evacuation

Sl. No.	Action proposed in the DMPs	Status of implementation
4 (a)	Identification of the very weak/old structures and putting notice not to use and vacate by the line departments viz., Urban Development, Public Works, Housing, Urban Local Bodies and Gram Panchayats.	MCGM identified (July and August 2018) 7,654 buildings in 21 out of 24 wards which were more than 30 years old. Further, structural audit reports in respect of 1,716 out of 7,654 buildings was conducted and notices were issued in respect of 134 buildings, which were found dangerous. Further, in none of the six selected DDMA's and six RDMCs very weak and old structures were identified. During the Exit Conference, the Director, SDMU stated that the clarification would be sought from the field units.
(b)	Identify the buildings that need retrofitting and prepare projects/scheme for retrofitting.	As discussed at Sl. No. 2(d) above, dangerous and extremely dangerous buildings were not identified and there was no action plan in the DMPs of the respective DDMA's and RDMCs for providing retrofitting to the weak structures.
(c)	Providing retrofitting to weak structures.	Though dangerous and extremely dangerous buildings were identified by the two RDMCs and GMDMA as discussed at Sl. No. 2(d) and (e) above, it was not mentioned in DMPs of the respective units whether retrofittings were required for identified structures. During the Exit Conference, the Director, SDMU stated that the retrofittings are costlier than redevelopment of structures, if the cost of retrofitting exceeds 30 per cent cost of redevelopment.
5.	Conduct structural audit of all critical infrastructures and key resources such as dams, bridges, roads etc.	On the basis of periodical inspection of dams carried out by the field offices, the Dam Safety Organisation (DSO), Nashik decides the severity of the deficiencies and advise the remedial action. As per the Annual Health Status Report (2017-18) of the DSO there were 1,332 large Class I and Class II dams in the State. Further, 1,325 out of 1,332 of such dams were inspected by the field offices and it was found that there were no dams with Category 1 ⁷ deficiencies, 313 dams with Category 2 ⁸ deficiencies and the remaining 1,012 dams with Category 3 ⁹ deficiencies. Category 2 deficiencies in respect of 13 and 77 dams were fully and partly complied with respectively while compliance report in respects of 223 dams was awaited by the DSO. Further, there were 2,378 bridges in Pune Region under the jurisdiction of the Public Works Department, of which structural audit in respect of 191 bridges only was due and conducted (August 2018). As per the DMPs of the respective DDMA's, structural audit of the critical infrastructure and key resources was not conducted by the line departments in the remaining four selected districts (i.e., except Satara district under Pune Region). During the Exit Conference, the Director, SDMU stated that instruction regarding maintenance of database and structural audit of buildings and lifeline structures would be issued to the offices concerned. As of November 2018, structural audit of bridges in MCGM was conducted and there were 296 bridges in MCGM area of which 18 required demolition and reconstruction, 61 required major repairs, 107 required minor repairs and the remaining 110 bridges were in good condition. The Government stated (February 2019) that the local authorities would be instructed to conduct structural audit of buildings and lifeline structures.

Source: Information furnished by test checked units and audit observations

⁷ Dams with major deficiencies, which may lead to failure

⁸ Dams with rectifiable deficiencies needing immediate attention

⁹ Dams with minor or no deficiencies

In the absence of database of the vulnerable & critical lifeline structures and non-conducting of structural audit of critical infrastructures and key resources, planning and preparedness measures to mitigate the possible loss due to earthquake was found lacking. The risk is further compounded since the occurrence of earthquake is not predictable. We noted that some efforts have been made by DMUs in terms of identification of dangerous and extremely dangerous buildings, identification of very old buildings and conducting of structural audit of critical infrastructures. However, these are not adequate to address the issue of preparedness comprehensively.

3.1.5.2 Landslides

Landslide is a downward movement of slope formed with materials such as soil, rock, boulders *etc.*, under the influence of gravity, which occur in mountain slopes and river banks. Landslides are one of the natural hazards that affect at least 15 *per cent* of the land area of our country, an area which exceeds 0.49 million square kilometre (sq. km.).

The Western Ghats, overlooking the Konkan coast, though located in a relatively stable domain, experience the fury of this natural hazard due to steep hill slopes, overburden and high intensity rainfall. The Konkan coast of Maharashtra falls under the moderate/moderately high hazard area.

Historically, Maharashtra has been prone to landslides causing loss of lives and property. As per the NDMA guidelines various structural measures *i.e.*, any physical construction to reduce or avoid possible impact of hazards, which include engineering measures and construction of hazard-resistant, protective structures and infrastructure; and non-structural measures *i.e.*, non-engineered measures to reduce or avoid possible impacts of hazards which include education, training, capacity development, public awareness and communication were to be adopted to mitigate the impact of landslides.

Details of action proposed in the NDMA Guidelines for systematic and coordinated management of landslides action proposed in the State DMP and in the selected DDMA, RDMCs and GMDMA are given in **Table 3.1.2**.

Table 3.1.2: Action proposed by NDMA for landslides *vis-à-vis* DMPs and action taken

Sl. No.	Action proposed in NDMA Guidelines	Action proposed in the DMPs, action taken and Audit Remarks
1.	Landslide hazard, vulnerability, and risk assessment.	Though landslide was identified as a potential disaster, the line departments and their responsibilities to mitigate the impact of landslides were not outlined in the State DMP. Therefore, the State DMU did not prepare the action plan for landslides in line with the NDMA Guidelines. During the Exit Conference, the Director, SDMU stated that necessary modifications would be done after examining the matter. At the macro level, Raigad, Ratnagiri and Sindhudurg and parts of Thane and Pune districts and some areas at the foothills of the Sahyadri mountain ranges along Konkan region of Maharashtra were identified as areas vulnerable to landslides and included in the DMPs of the concerned district. In two out of six selected districts <i>viz.</i> , Satara and Thane, landslide was identified as potential hazard and structural and non-structural measures for landslides were also incorporated in the respective DMPs.
2.	Landslide hazard zonation.	
3.	Multi-hazard conceptualization.	
4.	Landslide remediation practice.	
5.	Research and development; monitoring and early warning.	
6.	Knowledge network and management.	
7.	Capacity building and training.	
8.	Public awareness and education.	
9.	Emergency preparedness and response.	
10.	Regulation and enforcement.	

		<p>As per the DMP for 2017-18 of Satara district, there were four incidents of landslides <i>i.e.</i>, two in 2005, one each in 2008 and 2015. Further, five villages in the district were identified as hotspots in terms of their vulnerability to landslides. However, total number of landslides prone areas in the district and risk and vulnerability thereof were not assessed in the DMP.</p> <p>In the DMP of 2017 of Thane district there was an incident of landslide in July 2016. Further, two talukas <i>viz.</i>, Murbad and Thane were identified as the areas majorly prone to landslides. However, total number of landslides prone areas in the district and risk and vulnerability thereof were not assessed in the DMP.</p> <p>In Amravati district, as per the DMP 2018-19 the only hilly region in the district in Chikaldhara was identified as area prone to landslide with low risk.</p> <p>Further, as per the DMP 2018 of Nashik district Saptashruni Gad and Kasara Ghat areas were identified as areas highly vulnerable to landslides. Though vulnerability of 14 talukas in the district was classified as low/medium/high the specific areas prone to landslides and their risk and vulnerability were not assessed in the DMP.</p> <p>As per the DMP 2016 of Pune district, 23 areas/talukas were identified as areas prone to landslides. However, various structural and non-structural measures were not outlined in the DMP.</p> <p>In Nagpur district, landslide was not identified as a potential disaster in the DMP.</p> <p>The Government stated (February 2019) that landslide would be included in the State DMP while updating.</p>
	Action proposed by GMDMA, MCGM	Status of implementation
11.	<p>As per the minutes of meeting (August 2014) of GMDMA, there were 18,497 hutments in 278 landslide prone areas located in MCGM area, which were required to be shifted and retaining walls to be constructed. Therefore, GMDMA decided (August 2014) to carry out detailed survey of all the landslide prone areas in Mumbai through Geographical Survey of India (GSI) and prepare an action plan.</p> <p>As per the DMP, 2016, there were 285 landslide prone areas in Mumbai City and Suburban districts under MCGM area.</p>	<p>Though landslide was a potential disaster, GMDMA had not included the action plan/structural and non-structural measures for landslides in the DMP.</p> <p>It was observed that there were 100 incidents of landslides from 2010 to 2017 involving 12 injury cases, of which, 33 incidents of landslides involving 12 injury cases were occurred during 2015-17 in MCGM area. Despite the repeated occurrences of landslides, MCGM did not take any concrete action to mitigate the risk of landslides.</p> <p>During the Exit Conference, the Chief Officer, Disaster Management, MCGM stated that survey report from GSI was received and instructions would be issued to Ward Offices to initiate mitigation measures. It was also stated that geographic information system-based mapping of landslide prone spots in MCGM area was also done.</p>
<p><i>Source: Information furnished by test checked units and audit observations</i></p>		

The efforts made by the authorities at various levels were not adequate, comprehensive, uniform and complete to address the preparedness for landslides as discussed above.

3.1.5.3 School safety

School Safety has been defined as the creation of safe environments for children starting from their homes to their schools and back. NDMA guidelines provide that SDMAs had to ensure that school safety was given due attention in the State and the districts DMPs. NDMA guidelines further provide that (i) district level baseline of schools to be made safer through

Rapid Visual Screening *etc.*, (ii) proximity of emergency and crisis service agencies, their capabilities, (iii) physical capacity of school infrastructure and facilities to resist known hazards, (iv) existing resources and capacities within the school and the community with regard to disaster management are to be ensured as part of school safety measures.

It was observed that:

- School safety component was not incorporated in the State DMP. As a result, the State DMP did not mandate for inclusion of school safety component in the DMPs at the DDMA, RDMC and GMDMA level.

During the Exit Conference, the Director, SDMU stated that school safety would be included in the State DMP. It was further stated that 50 schools in each district would be identified to create a group of master trainers for imparting training to other schools in the district.

- Two out of six selected DDMA's *viz.*, Amravati and Nashik included school safety component in their DMPs while the remaining DDMA's did not include the school safety component in their DMPs.

In the DMP of Amravati, total number of schools (2,836) in the district were identified and provision was made in the DMP for conducting awareness programmes at district, taluka and village levels for ensuring school safety.

Further, in the DMP of Nashik total number of schools in the districts (Primary: 3,342 and Secondary: 721) were identified and structural measures and the line departments responsible thereof were identified and incorporated.

- As regards MCGM, disaster management plans were prepared and fire audit was conducted for all the 392 schools which are under the jurisdiction of MCGM. Further, the Education Officer, MCGM stated in the Exit Conference that disaster management plans in respect of 416 aided and 685 un-aided schools in MCGM area were also prepared and Fire Audit of nearly 70 *per cent* of the private schools was completed. Fire audit was made mandatory for all the schools once in every six months.

The Government stated (February 2019) that school safety would be included in the State DMP as well as the DMP of the School Education Department.

3.1.5.4 Chemical Biological, Radiological and Nuclear (CBRN) disasters

As per the NDMA Guidelines, standard list of instruments, equipment and protective gear necessary for various response teams to deal with chemical, biological, radiological and nuclear disasters were to be drawn up in consultation with Department of Atomic Energy, GoI with full technical specifications (the list will be updated periodically) and procured by the concerned SDMA's and DDMA's in advance for the response action.

In the State DMP, Chemical Biological, Radiological and Nuclear (CBRN) disaster was not identified as a potential disaster, as a result, risk and vulnerability assessment was not done for CBRN.

The Government stated (February 2019) that CBRN would be included in the State DMP.

Further, CBRN disaster was included in the DMP by three¹⁰ selected DDMA, three¹¹ RDMCs and GMDMA. However, details of equipment, protective gear required for response teams were not included in the respective DMPs.

As per paragraph 5.6 of DMP of GMDMA, medical preparedness plans focusing on conserving resources for optimal utilisation, laying down priorities for augmentation, providing an appropriate response in dealing with casualties *etc.*, are significant and constitute one of the most important elements in disaster response.

GMDMA directed (December 2016) the DMU, MCGM to make budget provision for procurement of radiation detection gadgets as well as decontamination kits for treatment of patients exposed to radiation due to CBRN. Further, DMU, MCGM was also required to identify locations to hold the nuclear waste in case of radioactive/nuclear disaster.

Audit observed that MCGM did not take any action to comply with the directions of the GMDMA up to April 2018.

During the Exit Conference, the Chief Officer, Disaster Management, MCGM stated that (i) MCGM procured a HAZMAT vehicle which would be received shortly, (ii) the HAZMAT vehicle contains decontamination kits (iii) special standard operating procedure was prepared to deal with CBRN and (iv) a decontamination room would be set up in KEM Hospital, Mumbai on trial basis.

3.1.5.5 Stampede

As per the NDMA Guidelines, (i) capacity planning (ii) understanding crowd behaviour (iii) crowd control (iv) stakeholders' approach (v) identifying the threats and causes (vi) risk assessment and planning (vii) developing course of action (viii) putting up signages indicating medical, security *etc.*, (ix) fire and electrical safety measures (x) communication system *etc.*, are the important stages in planning for crowd management.

The State DMP did not identify stampede as one of the potential disasters and therefore, did not mandate for inclusion of stampede as a potential disaster in the DMPs prepared at DDMA, RDMC and GMDMA levels in spite of occurrences in August 2003 during *Mahakumbhmela* at Nashik that caused 29 casualties and another stampede that took place at Wai, Satara during *Shree Kalubai Yatra* in January 2005 causing 293 casualties.

Five out of the six selected DDMA *i.e.*, except DDMA, Nagpur identified stampede as a potential disaster and prepared event-specific crowd management plans such as *Kumbhmela*, *Pandharpur Yatra etc.* Further, GMDMA of MCGM also identified stampede as a potential disaster.

¹⁰ Amravati, Nagpur and Satara

¹¹ Nagpur, Pune and Thane

The Government stated (February 2019) that stampede would be included in the State DMP and guidelines issued to field authorities as prevention and mitigation measures.

3.1.5.6 Medical Preparedness

As per Para 5.4 of the State DMP, the Director of Health Services, Maharashtra State (DHS) is the State control authority for medical preparedness. Similarly, the Joint Director of Health Services (Malaria, Filariasis & Waterborne Diseases) is the State Nodal officer for Disaster Management. At district level, the Civil Surgeon is Nodal Officer for the same. In the State DMP various measures were prescribed for medical preparedness. The actions proposed in the State DMP and the status of their implementation by the respective authorities is discussed in **Table 3.1.3**.

