

Chapter II

**Economic, Social and
General Sectors and PSUs**

Chapter-II

2.1 Introduction

2.1.1 The audit of 48 Departments of Government of NCT of Delhi along with 18 Public Sector Undertakings (PSUs) and 61 other entities (Autonomous Bodies/Authorities, *etc.*) thereunder comes under the audit jurisdiction of the Principal Accountant General (Audit), Delhi. The details of Departments and other entities are given in **Annexure 2.1** and summarised in **Table-2.1.1**.

Table-2.1.1: List of Departments and entities under audit jurisdiction

Sl. No.	Name of Department(s)	Number of		
		Public Sector Undertakings (PSUs)	Other Entities (Autonomous Bodies/ Authorities, <i>etc.</i>)	Total
1.	Public Works Department	-	-	-
2.	Irrigation and Flood Control Department	-	-	-
3.	Urban Development	1	2	3
4.	Power Department	4	1	5
5.	Tourism Department	1	1	2
6.	Archeology Department	-	-	-
7.	Delhi Archives	-	-	-
8.	Art, Culture and Language	-	8	8
9.	Trade & Taxes Department	-	-	-
10.	State Excise and Expenditure	-	-	-
11.	Department of Finance	1	1	2
12.	Department. of Planning	-	-	-
13.	Directorate of Economics & Statistics	-	-	-
14.	Home Department	-	-	-
15.	Department. of Law, Justice and Legislative. Affairs	-	1	1
16.	Registrar General, Delhi High Court	-	-	-
17.	Directorate Of Prosecution	-	-	-
18.	Directorate of Vigilance and Anti-Corruption	-	-	-
19.	Revenue Department	-	-	-
20.	Chief Electoral Office	-	-	-
21.	Secretariat of Vidhan Sabha	-	-	-
22.	General Administrative Department	-	-	-
23.	Department of Administrative Reforms	-	-	-
24.	Secretariat of Lt. Governor	-	-	-
25.	Lokayukta	-	-	-
26.	Public Grievance Commission	-	-	-
27.	Department of Information and Publicity	-	-	-
28.	Land and Building Department	-	-	-
29.	Department of Industries	5	-	5
30.	Department of Information Technology	1	-	1
31.	Department of Health and Family Welfare	-	14	14

32.	Social Welfare	-	-	-
33.	Department of Women & Child Development	-	2	2
34.	Department for the Welfare of SC/ST/Minorities	1	-	1
35.	Education	-	3	3
36.	Higher Education	-	15	15
37.	Training and Technical Education	-	6	6
38.	Services Department	1	-	1
39.	Department of Labour	-	2	2
40.	Directorate of Employment	-	-	-
41.	Department of Food, Civil supply and Consumer Affairs	1	-	1
42.	Development Department	-	1	1
43.	Directorate of Agricultural Marketing	-	-	-
44.	Directorate of Weights and Measures	-	-	-
45.	Registrar Co-operative Societies	-	-	-
46.	Department of Forest and Wild Life	-	-	-
47.	Department of Environment	-	2	2
48.	Transport Department	2	2	4
Total		18	61	79

Audit Coverage

2.1.2 During the year 2021-22, the office of the Principal Accountant General (Audit), Delhi conducted the compliance audit of 105 units (13.65 per cent) out of total 769 auditable units under 48 Departments of Government of NCT of Delhi. This chapter of Report contains results of three PAs/SSCA and seven compliance audit paragraphs pertaining to seven Departments.

Audit Process and Response of Government to Audit

2.1.3 Audit affords a four stage opportunity to the audited units/departments to elicit their