Table 3.1.3: Action proposed in DMP and status of implementation by DHS

Sl. No.	Action proposed in the DMP	Status of implementation by DHS								
1.	Establish State and district level control room to collect, compile and analyse the data regarding all disaster events.	State and district level control rooms were established. The State level control room is operational in implementation of Integrated Disease Surveillance Programme (IDSP) Cell, Pune from 15 May to 30 November for reporting disease outbreaks and any untoward events occurring in the State.								
2.	Prepare data bank of health care institutions, human resources available, disaster vulnerability map, transportation facilities, audio visual communication, blood banks and inter sectoral information.	Data banks of health care institutions was prepared: <table border="1"> <tr> <td>Hospitals</td> <td>499 with 27,435 beds</td> </tr> <tr> <td>Human resources</td> <td>Sanction strength: 54,590 Men-in –Position: 39,019</td> </tr> <tr> <td>Transportation</td> <td>937 ambulances under Maharashtra Emergency Medical Services</td> </tr> <tr> <td>Blood banks</td> <td>262</td> </tr> </table>	Hospitals	499 with 27,435 beds	Human resources	Sanction strength: 54,590 Men-in –Position: 39,019	Transportation	937 ambulances under Maharashtra Emergency Medical Services	Blood banks	262
Hospitals	499 with 27,435 beds									
Human resources	Sanction strength: 54,590 Men-in –Position: 39,019									
Transportation	937 ambulances under Maharashtra Emergency Medical Services									
Blood banks	262									
3.	IDSP for the State to prepare surveillance reports on epidemic and outbreak events from across the country in its weekly Outbreak Reports.	IDSP has been in implementation since 2005-06. Weekly reports were generated at the district level and submitted to DHS.								
4.	Sanitary and Entomological surveillance in disease prone/high risk villages special sanitary surveillance (including water quality testing for contamination and total chlorine (TCL) testing) and Entomological surveillance (including House to House container survey, vector density assessment) need to be carried out as a part of regular pre-disaster activity.	Sanitary survey of drinking water sources is being conducted during pre-monsoon (April to May) and post monsoon (October to November) every year. TCL testing is being done regularly by the district level laboratories and the result intimated to the respective authorities. Water sources were tested for chemical contamination twice and six times for biological contamination every year.								
5.	Rapid Response Teams (RRTs) at the State & the district level which comprise of surgeon, ortho surgeon, anaesthetist, physician, paediatrician, gynaecologist, pathologist and other experts (entomologist, veterinary expert etc.) along with ancillary staff are to be formed. On site response team will be equipped with adequate manpower, portable infrastructure (tent/patient beds), medicines, instruments & equipment etc.	State and district level RRTs were established. Each RRT comprises one each of District Health Officer, Micro Biologist, Physician, Paediatrician, Veterinary Consultant, Food & Safety Officer and District Epidemiologist.								

Sl. No.	Action proposed in the DMP	Status of implementation by DHS
6.	Surveillance system at International airports/ ports and ground crossings is to be set up to act up on the alerts given by the World Health Organisation regarding occurrence of a public health emergency of international concern, for screening passengers/cargo/products of animal or plant origin.	During the public health emergencies of international concern, surveillance is done with the help of the airport authorities.
7.	Establish specialised capacities for managing Chemical and Radiological Medical Emergencies.	Information not furnished by DHS.
8.	Identify the Non-government Organisations and define their role in disaster management.	At present, NGOs were not engaged for disaster management.
9.	Ensure that hospitals in the State have a Disaster Management Plan/ Manual for public health emergencies.	Each hospital in the State has an emergency response team.
10.	Preparation of disaster management plans for the Public Health Department as per Section 23 (7) of the Act.	The State DMP was not received by DHS.

Source: Information furnished by DHS

3.1.6 Flood risk mitigation measures of MCGM

Flooding¹² is a chronic and recurrent problem in Mumbai during the monsoon season from June to September, particularly when spells of intense rainfall coincide with high tide. The process of urbanisation, however, has played a major role in aggravating the problem as it has caused significant alterations to hydrology, morphology, habitat and ecology of the area.

GMDMA headed by the Municipal Commissioner, MCGM was constituted (May 2018) by the GoM for Mumbai City and Suburban districts. DMU, MCGM has been preparing Flood Preparedness Guidelines annually. A state of the art Emergency Operation Centre (EOC) has been set up at the MCGM headquarters with 24x7 monitoring and 51 hotlines for communication with all the line ward offices of MCGM, line departments of the State and the Central agencies such as Army, Coast Guard, Navy and Railways. Besides, MCGM also established very high frequency wireless communication system with key stakeholders. The EOC is headed by the Chief Officer, DMU. A back up EOC was also set up at Parel, Mumbai.

¹² Floods are basically meteorological events conditioned by the characteristics of the drainage basins. If rainfall exceeds the retention capacity of the basins, drainage increases both in speed and volume causing floods



Further, MCGM has established a City Disaster Response Force consisting of 200 personnel for deploying them for rescue operations and a City Disaster Management Institute at Parel has also been set up for providing training on disaster preparedness to various stakeholders.

MCGM has installed 60 automatic rain gauges at 58 locations, of which currently 55 transmit rainfall data to the EOC every 15 minutes. Many of the rain gauges have been installed at fire brigade stations as they are the first respondents during disasters and are on 24 hour alert. The rain gauges also have a console capable of giving an audible alarm if pre-set rainfall intensity exceeds 10 mm in 15 minutes. If rainfall exceeds 20 mm in a 15 minute period the disaster management centre issues an alert signal to the localities in the catchments concerned. If this trend continues for over an hour *i.e.*, 80 mm in an hour, a 'risk warning' is issued to the catchments concerned and their main river channels. If the hourly intensity exceeds 80 mm in an hour, rescue operations are put in place.

DMU of MCGM prepares Flood Preparedness Guidelines every year. Ward-wise details of frequent flood prone areas, open places, emergency assembly points, hospitals, food suppliers, fire stations, volunteers and Non-Government Organisations *etc.*, were incorporated in the annual Flood Preparedness Guidelines of MCGM.

As per the Flood Preparation Guidelines for the year 2018 prepared by Disaster Management Unit of MCGM, the following were the major deficiencies in the existing system for management of flood risk in MCGM area:

- Due to flat gradients the drains are affected by tides;
- The system is heavily silted;
- Major outfalls discharge much below Mean Sea Level;
- Storm water drains discharge rain water directly by gravity through outfalls as floodgates have been provided in only three of the 45 outfalls. As the outfalls discharge below mean seal level, tidal control is possible only at these three locations;
- Capacity of drains is adequate only for rainfall of 25 mm/hr;
- Numerous obstructions in the larger drains due to siphons and other utility services;
- Poor workmanship and lack of attention to repairs when the drains are punctured by utility service providers;
- Gullies are poorly placed and often not very effective; and
- Poor structural conditions.

The details of the actions proposed in the Flood Preparedness Guidelines to overcome the deficiencies, and status of implementation of initiatives are discussed in **Table 3.1.4**.

Table 3.1.4: Action proposed in the Flood Preparedness Guidelines vis-à-vis status of implementation

Sl. No.	Action proposed in the Flood Preparedness Guidelines	Status of implementation
1.	The Storm Water Drainage(SWD) system is being designed for rainfalls of 50 mm/hour with run off coefficient of one <i>i.e.</i> , augmentation of the existing system by four times.	Out of 53 nallas to be upgraded, 25 nallas were upgraded to 50 mm/hour capacity, 12 in progress, four yet to be started and 12 foreclosed.
2.	Since 2006, the SWD system is being cleaned up/desilted to the bottom most level.	De-silting at 20 <i>per cent</i> before monsoon, 60 <i>per cent</i> during monsoon and 20 <i>per cent</i> after monsoon was done by MCGM every year.
3.	Installation of automated rain gauges.	MCGM had installed 60 automatic rain gauges at 58 locations.
4.	Widening, deepening and training of major nallahs.	<p>Mithi River: Out of 21.588 km of widening and deepening work, only 15.849 kilometer (km) could be completed. Further, out of construction of 12 bridges, five bridges were completed, two were in progress and construction of five bridges was yet to commence.</p> <p>Dahisar River: Against a target of 4.750 km, training work of the river was completed up to 4.150 km at a cost of ₹ 70.71 crore.</p> <p>Poisar River: Against a target of 7.0 km, training work up to 4.0 km was at a cost of ₹ 229 crore.</p> <p>Oshiwara River: Training and widening work of three out of eight nullahs associated with the river was carried out till 2013 after spending an amount of ₹ 44.26 crore. Training and widening work of 557 meter (Walbhat river portion) was also completed.</p>
5.	Rehabilitation of old arch/box drains, particularly in the Island City.	Out of 35.20 km, 34 km arch drain works completed. Rehabilitation of box drain not required as per the SWD, MCGM.
6.	Installation of eight Storm Water Pumping Stations at Haji Ali, Love Grove, Cleaveland Bunder, Irla, Britania (Reay Road), Guzder Bund, Mogra Nalla (Andheri West), Mahul Creek. In addition smaller pumps were to be provided on storm water lines to overcome invert problems and flat gradients.	Six out of the eight Storm Water Pumping Stations (except Mogra Nalla and Mahul Creek) were installed. The remaining two stations could not be completed due to non-availability of land.
7.	Rehabilitation of project affected persons (PAPs) in respect of flood risk mitigation works in MCGM.	As against 5,210 PAPs of 19 works, 118 PAPs of two works were partially rehabilitated and 5,092 PAPs were still to be rehabilitated.
8.	Updation of BRIMSTOWAD Master Plan.	The master plan updating the BRIMSTOWAD report was not submitted by the consultant as of April 2018. Therefore, there was a delay of six years in updating the BRIMSTOWAD.

Source: Information furnished by MCGM and audit observations

3.1.7 Preparation of Standard Operating Procedure

As per Chapter 4 the State DMP for the year 2016, preparation of Standard Operating Procedure (SOP) for each disaster was one of the non-structural measures under mitigation activities. SOP consists of a three tier action plan *viz.*, at pre, during and post-disaster stages, clearly demarcating the action to be taken by the line departments concerned at each stage.

In the State DMP, model SOP was prepared only for earthquake, rainfall, cyclone, and landslides. GMDMA prepared disaster-wise SOPs. However, in the selected DDMA and RDMCs disaster-wise SOPs were not prepared but line departments and their roles and responsibilities were identified. The SOPs covered communication arrangements, transportation, search and rescue teams and available equipment.

The Government stated (February 2019) that SOPs would be prepared for all identified disasters.

3.1.8 Non-assessment of required equipment

Procurement of required equipment is one of the important features of disaster preparedness. An assessment of disaster-specific search, rescue & evacuation equipment, communication equipment and ensuring their availability at the field level would enable the field level units to be well prepared for disaster management. In this regard, it was observed that:

- Communication equipment such as telephone, fax, internet, video conferencing system, hotlines were available at the DMU, DDMA and RDMCs. SDMU, R&FD monitors the functioning of DDMA and RDMCs through test calls on regular basis. Very Small Aperture Terminal *i.e.*, VSAT connectivity was established as emergency communication equipment. Further, toll free help lines were also set up at all DDMA and RDMCs in the State. The list of equipment appended to the State DMP for the year 2016 did not disclose the communication equipment available at DDMA and RDMCs.
- The SDMU, R&FD had not assessed the disaster-specific equipment required at the field level. Further, details of equipment¹³ available at only 20 out of the 36 districts and the equipment supplied¹⁴ by the SDMU to the field units were incorporated in the DMP for the year 2016. As regards search, rescue & evacuation equipment, GMDMA, MCGM incorporated an exhaustive list of equipment for CRBN, flood rescue, high rise building rescue, beach safety and fire in the DMP for the year 2016.

The SDMU, R&FD stated (August 2018) that procurement of equipment was done by the district level authorities as per their requirement based on the hazard risk vulnerability assessment done at the district level.

¹³ Flood rescue boats, Outboard Motor Boat, search and rescue torch, life jackets life buoys, gas cutters, ropes and tents

¹⁴ Emergency inflatable lighting system distributed to all Collectorate except Mumbai City and Suburban districts, portable inflatable lighting system distributed to Tehsils and water mist and CAF fire extinguishers distributed to urban local bodies.

However, since the minimum requirement of equipment has not been assessed in the districts (other than MCGM), it is not ascertainable whether the available equipment quantity is sufficient.

The Government stated (February 2019) that the DDMA's are procuring equipment as per the vulnerability and requirement and all the DDMA's would be instructed to include the inventory in their DDMPs.

3.1.9 Financial Management

▪ Non-establishment of State Disaster Mitigation Fund and District Disaster Mitigation Fund

As per Section 48(1) of the Act, the GoM was required to establish the State Disaster Response Fund (SDRF) and the State Disaster Mitigation Fund (SDMF) at the State level and the District Disaster Response Fund (DDRF) and the District Disaster Mitigation Fund (DDMF) at the district level, immediately after constituting the State and the district authorities. The SDMF and DDMF are required to be created to implement the measures for the purpose of prevention of disaster, mitigation, capacity-building and preparedness.

SDRF and DDRF

Contribution to SDRF was to be shared by the Central and the State governments in the ratio of 75:25. Further, contribution to the SDRF also included funds released by the Centre from the NDRF. The details of contributions to SDRF and expenditure incurred thereof during the period from 2013-14 to 2017-18 are given in **Table 3.1.5**.

Table 3.1.5: Contribution to SDRF and expenditure thereof during 2013-18
(₹ in crore)

Sl. No.	Year	Contribution to SDRF		Total	Central share from NDRF	Total (5+6)	Expenditure	Additional amount spent by the State (8-7)
		Central (75 per cent)	State (25 per cent)					
1.	2.	3.	4.	5.	6.	7.	8.	9.
1.	2013-14	384.35	128.11	512.46	1269.12	1781.58	4518.98	2737.40
2.	2014-15	403.56	134.52	538.08	1426.95	1965.03	6241.89	4276.86
3.	2015-16	1112.25	370.12	1482.37	1592.96	3075.33	4296.13	1220.80
4.	2016-17	1168.50	389.50	1558.00	2224.78	3782.78	4562.28	779.50
5.	2017-18	1226.25	408.75	1635.00	0.00	1635.00	1043.96	(-) 591.04
Total		4294.91	1431.00	5725.91	6513.81	12239.72	20663.24	8432.52

Source: Information furnished by R&FD

Scrutiny of records revealed that the SDMF was not created at the State level. However, R&FD released ₹ one crore and ₹ 50 lakh to each RDMC and DDMA respectively during the period between March 2013 and March 2016 for strengthening of DDMA's/RDMC's, preparation of DMPs, conducting awareness programmes, capacity building etc., as the DDMF.

The SDMU, R&FD stated (March 2018) that there was no provision in the Act for making fund provision to SDMF and DDMF and therefore, there was no separate revenue stream into those funds.

Reply is not acceptable since Section 49 of the Act provides for allocation of funds through annual budgets for carrying out activities and programmes.

3.1.10 Capacity building

3.1.10.1 Backup Emergency Operation Centre (EOC)

As per paragraph 2.4 of State Disaster Management Plan, 2016 an EOC was set up at *Mantralaya*, Mumbai and an additional EOC was to be established to keep as reserve for activation on orders for dissemination of information and issuing instructions to various field offices in the State. Accordingly, EOC was set up in 2008-09 at Yashwantrao Chavan Academy of Development and Administration (YASHADA), Pune.

However, it was seen that the backup EOC at YASHADA, Pune was not functional. Therefore, there is no backup EOC at the Government level for making it operational in case of emergency.

The Government stated (February 2019) that the backup EOC would be made operational.

3.1.10.2 Non-identification of training needs as per the area specific requirements

Trainings related to disaster preparedness are imparted at YASHADA for which R&FD released ₹ 75 lakh per year. During the period from 2013-14 to 2017-18, YASHADA conducted 487 training programmes wherein 16,323 candidates were imparted training.

Further, trainings, awareness programmes and mock drills are being conducted regularly by the selected DDMA's and RDMCs. DMU, MCGM has set up a specialised institute for imparting trainings on disaster preparedness to various stakeholders.

YASHADA fixed target of 60 courses in a year and trainings were imparted by appointing guest faculties. A target of 60 courses in a year was achieved. However, it was seen that SDMU, R&FD did not set any targets for trainings, awareness programmes and mock drills. As area specific disasters at district level were not adequately identified in the State DMP, audit could not ascertain whether the needs of training, awareness programmes and mock drills were adequately assessed at the State-level as well as at the district level.

The Government stated (February 2019) that the matter would be examined and the NDMA training modules are being followed while imparting trainings.

3.1.10.3 State Disaster Response Force

The National Disaster Response Force Guidelines, 2007 for preparation of State Disaster Management Plans envisaged imparting training to police, fire brigade, State Disaster Response Force (Force) *etc.*, as a capacity building measure.

Revenue and Forest Department (RFD), Government of Maharashtra, considering that Maharashtra is a multi-disaster prone status of the State, decided (August 2014) to form a Force. Accordingly, one company (comprising of 214 personnel) each at Dhule and Nagpur were set up in October 2016. Prior to creation of the Force, one battalion of National Disaster

Response Force was stationed at Pune for responding to disasters in Goa, Gujarat and Maharashtra states.

The National Disaster Response Force imparted training to SDRF personnel between December 2016 and May 2017 in the field of medical first responder, collapse structure search and rescue, flood rescue and boat handling, equipment maintenance, rope rescue and Chemical Biological, radiological and Nuclear emergencies.

3.1.11 Monitoring

3.1.11.1 Non-compliance of directions of DDMA and RDMCs

As per Section 25(1) of the Act, State Government shall establish a DDMA for every district in the State. Further, as per Section 27 of the Act, the DDMA shall meet as and when necessary and at such time and place as the Chairperson may think fit.

Scrutiny of records revealed that the District/Regional Authorities convened meetings as per requirement. However, it was noticed that there was no mechanism at District/Regional Authorities to ensure that the directions were duly complied with by the line departments concerned as detailed in **Table 3.1.6**.

Table 3.1.6: Directions given by the DDMA and the RDMCs during their meetings

Sl. No.	Name of DDMA/RDM C and date of the meeting	Particulars of directions	Line Department	Audit findings
1.	DDMA, Amravati 13.05.2016	To obtain the details of dilapidated buildings from Municipal Corporations, Municipal Councils and Gram Panchayats in the districts and evacuation notices were to be issued immediately to avoid loss of life and property.	Local Bodies concerned	There were no records with the DDMA to ascertain that the details of the dilapidated buildings in the districts were identified by the local bodies. Further, there was no mechanism to ascertain whether the local bodies in the district have complied with the directions of the DDMA.
2.	DDMA, Thane 11.08.2016	To conduct structural audit of buildings in Thane district.	Public Works Department (PWD)	There were no records in the DDMA to ascertain that structural audit of buildings was conducted as per the directions of the DDMA.
3.	DDMA, Pune 04.06.2016	To prepare the SOP for combating the disaster occurring when vehicles carrying chemicals meet with accidents.	Assistant Director, Industrial Security and Health Department, Pune	The Line Department had not submitted SOP till May 2018. The DDMA had also not taken any follow up action in this regard.
4.	DDMA, Pune 12.05.2017	To complete the structural audit of Dams before onset of monsoon.	WRD	The details were not available with the DDMA, Pune. However, the status rectification of deficiencies in respect of large Class I and Class II dams was discussed in Table 3.1.1 .
		To complete the structural audit of all the old bridges and buildings before onset of monsoon except for area falling under the jurisdiction of various Corporations.	PWD	The status was not ascertained by the DDMA, Pune. However, the status of conducting the structural audit of 191 bridges in Pune region was discussed in Table 3.1.1 .

5.	RDMC, Pune 09.06.2017	To submit the necessary information to City Engineer regarding landslides, dangerous old houses & hutments and hutments on the banks of the rivers, to serve notices to the people residing on the banks of rivers and in dangerous buildings <i>etc.</i>	PMC	There were no records with the RDMC to ascertain whether the PMC had complied with the directions of the DDMA.
6.	GMDMA 23.05.2017	To lay down a 300 m long pipeline of 8-inch diameter at Currey Road to divert the Storm water discharged on the railway tracks at Currey Road to avoid flooding in the railway tracks.	SWD, MCGM, Mumbai	The Chief Engineer, SWD, MCGM did not furnish the information whether the work was executed.
7.	RDMC, Amravati	Minutes of meeting were not available on record for scrutiny. Therefore, audit could not ascertain whether City Disaster Management Committee was constituted.		
<i>Source: Information furnished by test checked units and audit observations</i>				

Thus, there was poor coordination between the respective disaster management units and the line departments concerned.

The Government stated (February 2019) that directions would be issued to all the concerned authorities.

3.1.11.2 Non-preparation of Annual Report

As per Section 70 (2) of the Act, the State Authority shall prepare once a year, in such form and at such time as may be prescribed, an Annual Report giving a true and full account of its activities during the previous year and copies thereof shall be forwarded to the State Government to be laid before State Legislature. Scrutiny of records revealed that no Annual Report was prepared since enactment of the Act.

The Government stated (February 2019) that the Annual Report would be prepared and placed before the State Legislature by July 2019.

3.1.12 Conclusion

The Disaster Management Plans were prepared and updated annually by the selected DDMA. However, State DMU, GMDMA and RDMC Amravati did not prepare and update the DMPs annually. Flood Preparedness Plans/Guidelines were prepared by all the selected DDMA, GMDMA and RDMCs except RDMC, Amravati. Though the State DMP clearly defined the actions to be taken to mitigate the risk of earthquakes, there were deficiencies in implementation at the DDMA, the GMDMA and the RDMC levels. Though the State had a past history of massive landslides, the State DMP did not prescribe any specific action to be taken by the line departments to mitigate the risk of landslides. Further, CBRN and Stampede were not identified as possible disasters in the State DMP.

Equipment required for each type of disaster and minimum quantity of such equipment to be kept at the DDMA and RDMCs was not clearly outlined in the State DMP as part of mitigation and preparedness measure.

Due to lack of Co-ordination, instructions given by the district/regional disaster management authorities remained unattended. SDMA did not prepare and submit the Annual Report on the activities to the State Legislature.

3.1.13 Recommendations

Government may:

- (a) Clearly prescribe the action to be taken by the line departments to mitigate the risks of all possible disasters and ensure strict implementation of the same by all the line departments, and (b) as envisaged in the NDMA Guidelines, school safety may be given due priority in the DMPs at all levels.
- Identify equipment required to tackle various kinds of disasters and ensure that a minimum number of such equipment are available at the DDMA and the RDMC levels.
- The Government, the DDMA, the RDMCs and the GMDMA may establish a system to ascertain that timely action has been taken by the line departments on the recommendations made by the respective authorities from time to time.

Social Justice and Special Assistance Department

3.2 Functioning of Hostels for Backward Class Students

3.2.1 Introduction

The Department of Social Justice and Special Assistance (SJSAD) of Government of Maharashtra (GoM) was responsible for promoting the educational, social and economic interest of the Backward Class (BC) students and to protect them from social injustice and all forms of exploitation. Amongst the schemes implemented by SJSAD, establishment¹⁵ of government hostels (GHs) for BC students¹⁶ was one of the schemes implemented since 1922.

The Secretary, SJSAD is the administrative head and is assisted by Commissioner, Social Welfare (CSW), Pune. The schemes were implemented and monitored by CSW with the assistance of Additional Commissioner, Pune and Joint Commissioner, Pune. At the field level, there are seven Regional Offices¹⁷ headed by Regional Deputy Commissioners (RDCs), Social Welfare. Assistant Commissioners (ACs) at district headquarters monitor and control the functions of GHs and Government Residential Schools (GRSs) at district and taluka headquarters. At the Zilla Parishad level, District Social Welfare

¹⁵ Establishment of Government hostels includes maintenance and providing of basic facilities to the BC students

¹⁶ BC students include Schedule Caste and Nav boudhas (SC), Scheduled Tribe (ST), Vimukta Jati & Nomadic Tribe (VJNT), Economical Backward Class (EBC), Special Backward Class (SBC), physically handicapped and Orphans

¹⁷ Amravati, Aurangabad, Latur, Mumbai, Nagpur, Nashik and Pune

Officers (DSWO) monitor and control the functions of aided hostels at district and taluka headquarters.

Audit test-checked (between January and May 2018) records at SJSAD, Mumbai, CSW, Pune and seven RDCs. From each region, one¹⁸ AC of Social Welfare and one DSWO of Zilla Parishad were selected on the basis of highest number of GHs and aided hostels in the district covering the period from April 2013 to March 2018. The sample size included 33 GHs out of 127 GHs, all the 21 GRSs and 54 out of 523 aided hostels in the seven¹⁹ selected districts.

The audit objective was to assess whether, comprehensive plan based on identified needs was in place to create and operate the hostel infrastructure for BC students, provision and utilisation of funds was adequate and in adherence to the financial rules and budgetary procedure and functioning of the government BC hostels, residential schools and aided hostels in the State was effective to enhance the educational level of the BC boys and girls. The Audit involved scrutiny of the records, collection of data and information through questionnaires, site inspection with the department officials and collection of evidence.

Audit Findings

3.2.2 Financial Management

3.2.2.1 Under-utilisation of funds

The year wise position of available funds under Plan outlay and the expenditure incurred thereof are as detailed in the **Table 3.2.1**.

Table 3.2.1: Year wise position of available funds under Plan outlay
(₹ in crore)

Year	By Government of Maharashtra			By District Planning Development Committee (DPDC)		
	Budget	Grant released by GoM	Expenditure	Budget	Grant released by GoM	Expenditure
2013-14	621.57	527.30	326.61	14.99	14.39	12.87
2014-15	714.96	714.96	398.81	17.17	17.02	14.98
2015-16	724.00	591.62	391.73	24.07	23.87	19.59
2016-17	837.86	724.45	419.67	32.60	32.59	29.03
2017-18	1096.91	805.43	727.85	35.53	25.43	25.43
Total	3995.30	3363.76	2264.67	124.36	113.30	101.90

Source: Information furnished by SJSAD, Mantralaya

Analysis of the above table revealed the following:

- The funds released under plan heads were not utilised fully. As against ₹ 3,363.76 crore released by SJSAD during the last five years, only ₹ 2,264.67 crore (67 per cent) was spent. Thus, an amount of ₹ 1,099.09 crore was surrendered. Similarly, as against ₹ 113.30 crore

¹⁸ Amravati (Amravati Region), Aurangabad (Aurangabad Region), Ahmednagar (Nashik Region), Chandrapur (Nagpur Region), Latur (Latur Region), Pune (Pune Region) and Ratnagiri (Mumbai Region)

¹⁹ Amravati, Aurangabad, Ahmednagar, Chandrapur, Latur, Pune and Ratnagiri

released by the DPDC, ₹ 101.90 was spent resulting in surrender of ₹ 11.40 crore.

- Though the expenditure under plan heads was not commensurate with the demand and funds released by SJSAD in the last five years, the SJSAD continued to place demands on higher side every year without analysing the reasons for short utilisation of funds.

The analysis of a major head 2225-3331 (*soyi suvidha*) dealing with providing 37 basic amenities for the hostels revealed that under this head of account, the SJSAD had made excessive budget provision persistently as detailed in the **Table 3.2.2**.

Table 3.2.2: Analysis of a major head

(₹ in crore)

Year	Budget provision	Expenditure	Re-appropriation (percentage)	Surrendered grant
2013-14	125.00	17.32	(-) 82.65	25.04
2014-15	105.94	26.90	(-) 52.00	27.05
2015-16	67.00	31.02	00	35.98
2016-17	137.86	8.11	(-) 84.76	44.99
2017-18	60.00	12.63	(-) 35.37	12.00
Total	495.80	95.98 (19%)	(-) 254.78 (51%)	145.06 (29%)

Source: Information furnished by SJSAD, Mantralaya

The above statement indicated that only 19 per cent of the available funds were spent during the last five years. Remaining funds were either re-appropriated (51 per cent) or surrendered (29 per cent). Thus, the funds provided for amenities were not utilised fully. The shortfalls of amenities in the GHs are discussed in **paragraph 3.2.4.1**.

3.2.2.2 Blocking of funds

SJSAD had released funds from time to time to PWD²⁰ for the construction of GHs and GRSs. PWD, Pune had submitted (January 2017) a statement of utilisation of funds which revealed that an amount of ₹ 56.90 crore²¹ (released between the period May 2010 and May 2016) was lying un-utilised with the PWD, Pune. In the light of the statement, the CSW, Pune sought (August 2017) clarification from SJSAD regarding credit of the balance amount with Government or to be retained with CSW, Pune. The reply from SJSAD was awaited (October 2018). Though a significant period of seven to eight years had elapsed since the release of fund, the same remained unutilised with the PWD, Pune and no action was taken by the CSW, Pune to reconcile and get the refund of ₹ 42.78 crore from the PWD, Pune in respect of GHs for which even the land was not available.

The Secretary, SJSAD while accepting the facts stated (May 2018) that necessary action would be taken to obtain the unspent amount from the PWD Pune.

²⁰ Public Works (Building) Division, Pune being nodal agency

²¹ Out of ₹ 56.90 crore, ₹ 14.12 crore was the balance unutilised amount after completion of constructions which were refunded by the different PW divisions to PWD, Pune and ₹ 42.78 crore pertained to non-construction of GHs and GRSs buildings due to non-availability of land at district or taluka headquarters

In the test checked ACs, irregular release of funds and blocking of fund in the following cases were observed.

- In AC Amravati, Audit observed that PWD, Pune had released (February 2007) grant of ₹ 4.42 crore to PWD, Amravati for construction of GRS at Nandgaon Khandeshwar. Due to delay in execution of work, PWD, Amravati submitted (November 2012) a revised estimate of ₹ 12.09 crore which was accorded (September 2013) sanction by SJSAD for ₹ 9.73 crore. CSW, Pune released (January 2014) additional grant of ₹ 9.73 crore to SWD, Pune which released the amount to PWD, Amravati without considering the earlier released grant of ₹ 4.42 crore. This had resulted in excess release of grant by the CSW, Pune and PWD, Pune to PWD, Amravati. PWD, Amravati completed (May 2018) the construction work of GRS building at a cost of ₹ 9.73 crore. Thus, the excess released grant amounting to ₹ 4.42 crore was lying unutilised with PWD, Amravati since January 2014. The PWD, Amravati had neither refunded the unspent grant of ₹ 4.42 crore to PWD, Pune nor CSW, Pune had obtained the utilisation certificate from PWD, Pune (May 2018).

The Secretary, SJSAD accepted the facts.

- In Latur, it was observed that CSW, Pune had issued orders (August 2014) to RDC, Latur to purchase land from Water Resources Department (WRD), Hingoli for construction of GH at Vasmat taluka and released ₹ 3.09 crore to RDC, Latur. RDC, Latur released (September 2014) the grant of ₹ 3.09 crore to AC, Hingoli for purchase of land. However, even after lapse of more than four years AC, Hingoli did not purchase the said land from the WRD, Hingoli (May 2018). RDC, Latur stated that Collector, Hingoli had communicated (October 2016) that since the land belongs to WRD, the same would be handed over free of cost. Further, necessary proposals in this regard were to be moved at Government level. However, till June 2018, no proposals in this regard were moved at Government level. Thus, the fund of ₹ 3.09 crore released for purchase of land remained blocked with AC, Hingoli.

The Secretary, SJSAD stated (May 2018) that the funds were released for purchasing the land from the Godawari Marathwada Irrigation Development Corporation. The fact remained that RDC, Latur and AC, Hingoli were not aware of the land-owner. Laxity on the part of AC, Amravati and AC, Hingoli resulted in blocking of ₹ 7.51 crore (₹ 4.42 crore + ₹ 3.09 crore) for a period of four years.

3.2.2.3 Non-imparting of computer training to the students of government hostels resulting in injudicious expenditure of ₹ 24.78 crore

The SJSAD selected (July 2012) three²² agencies for providing training in the operation of computers, personality development and banking competitive exams to 37,068 students of secondary and higher secondary schools residing in GHs for the seven regions. The agencies were to provide training²³ and payments were to be made as per the conditions²⁴ stipulated in the contract. Out of the 30 *per cent* payment scheduled to be made based on passing of examination by students, proportionate payments²⁵ were to be released to the agencies. The SJSAD had placed (August 2012) ₹ 35.40 crore with CSW, Pune.

Audit observed that the CSW, Pune had released (September 2012) an advance payment of ₹ 10.62 crore (30 *per cent*) to the agencies. As against the bank guarantee (BG) of ₹ 10.62 crore (30 *per cent*) to be obtained from the agencies, the CSW, Pune obtained BG of only of ₹ 2.79 crore from the agencies at the time of issue of work order (August 2012). Further payment of ₹ 14.16 crore (40 *per cent*) was made (between September 2012 and May 2013) to the agencies assuming that the four months' computer training was completed. Though the exams of the students were not conducted by the agencies and the CSW, Pune without ensuring the same released payments of ₹ 14.16 crore which was irregular as the payments were released contrary to the contract norms. The total payment of ₹ 24.78 crore (70 *per cent*) was released to three agencies.

In the selected districts, audit observed that in four²⁶ districts the agencies had not provided any training to the students and in three²⁷ districts the information was not made available. The CSW, Pune had forfeited (October 2017) the BG of ₹ 1.29 crore of one Agency only. The status of forfeiting of BG of remaining two agencies were not furnished by CSW, Pune. The balance grant (30 *per cent*) of ₹ 10.62 crore was surrendered (November 2014) by CSW, Pune to the SJSAD.

Thus, the total expenditure of ₹ 24.78 crore without ensuring the fulfilment of conditions resulted in injudicious expenditure. The BG of two agencies were also not forfeited though a period of more than three years had elapsed resulting in expiry of BG.

²² (i) Core Education & technologier Ltd (for Mumbai and Nagpur); (ii) Zenith Software Ltd (for Pune and Amravati region); and (iii) Birla Shloka Edutech Ltd (for Nasik, Aurangabad and Latur region)

²³ The Agencies were to provide 260 to 520 hours of training to each student on six different courses of which 260 hours training in two courses was compulsory and training in one course out of remaining four courses was mandatory

²⁴ The agencies were to be paid 30 *per cent* advance payment at the time of issue of work order, 20 *per cent* after completion of four months (300 hours) training and remaining 20 *per cent* after completion of entire training

²⁵ 10 *per cent* would be released on passing of 50 *per cent* students, 20 *per cent* would be released on passing of 60 per cent students and full 30 *per cent* would be released on passing of 80 *per cent* students

²⁶ Ratnagiri, Ahmadnagar, Chandrapur and Latur

²⁷ Amravati, Aurangabad and Pune

The Secretary, SJSAD while accepting the facts stated (May 2018) that the irregularities were noticed in implementation of training programme and a First Information Report (FIR) was lodged with Anti-Corruption Bureau and investigation was in progress.

3.2.3 Planning

3.2.3.1 Establishment of Government Hostels

i) Non-establishment of Government Hostels for Backward Class students in 128 taluka headquarters

As of 2005-06, 271 hostels were in existence in the State. Over the years the number of higher educational institutes like Diploma in Education (D.Ed) colleges, Higher Secondary Schools, Industrial Training Institutions (ITIs), Polytechnic, Agricultural, and Medical Institutes *etc.*, were opened at the taluka headquarters. SJSAD therefore decided (June 2007) to establish 100 new hostels (60 for boys and 40 for girls) with a capacity of 100 inmates covering all the taluka headquarters. However, no specific time frame for establishment of new hostels was prescribed by SJSAD. As per the norms prescribed by SJSAD for selection of taluka for establishing GHs, the talukas which had more population of Schedule Castes (SC) as per the census of 2001 and talukas which did not have a single GH was to be selected. The analysis of talukas covered and GHs established revealed that:

- Of the 271 GHs in existence as of 2005-06, 204 GHs were located in 168 talukas and district taluka headquarters and 67 GHs were located in 35 district headquarters. As such, 185 taluka headquarters remained to be covered.
- Out of 101²⁸ GHs sanctioned during the year 2006-07, 64 hostels were opened in 54 new taluka headquarters and 37 hostels were opened in the taluka headquarters where already GHs were in existence. Thus, only 54 new talukas were covered and 131 taluka headquarters remained to be covered.
- In the year 2015-16, 50 Girls GHs were proposed (December 2015) to be opened on the occasion of 125 birth anniversary of Dr. B.R. Ambedkar, of which only 42 were established in taluka headquarters. Of these, only 13 GHs were opened in new taluka headquarters and 29 GHs were opened in talukas, instead of taluka headquarters, where GHs were in existence. As of June 2018, there were 363 talukas in 35 districts. Thus, as of September 2018, 128 talukas (118 + 10 newly created talukas) headquarters were yet to be covered despite the fact that requirements from the taluka headquarters for new GHs were received.

Further analysis revealed that the population of Scheduled Castes in the 128 talukas ranged between 1,146 and 1,23,203 as per 2001 Census. However, SJSAD selected those talukas which were having less SC population as per

²⁸ As against the proposal of 100 GHs, 101 GHs were actually sanctioned and taken up at the time of execution

Census 2001 ranging between 803 and 1,00,053. No specific reasons were found on records.

The Secretary, SJSAD accepted the facts and stated (May and September 2018) that it had established GHs based on the 2001 Census. Further, it was stated that opening of GHs in notified talukas was not possible due to non-availability of land. Consequently, the demands of local representatives and the requirements of boys and girls were taken into account and GHs were opened in other than the notified talukas. However, the department would establish the GHs in other taluka headquarters considering population as per 2011 Census in second phase.

The fact remained that the SJSAD failed to identify the talukas having no GH and to establish GHs in 128 taluka headquarters having large SC population as per 2001 Census. This has resulted in depriving the BC students of these talukas from the GHs facilities.

ii) Delay in enhancement of sanctioned intake capacity

Out of the 271 old GHs, 164 GHs were running in rented premises and the remaining in old Government buildings as of May 2018. Audit observed from the records of the CSW, Pune that 37 GHs out of 164 GHs which were having intake capacity of 75-80 students per hostel were shifted between the period 2011 and 2016 to newly constructed premises having intake capacity of 100 students. The CSW, Pune had forwarded (July 2016) a proposal for increasing the sanctioned intake capacity of these hostels to SJSAD. However, the SJSAD did not accord sanction for revision of the sanctioned intake capacity of these hostels till June 2018. No reasons for non-sanction by SJSAD were found on record. An analysis of the applications received in the 37 GHs located in ten districts revealed that 47,378 and 21,144 applications were received for admissions during the year 2016-17 and 2017-18, against the overall vacancies of 8,255 and 6,288 seats respectively. In the test checked three²⁹ districts, during the year 2016-17 and 2017-18 as against the vacancies of 293 seats and 173 seats in ten hostels, 1,823 and 602 applications respectively were received. Thus, the demand for the admissions in the hostels was considerably on the higher side. However, failure to increase the sanctioned intake capacity (of 20-25 BC students seats) in these GHs resulted in 905 BC students seats remaining vacant every year. Further, 10 GHs in four³⁰ test checked districts, were shifted to new premises between the period 2010-11 and 2016-17. Of these, two GHs were shifted during the year 2016-17. However, the proposal forwarded by CSW, Pune in July 2016 did not include the two GHs shifted during the year 2016-17.

Thus, the total seats remaining vacant in these 39 GHs worked out to 955 seats since their shifting to the new premises.

The Secretary, SJSAD, stated (September 2018) that, proposals in this regard have already been submitted (March 2017) to the Finance Department of GoM for approval. The approval was awaited (June 2018).

²⁹ Amravati, Latur and Pune

³⁰ Amravati, Chandrapur, Latur and Pune

The reply may be viewed in light of the fact that the intake capacity should have been increased as soon as the hostels were shifted. Further, delay in enhancement of sanctioned strength resulted in deprivation of benefits to the BC students.

iii) Non-adherence to the stipulated norms of admissions led to deprivation of admissions to Scheduled Caste students in Government Hostels

SJSAD had prescribed (May 1984) the district wise norms³¹ of percentage of seats of Scheduled caste (SC), Scheduled tribe (ST), Vimukta Jati & Nomadic tribe (VJNT) students to be admitted in the 271 existing GHs every year. Further, to maintain uniformity in admission process in all the GHs, SJSAD revised (May 2012) the norms of admission of seats to 80 *per cent* for SC and 20 *per cent* for other categories³². Though the revised norms were implemented from 2013-14 onwards, the same were not applied to the admission process in respect of existing 271 GHs. The SJSAD allowed the 271 GHs to follow the old norms only for the year 2013-14. As such, the old GHs were required to follow the revised norms from 2014-15 onwards. In the test checked 81 GHs (out of 271 GHs) in the seven districts, the admissions of SC students done during the year 2014-18 are detailed in the **Table 3.2.3**.

Table 3.2.3: Analysis of admissions done during the year 2014-18

Year	SC Students to be admitted as per new norms (80 <i>per cent</i>)	SC Students actually admitted	Short fall due to non-adoption of revised norms
2014-15	5540	2741	2799
2015-16	5540	2900	2640
2016-17	5540	2974	2566
2017-18	5540	3021	2519
Total	22160	11636	10524

Source: Information furnished by CSW, Pune

Thus, a total of 10,524 seats meant for SC students were filled up by students of other categories thus depriving 10,524 admissions to SC students. The data of applications received for admissions to the hostels were not readily available with the CSW, Pune. The SJSAD stated (September 2018) that during the period 2016-18, as against 42,923 vacancies in a year, 95,465 applications in 2016-17 and 53,967 applications in 2017-18 were received. It was also confirmed that the number of applications received during the period 2013-16 was not available. Further, it was stated that to compensate the students who were not provided with hostels, the scheme of swadhar was launched.

iv) Under-utilisation of seats in hostel running in rented buildings

As of June 2018, 435 GHs were established by SJSAD of which 205 GHs were functioning in rented buildings. Audit observed that 71 GHs out of 205 GHs which had the sanctioned intake capacity ranging between 75 and 250 were utilising only 5,007 seats as against the total sanctioned seats of

³¹ District wise norms for SCs ranged between 11 *per cent* and 85 *per cent*

³² Three *per cent* for ST, five *per cent* for VJNT, five *per cent* for EBC, two *per cent* for SBC, three *per cent* for physically handicapped and two *per cent* for orphans

7,585. Thus, due to opening of GHs in rented buildings with lower capacity, 2,578 students were deprived of admissions in the GHs every year.

The SJSAD in reply stated (September 2018) that the lands are generally acquired for construction of hostel. However, in cases where lands are not readily available, rented premises were identified considering the intake capacity of the hostel.

The reply is not tenable as the intake capacity of 71 hostels were not considered while hiring the buildings. The reply was also silent on the action being initiated by the SJSAD to plug the shortfall in admission of students in hostels due to hiring of buildings with less intake capacities.

3.2.3.2 Establishment of Government Residential Schools

The SJSAD decided (June 2006) to establish GRSs in each of the 353 taluka headquarters with intake capacity in each GRS of 200 students. The SJSAD in the first phase considered construction of 100 GRSs with a budget provision of ₹ 442 crore against which SJSAD released an amount of ₹ 327.08 crore initially in March 2007 to CSW, Pune for construction of 74 GRSs. The funds were deposited with the Public Works (Building) Division, Pune (being the Nodal agency) by the CSW, Pune time to time as per the requirements. The taluka was to be selected considering the maximum population of SC and Nav Boudhas in the talukas, their literacy percentage and the requirement for opening GRS as may be determined by the Committee³³. Further, the model plan of Amravati pattern³⁴ (April 2007) was to be adopted in the construction of GRSs.

The SJSAD initially planned to start the GRS from the academic year 2007-08 onwards. However, due to non-construction of GRSs in time, the SJSAD decided (June 2011) that the GRSs would be started in the newly constructed Government buildings from the academic session 2011 onwards.

Audit observed that:

- SJSAD as of June 2018, had constructed and started only 80 GRSs. In respect of remaining 20 GRSs, four GRSs were completed but were not handed over by the PWD, the construction work was in progress in Seven GRSs in seven taluka headquarters, in two GRSs tender process has been initiated by the PWD, proposals of three GRSs was pending at Government level for administrative approval, in two cases revised approval was pending and in two cases land acquisition was in progress. Thus, even after a lapse of seven years, the objective of SJSAD to commence 100 GRSs from the academic session of 2011-12 in Government owned building could not be achieved.

³³ A Committee under the chairmanship of Chief Secretary, GoM, Principal Secretary SJSAD, Principal Secretary, School Education and Sports Department, Director of Education (primary), Pune, Director, Social Welfare, Pune as members

³⁴ The pattern finalised (April 2007) by SJSAD consisted of construction of 'ground floor for residence of boys/girls, first floor for school education and second floor for other activities as determined by SJSAD. Apart from this, there should be open a play ground, parking place and cycle stand *etc.* There should be residential facilities for Warden as well as Head Master in the GRS'

The Secretary, SJSAD confirmed (May 2018) the facts.

- The locations of GRSs of 23 taluka headquarters were changed by the SJSAD from one taluka place to another taluka headquarters within the district or from one district to another district without obtaining the approval of the committee. Further, in 14 taluka headquarters, the location of GRS was changed without assigning any reasons for the change, whereas in nine taluka headquarters, the reasons for change of GRS were attributed to non-availability of land. The Secretary, SJSAD attributed (May 2018) the reasons for change of taluka headquarters to a) non-availability of land in the notified taluka headquarters, b) demand from public representative and c) availability of land at other taluka headquarters.

The reply is not acceptable as 14 GRSs were transferred only on the demand from public representatives contrary to notification issued by the committee based on SC and Nav Boudhas population, literacy percentage and need for opening GRS. Further, the reply was silent on the issue of non-obtaining the approval from the Committee for transfer of GRSs from one taluka place to another.

- The GRS of Ausa Taluka of Latur district was constructed in a small village Lamjana which is approximately 20 kilometers from Ausa taluka. The selected site was in the outskirts of the village and adjacent to an open crematorium. Thus, wrong site was selected for construction of GRS at Lamjana village instead of Ausa taluka. The Secretary, SJSAD stated (May 2018) that due to non-availability of land in Ausa taluka, the GRS was shifted to Mouza Lamjana of Ausa taluka. Necessary instructions would be issued to AC, Latur to shift the open crematorium to another place through Tahsildar of Ausa taluka concerned.

The reply is not acceptable as establishment of GRS in concerned village was contrary to the decision of SJSAD.

3.2.3.3 Construction of Hostels at Regional Level

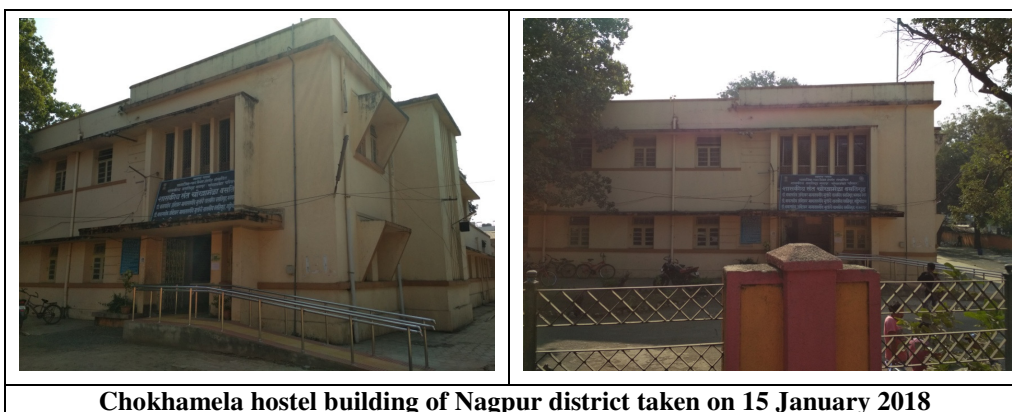
The SJSAD had also constructed hostels at regional levels to accommodate 1,000 students (four units of 250 capacities each) in each region. The observations of Audit in the establishment of these hostels are detailed in succeeding paragraphs.

i) Improper planning in construction of hostel building at Nagpur

The administrative approval for ₹ 24.61 crore was accorded (February 2007) for the construction of 1,000 capacity hostel building in Nagpur. CSW, Pune accorded (April 2009) sanction for demolishing the existing building of Sant Chokhamela Hostel complex for construction of new hostel building at Nagpur. The Nagpur Improvement Trust (NIT) was appointed (June 2012) as an agency for execution of work. The existing Sant Chokhamela Hostel

complex housed four hostels³⁵ in two buildings. The NIT submitted (January 2016), the revised estimate of ₹ 58.42 crore to the SJSAD to which High Power Committee³⁶ (HPC) accorded (March 2016) approval and thereafter funds were released by CSW, Pune to AC, Nagpur. Audit observed that the HPC was not apprised of the fact that existing hostel building was to be demolished while obtaining approval.

The Secretary, SJSAD during his visit to the site in March 2016 observed that the existing Chokhamela hostel building was in good condition. The Secretary also expressed (April 2017) that, if the SJSAD was to construct a new hostel building for 200 or 225 students it would cost at least ₹ 15 crore. Further, the old building with some renovation could be put to use for an extended life. The Superintending Engineer, PWD, Nagpur was directed to finalise an estimate for renovation or repair of these two buildings. During Joint field visit (15 January 2018) of the said buildings audit observed that the condition of these buildings was good as shown in the photographs.



The work of construction of new hostel was not commenced (September 2018). The SJSAD had opened four hostels (August 2012) in rented buildings having lower capacity (150 against sanctioned 250) and incurred an expenditure of ₹ 3.32 crore on rent till February 2018. The SJSAD released (March 2016) grant of ₹ 58.42 crore to AC, Nagpur for construction of hostel building in Nagpur. The amount was lying with the AC, Nagpur till February 2018 and was subsequently transferred (February 2018) to the NIT, Nagpur. This led to deprivation of benefits of hostel building facilities to 1,000 students of Nagpur region and unnecessary blocking of ₹ 58.42 crore.

The Secretary, SJSAD while accepting the facts stated (May 2018) that instructions would be issued to carry out the structural audit of the existing hostel building. Further, Department did not furnish progress in regards to renovation work.

The fact remained that the final decision on whether the existing building was to be demolished and new hostels to be constructed was still pending.

³⁵ Sant Chokhamela Hostel (120 students), Bhagwan nagar hostel (75 students), Gaddigodam hostel (150 students) and Rajnagar hostel (75 students)

³⁶ HPC consists of Principal Secretary, SJSAD; Secretary, PWD and Deputy Secretary, Finance Department

ii) Non-construction of hostel building in Mumbai

The construction of hostel building at Mumbai was decided (June 2006) to be taken up on the land³⁷ belonging to Women and Child Development Department (WCDD) which was in the compound of Beggars' home of Chembur, Mumbai. It was also decided to develop the said land through privatisation on Built Operate and Transfer (BOT) basis by Public Works (Building) Division, Mulund, Mumbai. For the purpose, a plan was prepared and the project was approved (August 2007) by the Cabinet Committee for Infrastructure Development. As per project report, out of the total available land of 1,81,249.08 square meter, 40,000 square meter land was allotted to the contractor for construction of commercial and residential buildings, in lieu of construction of government buildings on the remaining land of 1,41,249.08 square meter. The Executive Engineer, World Bank Project Division, Mumbai issued (June 2008) work order to M/s Zeal Ventures, Mumbai with stipulated period of 42 months for completion of work.

Audit noted that the selected land reserved for Beggars' home was de-reserved in April 2010, and hence PWD had to give first extension to the contractor upto December 2011. However, as the local people created obstacles during April 2010 to December 2014, PWD had to give second extension to the contractor up to December 2017. Further owing to cutting of trees and other miscellaneous reasons, the work remained held up till August 2017.

As against the scope of work, the contractor started (September 2017) the work of one unit of 250 girls hostel building and executed it only upto first floor slab (September 2018). The contractor failed to start the remaining work of boys hostel even after lapse of ten years period. The PWD had submitted (December 2017) another proposal to the Government for extension upto December 2020, approval for which was awaited (September 2018).

The photographs of the girls hostel building (taken on 06 February 2018) executed by the contractor are as under:



Thus, due to awarding work to the contractor by PWD, Mulund without ensuring clear title of land, execution of hostel building could not be taken up till September 2017. Non-construction of hostel buildings in Mumbai city, deprived 1,000 backward class students, coming for higher education from every nook and corner of the State, of hostel facility for a whole decade.

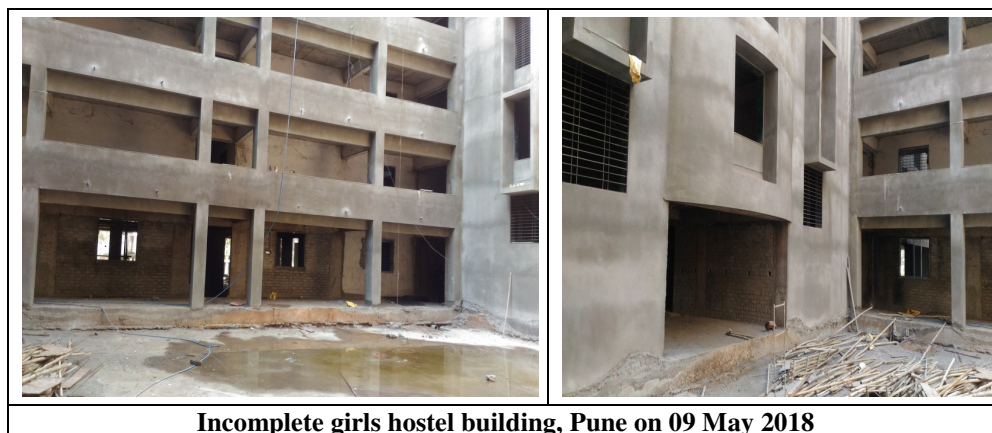
³⁷ Out of the total area of 1,41,249.08 squares meter, 25,450.14 square meter land was to be utilised by WCWD, 33,635.97 square meters by the SJSAD for construction of hostel buildings, 77,892.08 square meter for Administrative Building and remaining 4,270.88 square meter for Rest House building

The Secretary, SJSAD accepted the facts and stated (September 2018) that the construction work of girls hostel building was in progress.

The fact remains that the contract for construction of hostel building was awarded in absence of clear title as envisaged in PWD manual and due to lack of co-ordination between PWD, Mulund and SJSAD, the details of the works executed by the contractor, copy of agreement and work order issued to contractor and the current status of the work are not available with the SJSAD and CSW, Pune.

iii) Cost overrun in the construction of hostel building in Pune

The construction of hostel building at Pune was taken up on the land of Central Jail, Yerwada, Pune which was made available (May 2008) by the Home Department. Audit observed that the SJSAD handed over (February 2009) the identified land to PWD, Pune without ascertaining that the said land was clear from encumbrances. However, the CSW, Pune pointed out (August 2009) to SJSAD that the said land was reserved for the purpose of construction of primary school and development of park. The clearance of reservation on the said land took four years from the date of taking over possession of the land. PWD, Pune issued the work order (February 2012) for first phase building and for second phase (October 2013) building after a lapse of three years with stipulated period for completion of work as 24 months (first phase) and 18 months (second phase) respectively. However, due to delay in clearance of reserved land the cost of the work escalated from ₹ 24.61 crore to ₹ 53.60 crore. Audit observed (May 2018) that an up to date expenditure of ₹ 30.69 crore was incurred and the contractor had not completed the buildings though a period of six years had elapsed. The status of girls hostel building is shown in the photographs taken during joint field visit on 09 May 2018.



Thus, failure on the part of CSW, Pune to verify the title of the land before handing over the land to PWD resulted in delay in execution of work and cost overrun ₹ 28.99 crore. This also deprived the students of the intended benefits.

The Secretary, SJSAD accepted (May 2018) the facts.

iv) Unfruitful expenditure on construction of one unit of girls hostel

GoM accorded (March 2007) sanction for construction of a hostel at Latur as per the approved model plan of Amravati pattern³⁸. GoM subsequently had issued (June 2007) a resolution wherein it was directed to construct independent four separate units. However, the work order for construction of hostel complex consisting of two buildings was issued (September 2008) ignoring the June 2007 directions and the hostel was constructed as per the model plan and handed over to SJSAD (August 2011) at a cost of ₹ 37.87 crore. Audit observed that out of the four units, only three units meant for boys were being utilised. The portion of the hostel constructed for girls' students was lying unutilised since August 2011. Further, it was observed that the 250 girls admitted for the hostel were housed in a nearby constructed vacant ITI hostel building. Due to the non-utilisation of the girls unit, the flooring of the rooms of the unit also got damaged. Thus, the infrastructure created at a cost of ₹ 9.47 crore for girls students remained unfruitful.

The Secretary, SJSAD while accepting the facts stated (May 2018) that from the point of view of security, girls students were temporarily shifted to ITI hostel building.

The reply is not acceptable as the directions of GoM of June 2007 was ignored by RDC, Latur and consequently the students were housed in the ITI hostel since the taking over of the new hostel building in August 2011. Further, the reply was silent on the action proposed for utilising the vacant hostel building.

3.2.3.4 Non-disbursement of financial assistance of ₹ 119.21 crore under Swadhar Yojana

SJSAD had observed (January 2017) that due to steady increase in the commercial and non-commercial schools, the applications from the Schedule Caste and Nav Boudh (SC & NB) students after 10th class for admission into these schools was increasing. These SC & NB students also applied for hostels. However, considering the shortages of hostels and the time lag in constructing new hostels, the Government formulated a scheme of Bharat Ratna Dr. Babasaheb Ambedkar Swadhar Yojana (scheme). The scheme sought to provide financial assistance to a student so as to compensate the expenses of room rent, meals and travelling expenses to the extent of ₹ 60,000, ₹ 51,000 & ₹ 43,000 respectively to those students who studied in Metro cities³⁹, cities with 'C' class Municipal Corporations and other districts and who could not be provided with hostel facilities by the State Government. A Government Resolution (GR) was issued (January 2017) for implementing the scheme with retrospective effect from 2016 onwards. According to the GR, a target of 15,000 students were to be covered during the year 2016-17 and 25,000 students from 2017-18 onwards.

The GR also laid down the procedure for the mode of applications, scrutiny of applications, and selection of beneficiary students based on 15 parameters.

³⁸ A hostel complex consisting of two hostel buildings having four units (In one building two units for boys and in another building one unit for boys and one unit for girls) in one premise

³⁹ Mumbai, Thane, Pune, Pimpri-Chinchwad and Nagpur

The SJSAD made a budget provision of ₹ 209.09 crore. The Finance Department released (September 2017) ₹ 148.23 crore to SJSAD with the stipulation that no further funds would be released in future for new constructions of hostel buildings. CSW, Pune disbursed these funds to seven Regional offices of the State.

Audit observed that due to ambiguity in the GR which stipulated options to be given by the students, either to opt for hostel facility or for financial assistance under the scheme, the RDCs could not implement the scheme properly. The year-wise details of application received and students provided with the benefit of the scheme were as detailed in the **Table 3.2.4**.

Table 3.2.4: Year-wise details of application received and students provided with the benefit

Year	Total Applications		Benefits extended to students		Amount disbursed (₹ in crore)	
	Received directly for getting the benefit under the Scheme	Received for admissions to hostels	Scheme benefit availed	Admitted in Hostels	Scheme	Hostels
2016-17	19,633	95,465	2,562	37,928	29.02	-Nil-
2017-18	16,151	50,344	5,825	29,075		

Source: Information furnished by CSW, Pune

As against the target of 15,000 students, the benefit was extended only to 2,562 students during the year 2016-17. In the year 2017-18, as against the target of 25,000 students, only 5,825 students were extended benefits under the scheme.

Thus, during the year 2016-17, 57,537 applications and 21,269 applications of 2017-18, were not considered for hostels admission. This was also due to the fact that out of ₹ 148.23 crore released to seven RDCs, only ₹ 29.02 crore could be incurred on the scheme and the balance amount of ₹ 119.21 crore was surrendered.

After Audit pointed out (May 2018) the ambiguity in the GR, the SJSAD issued (June 2018) a revised GR which enabled the students to be eligible for both options *i.e.*, admission for hostel facility and for benefit under the Swadhar scheme in the event of non-allotment of hostel facility.

The fact however remained that the students of 2016-18 were deprived of the benefits due to ambiguity in the GR.

3.2.3.5 Non-revision of food allowance (*Pariposhan Aahar*) to students of aided hostels

The SJSAD revised (May 2008) the food allowance to be paid to the aided hostels from ₹ 600 to ₹ 630 per month per student to all the 2,388 aided hostels in the State. Further, the rates were to be revised every year considering the consumer price index (CPI). The SJSAD again revised (December 2011) the rates after three years from ₹ 630 to ₹ 900 per month per student. Thereafter, the food allowance was not revised till June 2018. The SJSAD decided (March 2016) to form a Committee consisting 13 members headed by Chief Secretary to revise the rate of food allowances from ₹ 900 based on CPI. According to Ministry of Statistics and Programme Implementation, the CPI of February 2011 was at a record low of 86.81 index

points and reached an all time high of 138.60 index points in June 2018. The CPI in India averaged 116.25 index points from 2011 until 2018. However, even after lapse of more than seven years period the rates of allowance were not revised by the Department.

The Superintendents of the test checked 54 aided hostels confirmed that due to increase in the rate of commodities since last five years, the food allowances provided to the students of aided hostels was insufficient and therefore the institutions were unable to provide the morning breakfast, quality and healthy food to the students of aided hostels. Thus, non-revision of food allowances by the Department led to deprivation of students from getting quality, healthy and sufficient food.

The Secretary, SJSAD stated (May 2018) that, a Committee was already formed under the chairmanship of Chief Secretary for submission of proposal to increase in food allowance paid to the students of aided hostels. It was also stated that to increase the rates of food allowance, four meeting were already conducted; after the decision of the committee, action would be taken. Further, it was not expected to increase the rates of food allowance every year.

The facts remained that as the Government Resolution (GR) of December 2011 clearly indicated that the decision to revise the rates every year based on CPI was taken in the GR of 2008 and the same was to be continued and the rates were not revised resulting in deprivation of quality food to the students housed in aided hostels.

3.2.4 Working of GHs and GRSs

3.2.4.1 Shortfall in supply of basic Amenities in GHs and GRSs

The Government resolutions issued by the Department in May 1984, July 2011 and December 2015 stipulated provision of amenities such as iron cots, beds, blankets, electric and solar water heaters *etc.* The shortfall in the supply of basic amenities to GHs and GRSs are detailed in succeeding paragraphs.

a) Non-supply of iron cots and other basic amenities to the students residing in GHs

In the selected seven districts, there were 127 GHs. Out of these in 42 GHs no iron cots were provided to the students since its opening. In the test checked 33 GHs, audit observed that iron cots were not provided to the students in 17 GHs. The students were forced to sleep on the floor as shown in the photograph taken on February 2018.



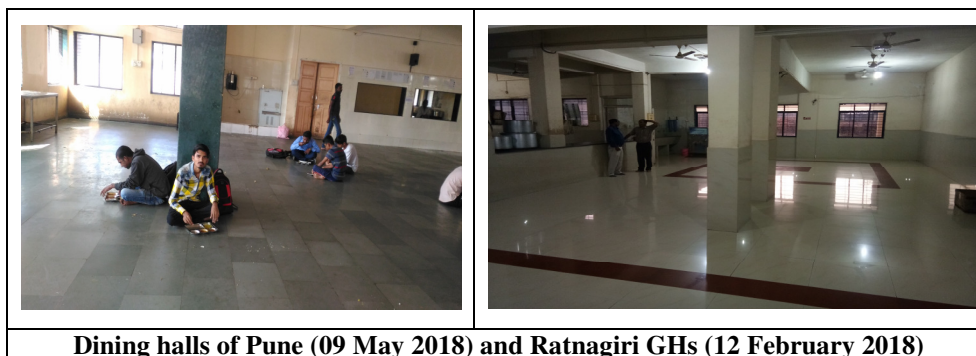
In 108 GHs, the SJSAD had not provided the following other basic amenities as detailed in the **Table 3.2.5**.

Table 3.2.5: Other basic amenities not provided in the GHs

Amenities	Number of GHs
Cotton beds	35
Blankets	20
Invertors	12
CCTV Cameras	12
Solar water heater or electric water heater	42
Drinking water facility, solar lamps at the time of load shading in taluka headquarters, lightning arrester on hostel building, dining tables, chairs, fire extinguishers	80
<i>Source: Information furnished by field offices</i>	

b) Non-supply of dining tables and chairs in the dining hall

Though, GHs buildings were provided with dining halls for the students, the required furniture like dining tables and chairs were not provided in the dining halls in six out of 33 GHs. As such, the students were found taking lunch and dinner sitting on the floor as shown in the photograph.



c) Non supply of laboratory equipments and other furniture in GRSs

CSW, Pune had released (January 2017) grant of ₹ 80 lakh for purchase laboratory equipments, materials, furniture, exhaust fans, electrification, water pipelines, gas connection, fire extinguishers required in Laboratories for the students of X class of 80 GRSs (₹ one lakh per GRS) to the respective RDCs. Audit observed in the test-check RDCs, that the funds were not utilised by the RDCs and surrendered (March 2017) the entire grant of ₹ 80 lakh to the CSW, Pune.

The Secretary, SJSAD accepted the facts and stated (May 2018) that the Public Accounts Committee had raised several objections on earlier purchases made by the SJSAD. Action on the various points thereof could not be complied by the SJSAD. As a result, the funds provided could not be utilised and supply of amenities and facilities to the GHs and GRSs could not be done by the SJSAD since 2013-14 onwards. Audit noted that issues relating to irregularities in purchases was pointed out in the Report of CAG for the year ended March 2013. The recommendations of PAC on the issues raised therein was awaited.

The reply is not acceptable as compliance to Public Accounts Committee cannot be treated as a reason for non-purchase of amenities for the GHs and

GRSs. The failure of the SJSAD to take corrective action to improve the system of procurement resulted in depriving the benefits to the students.

3.2.4.2 Lack of proper infrastructure in the girls hostels opened on the eve of Dr. B.R. Ambedkar Jayanti

The SJSAD had opened as of June 2018, 42 girls hostels⁴⁰ out of the proposed 50 hostels. All the 42 GHs were opened in rented buildings of which 12 hostels were found running with less intake capacity than the sanctioned intake capacity. Further, the prescribed norms⁴¹ regarding providing sufficient space to each student of all 42 hostels were not followed.

Audit also observed that though a period of more than two years had elapsed, the SJSAD has not provided the key staff⁴² in these 42 Government girls' hostels. Further, the posts required for these 42 GHs were not got sanctioned from High Power Committee till June 2018. The hostels were managed through additional charges.

The Secretary, SJSAD stated (May 2018) that the proposal for sanction of staff for these girls hostels was submitted (July 2016) to HPC and Finance Department, the approval was still awaited (August 2018).

3.2.4.3 Discrimination in providing meals to the students residing in old GHs and in new GHs

The SJSAD had in May 1984 prescribed the diet norms and standard of meal for each student which was followed by 271 hostels. The norms in respect of few items are shown in **Table 3.2.6**:

Table 3.2.6: Diet norms

Name of Item	Quantum fixed for Boy student (In Gram)	Quantum fixed for Girl student (In Gram)
Wheat, Jawari and Bajari	400	300
Rice	100	100
Dal / Sprouts	130	130
Leafy Vegetables	300	250
Milk	200 ml.	200 ml.
Mutton, Fish or Eggs (Once in a month)	125 or 2 eggs	125 or 2 eggs

Source: Government Resolution of May 1984

These old hostels had the post of cook and helpers for preparing food as per the norms prescribed by SJSAD. However, SJSAD revised (July 2011) the earlier norms and introduced a list of 37 items of facilities and amenities to be provided to the students staying in all the GHs. The list of 37 items included provision of unlimited meal to the students of all the GHs. Audit observed that in 146 GHs out of these 271 GHs, the cooks and helpers were preparing and serving the food.

In the test checked seven selected districts, it was observed that in 88 GHs out of 127 GHs, the catering services was given on contract basis to the private agencies which were providing unlimited meals to the satisfaction level of the

⁴⁰ five at district level and 37 hostels at taluka level

⁴¹ Minimum 24 square feet and maximum 40 square feet per student

⁴² House Masters (for strength above 250 students), Wardens, Sr. Clerks, Jr. Clerks and Peons

students. In the remaining 39 old hostels, limited meals were being provided to the students. Joint physical inspection of eight out of 39 GHs in four⁴³ districts and the data collected through questionnaires from the students, revealed that the meal served to students was limited/fixed quantity and insufficient. Further, the quantity of the food diet fixed for each student *i.e.*, from 7th standard student to the medical and engineering students was same. Thus, the revised norms were not followed in these cases and were also not ensured by the concerned ACs, RDCs and CSW, Pune.

The Secretary, SJSAD while accepting the facts stated (May 2018) that, the necessary follow-up action would be taken with all the Regional Offices.

3.2.4.4 Functioning of GHs and GRSs without key posts

According to the norms (May 1984) fixed by SJSAD, the wardens of the hostels were required to stay in the premises of their respective hostels for effective implementation and smooth functioning of GHs and GRSs. Audit observed that out of 377 sanctioned posts of wardens in 435 GHs, only 279 posts were filled and 98 posts were vacant. As such, in the deficit GHs, additional charges were allotted to the wardens of the other GHs by the RDCs of the concerned districts.

In the test checked ACs, out of 127 hostels, 37 GHs were found functioning with additional charges of the wardens. It was also observed that the distance between the two GHs where the wardens were given additional charge ranged between three and 90 kilometers.

Similarly, for 100 GRSs, 85 posts of wardens were sanctioned. However, only 83 GRSs were opened. Out of the 85 sanctioned posts of wardens, only 49 posts were filled and 36 posts were vacant (May 2018). Further, in the test checked 21 GRSs, no wardens were appointed but additional charges were allotted to the Headmasters.

Thus, the very objective of effective and smooth functioning of GHs and GRSs was defeated.

The Secretary, SJSAD while accepting the facts stated (May 2018) that due to the ban imposed (June 2015) by the Finance Department of GoM, the posts of wardens were vacant, due to which, additional charges were given to the Wardens of the other GHs. The proposal for filling of vacant posts of GHs and GRSs was submitted (September 2017) to General Administration Department. However, the same was not approved till date.

The fact also remained that, absence of wardens in the hostels could adversely affect the smooth functioning of the hostels.

3.2.4.5 Failure to conduct structural audit of old GHs

As per the provisions of Maharashtra Municipal Corporations and Municipal Councils (Fifth Amendment) Act, 2008, published (14 January 2009) in the GOM Gazette, every owner or occupier of a building in respect of which a period of thirty years had lapsed, shall cause such building to be examined by a Structural Engineer registered with the Corporation for the purpose of

⁴³ Chandrapur, Ratnagiri, Ahmadnagar and Pune

certifying that the building is fit for human habitation and submit the certificate issued by Structural Engineer to the Commissioner. The Structural Stability Certificate shall be submitted within one year from the expiry of a period of thirty years and every ten years thereafter or such earlier period as the Commissioner may determine.

Out of the 271 old GHs, 138 GHs⁴⁴ were more than 30 years old. The walls in the test checked GHs were found to have developed cracks. Audit observed that in one case of GH⁴⁵ at Pune the third floor of GH collapsed in August 2016. As the students were not present in the hostel building a major tragedy was averted. However, SJSAD had not taken any concrete efforts to plug such incidences in future by taking up structural audit of old hostel buildings.

The Secretary, SJSAD while accepting the facts stated (May 2018) that necessary instructions would be issued to all the RDCs of the regions to conduct the structural audit of all the GHs.

3.2.4.6 Non-refilling of fire extinguishers supplied to the hostels

The SJSAD sanctioned (February 2012) supply and installation of fire extinguishers for safety and security of the students in all the GHs and GRSs. The work was awarded (April 2012) to M/s. Reliable Fire Engineers, Thane for supply and installation of 9,690 fire extinguishers @ ₹ 1,525 per unit in 374 GHs, 57 GRSs, three regional level hostels and offices and kitchens located in all the identified GHs, GRSs and regional hostels. The contractor was paid (November 2012 to August 2014) a total amount of ₹ 1.63 crore. However, no annual maintenance contract was entered for refilling and maintenance of these fire extinguishers, thus, the very purpose of installation of fire extinguishers had been defeated.

The Secretary, SJSAD stated (May 2018) that the status of refilling of extinguishers supplied and installed would be called for from CSW, Pune and comments thereof would be submitted to Audit.

3.2.4.7 Non-coverage of insurance of the hostellers under Rajiv Gandhi Bima Yojana.

The SJSAD issued a Government Resolution in July 2011 for bringing the students of the GHs under Rajiv Gandhi Bima Yojana (RGBY) to extend financial assistance and benefits to the students in the form of insurance against any physical disabilities caused due to any accidents. Audit observed that none of the GHs had taken the insurance for the students admitted in the respective GHs under the RGBY.

The Secretary, SJSAD accepted the facts and stated (May 2018) that instruction would be circulated to all regional offices.

⁴⁴ 107 GHs located in Government building and 31 GHs were in rented buildings
⁴⁵ Sant Gyaneshwar Boys Hostel, Pune

3.2.4.8 Non-production of inspection reports of Taluka and District Coordination Committee

The SJSAD had issued (December 1996) orders for formation of Co-ordination Committee at district and taluka level. At the district level, the Co-ordination Committee was to be formed under the chairmanship of Collector along with three government officers and two non-government persons. At taluka level, the committee was to be formed under the chairmanship of Local MLA. Further, the above committees were required to visit and conduct the inspections of the GHs once in three months as well as the aided hostels once in two months. The said reports thereof were to be forwarded along with necessary recommendation and suggestions to the CSW, Pune.

Audit observed that out of seven selected districts, in six districts the committees were formed. However, the reports and recommendations given by the committee were not made available to audit.

The Secretary, SJSAD stated (May 2018) that, the reports of the working committee would be reviewed and the action and recommendations taken thereon as per Government GR would be intimated to the Regional Offices for implementation.

3.2.5 Conclusion

The scheme of opening new Government Hostels for BCs in all the taluka headquarters was envisaged in 2005-06. However, even after lapse of 10 years the Government hostels in 128 talukas were not opened. The population norms for opening of Government hostels in taluka headquarters were also not strictly followed. The intake capacity of the hostels shifted to new premises was also not revised and sanctioned resulting in deprivation of benefit to students. As against 100 Government Residential Schools to be opened, only 83 schools were opened. There was short utilisation of funds against the grants released. Though, the expenditure under plan heads was not commensurate with the demand and funds released by SJSAD in the last five years, the SJSAD continued to place demands on higher side every year without analysing the reasons for short utilisation of funds. Failure to ensure the fulfilment of conditions resulted in unfruitful expenditure of ₹ 24.78 crore due to non-imparting of computer training to the students. The hostels at Regional levels having capacity of 1,000 students taken up in Nagpur, Mumbai and Pune remained incomplete. One unit of girls hostel at Latur though constructed in 2011 remained un-utilised. There was shortfall in supply of basic amenities in the Government Hostels and Government Residential schools. 42 girls hostels opened on the eve of Dr. B.R. Ambedkar Jayanti were found short of proper infrastructure. The structural audits of the hostels which were more than 30 years old were also not undertaken. The rate of 'Pariposhan Aahar' payable to aided hostels was not revised commensurate with Consumer Price Index since 2012 onwards. There was discrimination in providing meals to the students residing in old Government Hostels and in new Government Hostels.

3.2.6 Recommendations

- The SJSAD may formulate a plan to ensure availability of hostels and residential schools in all the taluka headquarters;
- The SJSAD may place justified demands for funds commensurate with the past expenditure and ensure that the funds released are utilised in full.
- The SJSAD may ensure provision of adequate infrastructure, amenities and staff for effective functioning of the hostels and schools.
- The SJSAD may devise adequate mechanism to monitor the progress of completion of the hostel buildings and residential schools.

Revenue and Forest Department

3.3 Management of leases of Government land given to Gymkhanas in Mumbai

Despite directions by the Government, lease agreements of 10 Gymkhanas were not renewed for a period of nearly 12 to 48 years and lease rent of ₹ 1.27 crore for the year 2017 remained unrealised.

Based on comments/recommendations of the Public Accounts Committee of the Maharashtra Legislature, the Revenue and Forests Department (R&FD) of Government of Maharashtra (GoM), directed (August 2006) that the District Collectors in Mumbai should scrutinise annually, the reports regarding leases of Government land and while submitting the report to Government for renewal, a scrutiny note on violations of conditions *etc.*, of Government land, if any, should be included.

R&FD resolved (February 1983 and May 1984) that lease rent leviable for lease of Government land to private institutions *etc.*, would be eight *per cent* of 50 *per cent* of the full market value of the land prevalent as on 1 February 1976 which was subsequently revised (September 2003) by R&FD to one *per cent* of 15 *per cent* of the market rate of the land prevalent as on 1 January 1999. However, the said order was stayed (April 2004) by the Hon'ble High Court of Mumbai with a direction that till the issue was finally resolved, the lease rent may be paid at the pre-revised rates.

Accordingly, R&FD framed (June 2017) a lease rent policy applicable from 1 January 2017 for Gymkhanas situated on government land. As per the revised policy, all the Gymkhanas were classified into three categories on the basis of area *viz.*, Class A (more than 20,000 square metres of area), Class B (from 10,000 square metres to 20,000 square metres of area) and Class C (less

than 10,000 square metres of area) and for which a revised lease rent⁴⁶ was also finalised by using the Ready Reckoner (RR) rates as the basis.

There are 16 Gymkhanas in Mumbai under the jurisdiction of Collectorates of Mumbai City (11 Gymkhanas⁴⁷) and Mumbai Suburban District (MSD) (five Gymkhanas⁴⁸).

Out of 11 Gymkhanas in the jurisdiction of Collector, Mumbai City, the lease agreements in respect of nine⁴⁹ Gymkhanas had expired between December 1970 and December 2006 and the agreements were not renewed so far. Thus, despite lapse of nearly 12 to 48 years, no tangible action was initiated by the Collector to renew the lease agreements.

The Superintendent, Mumbai City Survey and Land Records (City) stated (March 2018) that action would be initiated to renew the lease agreements as per rules. It was also intimated that another meeting of the Gymkhana authorities would be called to discuss the relevant issues. Moreover, Collector has not carried out annual scrutiny of leases of Government land and submitted a report to Government as required.

Out of five Gymkhanas under the jurisdiction of the Collector, MSD, lease agreement of Khar Gymkhana had expired on 28 February 2015. Despite lapse of three years, the Collector, MSD did not take any action to renew the lease agreement.

Non-renewal of the lease agreements of the 10 Gymkhanas (nine of Mumbai City and one of MSD) for nearly three to 48 years resulted in non-realisation of lease rent of ₹ 1.27 crore until the year 2017 (**Appendix 3.3.1**)

The matter was referred to the Government in August 2018; their reply was awaited as of March 2019.

⁴⁶ Revised lease rent applicable from 1 January 2017 for Gymkhanas situated on government land would be one *per cent*, 0.5 *per cent* and 0.25 *per cent* of 10 *per cent* of the cost of the plot for Class A, Class B and Class C Gymkhana respectively and liable to be increased by four *per cent* every year

⁴⁷ (1) CCI Club (2) The Western India Football Association (3) Bombay Gymkhana (4) Islam Gymkhana (5) PJ Hindu Gymkhana (6) Parsee Gymkhana (7) Wilson College Gymkhana (8) Grant Medical College Gymkhana (9) PVM Gymkhana (10) Catholic Gymkhana and (11) Wood House Gymkhana

⁴⁸ (1) Chembur Gymkhana (2) Bombay Presidency Golf Club (3) Catholic Gymkhana (4) Otters Club and (5) Khar Gymkhana

⁴⁹ (1) Bombay Gymkhana (2) Islam Gymkhana (3) P.J. Hindu Gymkhana (4) Parsee Gymkhana (5) Wilson College Gymkhana (6) Grant Medical College Gymkhana (7) PVM Gymkhana (8) Catholic Gymkhana and (9) Wood House Gymkhana

Women and Child Development Department

3.4 Idling of Government State Home building

Failure of both the Women and Child Development Department and the Public Works Department to ensure clearances to the land before construction, resulted in idling of Government State Home Building constructed at a cost of ₹ 6.71 crore for more than five years apart from non-achievement of objectives of creating additional accommodation for women inmates.



The Women and Child Development Department (Department), Government of Maharashtra (GoM), amongst other functions, maintains Homes for women victims of human trafficking. The Department accorded (July 2008) administrative approval, which was revised (May 2010) for ₹ 6.71 crore, for construction of a new Government State Home

(GSH), adjacent to the existing GSH building at Mundhwa, Pune, to accommodate 100 women inmates so as to prevent overcrowding in the existing building. The District Planning and Development Committee, Pune was the fund releasing agency and the Executive Engineer, Public Works Division, Pune (EE) was the implementing agency. After tender process, EE issued (February 2009) work order to a contractor for commencement of work with stipulated period of completion as 24 months. The work was completed at a cost of ₹ 6.71 crore in December 2012. However, Department had not taken over the possession of the building till date (June 2018) on the ground that the occupancy certificate had not been received from the Pune Municipal Corporation (PMC).

Scrutiny of records (February 2017) of the District Women and Child Development Officer, Pune (DWCDO) and information obtained (March 2018) from the Executive Engineer, Public Works Division, Pune (EE) revealed as following:

- As per section 58⁵⁰ of Maharashtra Regional and Town Planning (MRTP) Act, 1966, the EE was required to submit the plans of the construction of building being a Government Building to the PMC ensuring that the construction was in conformity with the provisions of

⁵⁰ When any Government intends to carry out development of any land for the purpose of any of its departments or offices or authorities, the officer in charge thereof shall inform in writing to the Planning Authority the intention of Government to do so, giving full particulars thereof, and accompanied by such documents and plans as may be prescribed, at least thirty days before undertaking such development.

the Development Plan. The same was not done and the construction was taken up without submission of plans to the PMC.

- As per PMC's Development Plan (DP), 1987, the land on which building has been constructed was falling under 'Green zone'. The Department, however, without ascertaining this, handed over the same to the EE. Though, the building was completed in December 2012, the same was not put to use as the PMC had not issued occupancy certificate.

Thus, failure of both the Women and Child Development Department and the Public Works Department to ensure clearances before construction, resulted in idling of the Government State Home Building constructed at a cost of ₹ 6.71 crore for more than five years apart from non-achievement of objectives of creating additional accommodation for women inmates.

The Government stated (March 2019) that the Urban Development Department vide their notification dated 17 March 2018 has converted the Green Zone into Public/Semi-Public Zone. The Government further added that PWD has been asked to provide a new water connection, increase the height of the wall *etc.*, and it is in the process of taking possession as soon as the new water connection is installed and the occupation certificate received.

The fact remained the building has not been put to use till date (March 2019)

Housing Department

Maharashtra Housing and Area Development Authority

3.5 Unoccupied tenements

Due to non-obtaining of Occupancy Certificate from the Nagpur Municipal Corporation by the Nagpur Housing and Area Development Board the beneficiaries of two Housing Schemes at Nagpur were deprived of their homes even after three to four years since payment of sale price of ₹ 124.20 crore to the Board.

Maharashtra Housing and Area Development Authority (MHADA) is mandated under its Act to provide housing accommodation in the State by constructing tenements for families under Economically Weaker Section (EWS), Low Income Group (LIG), Middle Income Group (MIG) and Higher Income Group (HIG).

The Nagpur Housing and Area Development Board (Board) a unit of MHADA took up two Housing Scheme *viz.*, (1) Construction of 320 HIG tenements at Empress Mill, Nagpur at a cost of ₹ 56.08 crore in December 2010 and (2) Construction of 29 HIG bungalows at Waddhamana, Nagpur at a cost of ₹ 3.91 crore in March 2013. Construction of both the

Schemes was physically completed in October 2016 and September 2016 respectively.

Scrutiny of the records (February 2018) of Chief Officer, Nagpur Housing and Area Development Board revealed that the Board collected sales price of ₹ 118.33 crore⁵¹ from beneficiaries of 314 HIG tenements at Empress Mills upto March 2014 and ₹ 5.87 crore⁵² from beneficiaries of 29 HIG bungalows at Waddhamana upto March 2015. However, the possession of the said tenements was not handed over to the beneficiaries even after three to four years since Occupancy Certificates (OCs) for the tenements of both the Schemes had not been obtained from the Nagpur Municipal Corporation (NMC).

Further scrutiny revealed that the Board had not even applied for the OCs in respect of 29 HIG bungalow Scheme at Waddhamana since the infrastructural works such as internal roads, retaining wall and the drainage works were still incomplete. The Board had not taken any action to expedite the works except penalising the contractor.

In respect of Empress Mill, though the Board applied (March 2014) for OC, NMC had not issued the same for want of environmental clearance (EC) since total built up area of the project was more than 2,000 square meter. The EC was finally obtained (April 2017) from the State Level Environment Impact Assessment Authority, GoM under the provisions of Environment Impact Assessment Notification, 2006 subject to condition of installation of the Sewerage Treatment Plant (STP). It was seen that the Board had not taken any action for installation of the STP till date (December 2018).

Thus, due to non-obtaining of OCs from the NMC before allotting the tenements to the beneficiaries of both the Schemes, the beneficiaries had been deprived of their new homes even after three to four years from the payment of the sales price to the Board.

Executive Engineer I, Nagpur Division I, Nagpur Housing and Area Development Board justified (February 2018) that the requirement of EC was initially not applicable to the project at Empress Mill. However, the same became necessary subsequently due to a clarification to the Notification issued in April 2011, whereby the condition of STP was put while issuing of EC in April 2017. In respect of Waddhamana Project the OC would be obtained shortly.

The reply in respect of Empress Mill is not tenable as NMC denied the OC for pending EC required as per Notification of September 2006. The reply was silent regarding action proposed for installation of the STP. Thus, the failure on the part of MHADA to install the STP and obtain the EC from NMC had resulted in denial of tenements to the beneficiaries despite payment of the sale price.

The matter was referred to the Government in July 2018, their reply was awaited as of March 2019.

⁵¹ Full payment by 199 beneficiaries and part payments by 115 beneficiaries
⁵² From 27 beneficiaries in 2013-14 and from two beneficiaries in 2014-15

Housing Department

Maharashtra Housing and Area Development Authority

3.6 Undue benefit to Developers

Incorrect approval of Redevelopment Scheme of cessed buildings by Mumbai Building Repairs & Reconstruction Board resulted in undue financial benefits of ₹ 8.64 crore to a Developer. Besides, Developer had not surrendered surplus area of 960.46 square meter valued at ₹ 59.76 crore.

Redevelopment of category “A” cessed buildings⁵³ situated in the island city of Mumbai may be undertaken on the following terms as per the Appendix III of Regulation 33(7) of the Development Control Regulations for Greater Mumbai, 1991 (DCR, 1991):

- The total Floor Space Index (FSI) shall be 2.5 of the gross plot area or the FSI required for rehabilitation of existing occupants plus 50 *per cent* incentive FSI, whichever is higher.
- Each occupant shall be rehabilitated with minimum carpet area of 20.90 square meter (sq.mt.), going upto 70 sq.mt. depending on the actual area occupied in the old building.
- The surplus area⁵⁴ created in the redevelopment building is surrendered⁵⁵ to Mumbai Building Repairs & Reconstruction Board (MBR&RB) to the extent of five to 50 *per cent* depending on the percentage of the surplus area.

The Urban Development Department (UDD), Government of Maharashtra (GoM), increased the minimum carpet area to 27.88 sq.mt. and the FSI to three in May 2011. The revised norms became applicable to the redevelopment schemes in progress and not completed upto plinth level. The condition of construction of rehab building not completed upto plinth level was deleted vide UDD, GoM order of October 2013. As per UDD’s order⁵⁶, the conversion of FSI from 2.5 to three requires prior approval of the Government in respect of change in size of tenements and loading of FSI in situ.

Audit noticed (December 2017) the following two cases where the MBR&RB did not safeguard its interests and allowed reduction in the area of rehabilitation without approval of the Government.

⁵³ Building that was built before the 1st day of September 1940 is classified as category “A” cessed building

⁵⁴ The surplus area in the new building is determined on the basis of the difference between the floor space index availed of by it while reconstructing the building and the floor space index that had been utilised in the construction of the old building

⁵⁵ The surplus area surrender by Developer is used for allotment to the occupants residing in MBR&RB’s transit camps or whose old cessed buildings cannot be constructed

⁵⁶ Urban Development Department, Government of Maharashtra Order No. TPB 4313/CR-84/2013/UD-11 dated 7 October 2013

Case No. 1: C.S. No. 648 of Malbar-Cumballa Hill Division, Building No. 17 and 19A, Altamont Road, “D” Ward, Mumbai; Developer: M/s. Krishna and Company

As per the No Objection Certificate (NOC) issued in December 2001 by MBR&RB to the Developer for redevelopment of the building, the FSI was 2.5 and the surplus area due to MBR&RB was 312.66 sq.mt. In the light of subsequent UDD order of October 2013, the FSI was converted into three and the surplus area due to MBR&RB was also revised to 960.46 sq.mt. The construction was still in progress.

Developer was required to execute an agreement with MBR&RB for handing over of the surplus area of 960.46 sq.mt. valued at ₹ 59.76 crore⁵⁷, within 30 days from the approval of amended plan with three FSI by Municipal Corporation of Greater Mumbai (MCGM) and prior to issue of further commencement certificate by MCGM. Developer did not comply with it and also MBR&RB did not take any action to safeguard its interests. It also needs to explore other legal remedies and consider black-listing the Developer/Promoter from future/other on-going redevelopment projects, if any.

The Government stated (January 2019) that the agreement for handing over of surplus tenements had been executed (December 2018) by the NOC holder (developer). Further, MHADA would not issue NOC to the developer for getting occupancy certificate from the MCGM.

Case No. 2: C.S. No. 3/296 of Tardeo Division, “D” Ward, Mumbai; Developer: M/s. Elite Housing Developers Pvt., Ltd.

As per the NOC issued in December 2009 by MBR&RB to the Developer, the FSI was 2.5, the rehabilitation component involved 1,584.47 square meter of carpet area and there was no surplus area for MBR&RB. The revised NOC was issued in December 2011 with FSI of three. The rehabilitation area was reduced by 480.20 square meter to 1,104.27 square meter on the ground that the occupants agreed for the same. The surplus area due to MBR&RB was worked out to 203.61 sq. mt. MBR&RB consented to this reduction in March 2014.

The consent of MBR&RB was in contravention of the provisions of Clause 2 of Appendix III of DCR 33(7) of DCR, 1991, which requires any change/deviation to be approved by the Government. No such approval was taken by MBR&RB. The construction was still in progress and hence the occupants of the cessed building have been deprived of the minimum entitled area to the extent occupied by the occupant of old building as per Clause 16 of Appendix III of DCR 33(7) of DCR, 1991. Developer gained 276.59 square meter area valued at ₹ 8.64 crore⁵⁸.

The Government while accepting the fact stated (January 2019) that the prior permission for reduction in rehabilitation area had not been taken, however, ex-post facto had been granted now.

⁵⁷ 960.46 × ₹ 6,22,200 (Rate of residential building per square meter as per Ready Reckoner, 2017)

⁵⁸ 276.59 × 1.2 × ₹ 2,60,300 (Rate of residential building per square meter as per Ready Reckoner, 2014) = ₹ 8,63,95,652

Housing Department

Maharashtra Housing and Area Development Authority

3.7 Undue benefit to Developers

Due to delay in initiating action against developers for recovery of outstanding dues of ₹ 98.91 crore, Maharashtra Housing and Area Development Authority/Mumbai Building Repairs and Reconstruction Board failed to safeguard its financial interests.

Mention was made in paragraph 2.2.7.2 of the Report of the Comptroller and Auditor General of India on General and Social Sector for the year ended March 2012 regarding poor recovery of rent and service charges of the transit tenements allotted to the developers. The Public Accounts Committee (PAC) recommended (December 2017) that penal action should be initiated against officers concerned, withdraw the permissions granted to developers for sale of reconstructed tenements (sale component) and recover outstanding dues as arrears of land revenue. These actions were to be taken within three months as per the PAC recommendation.

Mumbai Building Repair and Reconstruction Board (MBR&RB), a unit of Maharashtra Housing and Area Development Authority (MHADA), allots its transit tenements to the developers who undertake the redevelopment works under the provisions⁵⁹ of Development Control Regulations, 1991 for Greater Mumbai on payment of rent and service charges, as per their policy⁶⁰ of March 2011.

Scrutiny of records (March 2017) and further information obtained (April 2018 and June 2018) from Dy. Chief Officer/Transit Camp, MBR&RB revealed that MBR&RB, in disregard to its own policy, allotted transit tenements to developers by recovering advance rent for first year only and allowed to retain the tenements beyond three years without renewing the agreements. It was observed that total outstanding dues pending from 38 developers as on 31 March 2018 were ₹ 98.91 crore⁶¹, which ranged from three to 20 years. However, except issue of stop work notices to 20 projects/developers, no action has been taken by MHADA/MBR&RB to comply with the recommendation of PAC.

The MBR&RB stated (April 2018) that the recovery of outstanding dues was in progress and action recommended by the PAC was being initiated.

Thus, failure to safeguard financial interests and delay on the part of the MHADA/MBR&RB in initiating action against the defaulted developers for recovery of outstanding dues of ₹ 98.91 crore, resulted in undue benefit to the developers.

⁵⁹ Regulation 33(7), 33(9) and 33(10) of DCR

⁶⁰ As per MHADA's policy of March 2011, the developer was required to sign leave and license agreement with the MBR&RB and required to pay rent @ ₹ 6,000 per month per tenement in advance. The allotment of transit tenements is for maximum period of three years or till completion of project, whichever is earlier

⁶¹ Rent and service charges ₹ 71.38 crore and penal interest ₹ 27.53 crore

The Government stated (March 2019) that stop work notices were issued to developers in default in May-June 2017 and ₹ 64.61 crore were recovered as of January 2019 and remaining amount would be recovered from the developers.

Urban Development Department

Mumbai Metropolitan Region Development Authority

3.8 Loss of Revenue

Inaction on the part of Mumbai Metropolitan Region Development Authority (MMRDA) to execute lease deed in time with lessee, resulted in loss of ₹ 41.47 crore. Besides, MMRDA did not recover ₹ 23.49 crore for delay in construction within specified time limit.

The Mumbai Metropolitan Region Development Authority (MMRDA) allotted (February 2000) Plot No. SCL-5 (admeasuring 3,528.88 square meter (sq.mt.)) and adjacent Plot No. RG-21A (admeasuring 2,194.56 sq.mt.) in 'G' Block of Bandra-Kurla Complex (BKC) to Jamnaben Hirachand Ambani Foundation, Mumbai (Foundation) for the purpose of school and playground respectively. The lease deed between the Foundation and MMRDA was executed in October 2002 and the Foundation is presently running the Dhirubhai Ambani International School on these plots.

M/s Reliance Industries Limited forwarded (February 2007) Foundation letter of 12 February 2007 to office of Chief Minister, Government of Maharashtra with a request for allotment of two adjoining plots *i.e.*, SF-7 (admeasuring 2,274.18 sq.mt.) and SF-9B (admeasuring 2,024 sq.mt.) in 'G' block of BKC to Foundation for extension of existing School building of Dhirubhai Ambani International School and to further improve the quality of services with international standards. Accordingly, MMRDA in its meeting held on 13 March 2007 decided to allot the said plots to the Foundation at ₹ 1.53 lakh per sq.mt. of Plot area, in contravention of the existing practice of allotment of plot and charging lease premium on permissible Built up Area, as evident from MMRDA's resolution of February 2006 and Request for Proposal of February 2008 issued to another developer for allotment of plot in BKC.

MMRDA issued (June 2007) offer letter to the Foundation for construction of school building subject to approval of change in use of these two plots from the 'Social Institutions' to 'School'. The Foundation paid (June 2007) lease premium of ₹ 65.79 crore. MMRDA had forwarded the lease deed, for a total period of 80 years, to this Foundation for execution on 12 February 2009. The Foundation, in response, intimated (June 2009) to MMRDA that it might take some time as the lease deed was being scrutinised by their legal section and it was emphasised that the executing lease deed and taking over the possession of the plot was a formality as total premium was paid. The lease deed was finally executed (May 2011) after a delay of more than two years from forwarding of lease deed by MMRDA to the Foundation. Meanwhile, Urban

Development Department, Government of Maharashtra approved the change in use to school for Plot No. SF-7 in February 2008 and Plot No.SF-9B in June 2008, after following due procedure under Section 37 of the Maharashtra Regional Town Planning Act, 1966. The lease agreement between MMRDA and Foundation was executed on 5 May 2011 after a lapse of two years from the date of forwarding the lease deed to the Foundation. The possession of the plot was taken on 5 May 2011.

Scrutiny of records (November 2017) of the Metropolitan Commissioner, MMRDA revealed the following:

- As per clause 2 (d) and 2 (e) of the lease deed read with resolution No. 1140 and 1227 of MMRDA's meeting dated 24 December 2007 and 9 February 2010 respectively, the Foundation was required to complete entire construction fit for occupation on the designated land within four years from the date of lease agreement, failing which additional premium at 10 *per cent* of total lease premium per year for the delay upto three years and 15 *per cent* per year afterwards was payable to MMRDA. Since the Foundation had not completed the construction of extension of existing school building within four years, MMRDA issued (September 2017) a notice to the Foundation for payment of additional lease premium of ₹ 23.49 crore for delay in construction beyond four years (5 May 2015 to 12 September 2017). The Foundation, however, had not paid the additional lease premium till date (December 2018).
- The calculation of additional lease premium of ₹ 23.49 crore as above is on the lower side and the actual additional premium amount should have been ₹ 52.37 crore. As MMRDA had forwarded the lease deed to the Foundation for execution on 12 February 2009, the additional lease premium due to delay in construction beyond four years should have been reckoned from 12 February 2013. However, it was reckoned from 5 May 2015, resulting in arriving at an amount of ₹ 23.49 crore instead of ₹ 52.37 crore. Thus, MMRDA did not safeguard its financial interests while computing the additional lease premium. As such, the additional lease premium recoverable from the Foundation from 12 February 2013 to 12 September 2017 worked out to ₹ 52.37 crore. Since, the Foundation has not paid the additional lease premium for delay in construction, the dues recoverable from the Foundation as on September 2018 worked out to ₹ 64.96 crore including interest at the rate of 14 *per cent* per annum.

MMRDA while accepting the fact stated (February 2018) that after handing over the draft lease deed, the Foundation delayed execution of lease deed without appropriate reasons, hence the same was being legally examined and accordingly revised penalty would be calculated.

The Foundation in response to MMRDA's notice of September 2017 asked (October 2017) for a personal hearing before taking any decision. MMRDA fixed the hearing in December 2017, January 2018 and February 2018. However, the Foundation did not attend the hearings. Thus, it could be seen that MMRDA has not taken any effective action thereafter to make the Foundation pay its dues. It needs to take immediate action to (a) revise the

additional premium amount, and (b) recover the dues without further delay. According to Clause 5 of lease deed whenever there is any breach of the covenants by the lessee, the lesser may re-enter upon any part of the demised premises and determine the lease. MMRDA, if it fails to recover the dues in a reasonable timeframe, may consider invoking this clause and resume the plot of land back to itself.

The matter was referred to the Government in November 2018; their reply was awaited as of March 2019.

Urban Development Department/Housing Department

3.9 Release of Excess Transfer of Development Rights to Developer

The Urban Development Department in contravention of the provisions of Development Control Regulations for Greater Mumbai released excess TDR valued at ₹ 49.01 crore to the Developer. Besides, 3,493 tenements valuing ₹ 147.40 crore were not handed over by the Developer to SRA.

Slum Redevelopment Scheme (SRS) implemented under Maharashtra Slum Area (Improvement, Clearance and Redevelopment) Act, 1971 is a self-sustainable scheme wherein cost of construction of rehabilitation component is compensated by the Slum Rehabilitation Authority (SRA) with sanction of free sale component to private developers. As per provisions of Clause 3.11 read with Clause 3.5 of Appendix IV under Regulation 33(10) of Development Control Regulations (DCR) for Greater Mumbai, if SRS is taken up on an unencumbered plot for slums located on a plot needed for vital public purpose, Transfer of Development Rights (TDR) for area of the land spared for this purpose shall be sanctioned. Additionally, construction TDR equal to 1.33 times of rehabilitation Built-up Area (BUA)⁶² constructed on the plot and handed over to SRA or Project Implementing Organisations (PIOs) free of cost would also be sanctioned.

SRA sanctioned an SRS under Clause 3.11 of DCR in favour of M/s Eversmile Construction Company Pvt. Ltd. (Developer) at Mahul⁶³, Chembur. Letter of Intent (LoI) was issued in November 2006. Subsequently revisions were made in December 2010 and November 2014 due to increase in floor space index and revision/amendment in rehab building plan respectively. As per revised LoI, Developer was to construct and hand over 17,723 Project Affected People (PAP) tenements to Municipal Corporation of Greater Mumbai (MCGM) including 518 Balwadis, Society Offices and Welfare Centres. Total BUA or rehabilitation component was 5,98,540.55 sq.mt. which included an area of 37,223.93 sq.mt. under staircase, lift wells and lift lobbies.

⁶² As per Clause 3.2 of Appendix IV under Regulation 33 (10) of DCR read with Regulation 35(2) of DCR, the BUA area of rehabilitation component is total construction area of rehabilitation component excluding the area of construction falling under staircase, lift well and lift lobby

⁶³ CTS No. 2/1A, 2/1B, 2/4A, 2/4B, 2/4C, 2/5, 2/7A and 2/7B of Village Mahul, M/W Ward, Chembur, Taluka Kurla, Mumbai Suburban District- 400 074

Disregarding the definition of rehabilitation component, SRA released the construction TDR admeasuring 7,96,058.93 sq.mt. (5,98,540.55 sq.mt. × 1.33) which included BUA admeasuring 49,507.83 sq.mt. (37,223.93 sq.mt. × 1.33) granted on area covered under staircase, lift wells and lift lobbies. The value of excess TDR was ₹ 49.01 crore⁶⁴.

Moreover, audit also noticed that the SRA released the entire free sale BUA (construction TDR) admeasuring 7,96,058.93 sq.mt. as of November 2014 and SRA had issued Occupancy Certificates (OCs) to all constructed PAP tenements between January 2011 and March 2012. However, Developer had not handed over possession of 3,493 PAP tenements as of December 2018 either to SRA or MCGM. The reasons for non-handing over of PAP tenements wherein OCs were released six years back were not on record. The value of 3,493 constructed tenements worked out to ₹ 147.40 crore⁶⁵ that were lying with the Developer since 2012.

In reply SRA (April 2018) submitted a clarification issued by Urban Development Department (UDD), Government of Maharashtra (GoM) dated 14 May 2009 wherein UDD permitted release of sale TDR in the ratio of 1:1.33 against BUA areas of staircase, lift wells and lift lobbies to compensate the cost of construction on these items of works. Clarification further cited that the same practice of release of free sale BUA is followed in case of in-situ slum redevelopment under DCR 33(10) of DCR for Greater Mumbai, in case of area of construction falls under staircase, lift wells and lift lobbies.

The clarification (May 2009) issued by UDD was not in conformity with the provisions of DCR 33(10), Clause 3.2 and 3.11 of DCR for Greater Mumbai, wherein it was clearly mentioned that area under staircase, lift well and lift lobby does not form part of rehabilitation components. SRA could not provide copy of any notification issued by GoM amending the provisions of Clause 3.2 of Appendix IV *ibid*. Moreover, audit also noticed that in case of in-situ redevelopment, SRA does not count the area under staircase, lift well and lift lobby in the BUA or rehabilitation component under DCR 33(10) as mentioned in the above clarification of UDD.

Thus, the clarification issued by the UDD in contravention of the provisions of DCR has resulted in release of excess TDR valued at ₹ 49.01 crore to the Developer. This clarification has significant financial implications as SRA may use this clarification to grant TDRs in contravention of DCR in similar cases in future and hence should be reviewed by UDD. The SRA should also review all the cases determined in the light of the said clarification in a time-bound manner. Further, SRA needs to act expeditiously to take possession of the tenements lying with the Developer since 2012.

The matter was referred to the Government in November and December 2018; their reply was awaited as of March 2019.

⁶⁴ ₹ 9,900 per sq.mt. for one FSI at Ready Reckoner Rate for the year 2010

⁶⁵ Total 74655.11–sq.mt. construction TDR released (Total construction TDR released (7,96,058.93 sq.mt.) minus excess TDR released under audit objection (49,507.83 sq.mt.) divided by 17,495 tenements provide TDR released against one tenement, *i.e.*, 42.67 sq.mt. Hence cost of TDR against one tenements come to ₹ 4.22 lakh (42.67 sq.mt. × ₹ 9,900 per sq. mt. as per Ready Reckoner Rate for the year 2010). Total cost of 3,493 tenements = ₹ 147.40 crore (3,493 × 4.22 lakh)

Tribal Development Department

3.10 Avoidable expenditure

Construction of Ashram School building despite declaration of village under Wild Life Sanctuary resulted in avoidable expenditure of ₹ 3.94 crore.

The work of construction of 'Ashram Shala from Standard 1 to 10 at Navargaon, Taluka-Seloo, District-Wardha' in place of old building which was located in the buffer zone of Bor Wild Life Sanctuary was administratively approved (November 2010) by Tribal Development Department (TDD), Government of Maharashtra (GoM) at a cost of ₹ 3.80 crore. The technical sanction was given (November 2010) by the Superintending Engineer, Public Works Circle, Chandrapur for ₹ 3.10 crore, as it was assigned as a 'Deposit Work to Public Works Department (PWD)'. The Executive Engineer (EE), PWD, Wardha issued (March 2011) the work order for the construction of the said Ashram School. The work was completed (September 2014) and handed over (November 2015) to the Head Master (HM), Ashram School, Navargaon by the EE, PWD, Wardha.

Scrutiny (March 2016) of the records of the HM, Ashram School, Navargaon and further information collected (January 2018) from Project Officer, Integrated Tribal Development Project, Nagpur revealed that in November 2011, the Chief Conservator of Forest Department, Nagpur moved a proposal for expanding the boundary of Bor Wild Life Sanctuary including the area of Navargaon. Accordingly, the village of Navargaon was included in the Bor Wild Life Sanctuary as per the notification issued (February 2012) by Revenue & Forest Department, GoM. In view of inclusion of the village in new sanctuary, Gramsabha, Navargaon passed (May 2012) a resolution for rehabilitation of village to a new place. Till the issue of notification, TDD has incurred an expenditure of ₹ 1.23 crore (as of March 2012) over the work which was above 31 *per cent* of the total expenditure. Despite knowing the fact that the school was located in the land belonging to Forest Department, the TDD without ensuring a clearance from the Forest Department continued the work of construction of Ashram School building even after the notification was issued and incurred a total expenditure of ₹ 3.94 crore on the work. The building was handed over by PWD to TDD in November 2015. However, the same could not be put to use and the students along with teaching and non-teaching staff of the school were shifted (December 2015) to other nearby schools. Later in January 2017, the entire land was taken over by the Forest Department.

Thus, due to continuing the work of construction of the school building despite being aware of the fact that the village was included under the Wild Life Sanctuary, resulted in avoidable expenditure of ₹ 3.94 crore incurred during 2012-14. The Forest Department should examine the usage of the building for permitted wildlife related activities.

The matter was referred to the Government (June 2018); their reply was awaited as of March 2019.

Higher and Technical Education Department

3.11 Avoidable payment of Electricity duty

Payment of Electricity Duty of ₹ 1.14 crore was made by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur during the period April 2014 to June 2016 although such payments by the Government were exempt from the provisions of the Maharashtra Electricity Duty Act, 1958.

Section 3(2) (a) (iii) of the Maharashtra Electricity Duty Act, 1958 provides for exemption in levy of Electricity Duty (ED) on the units of energy consumed by or in respect of any statutory University and institutions run by the statutory University for the purpose of education, research and training (save in respect of premises used for residential purposes).

Further, the above said act was amended on August 2016, in the amended act, the provision of exemption in levy of ED in respect of statutory University was removed and a new provision inserted under Section 3 (2) (iii) *i.e.*, “Electricity duty shall not be levied for the purpose of, or in respect of a school or college or institution imparting education or training, student’s hostels, hospitals, nursing homes, dispensaries, clinics, public streets lighting, public water works, sewerage systems, public gardens including zoos, public museums, administrative offices forming whole or, as the case may be, a part of system run by any local bodies constituted under any law for the time being in force in the State of Maharashtra”.

Scrutiny of records (November 2017) of Rashtrasant Tukadoji Maharaj Nagpur University (RTMNU) revealed that an amount of ₹ 1.14 crore was paid as ED for their six buildings⁶⁶ to Maharashtra State Electricity Distribution Company Limited (MSEDCL) and the Spanco Nagpur Discom Limited (SNDL) Nagpur (Franchise of MSEDCL) on electricity during April 2012 to July 2016 (*i.e.*, period prior to amended act) in contravention of the provisions of the Act. The details are as indicated in **Table 3.11.1**.

Table 3.11.1: Details of ED paid by RTMNU

(₹ in lakhs)

Sl. No.	Year	Amount of ED paid
1.	2012-13	21.45
2.	2013-14	23.36
3.	2014-15	26.67
4.	2015-16	29.60
5.	Upto July 2016	12.87
	Total	113.95

In reply (February 2018), the Registrar of the University stated that correspondence with Maharashtra State Electricity Distribution Co. Ltd., (MSEDCL) and with the General Manager, Commercial, SNDL, Nagpur regarding exemption from paying electricity duty has been made. Further, it has been decided to seek redressal through the court of law, by giving legal notice to the MSEDCL and SNDL.

⁶⁶ University Campus, University Guest House, Laxminarayan Technical Institute, Examination Departemnt, Rajeev Vikas and Student Hostel

Thus, failure of the University to avail the benefit of exemption from paying Electricity Duty resulted in outflow of ₹ 1.14 crore from its General Fund, which could have been put to use for augmenting educational facilities and other amenities.

The matter was referred to the Government in February 2018; their reply was awaited as of March 2019.



(YASHWANT THAKARE)
Principal Accountant General (Audit)-I,
Maharashtra, Mumbai

Mumbai,
The 22 May 2019

Countersigned



(RAJIV MEHRISHI)
Comptroller and Auditor General of India

New Delhi,
The 27 May 2019

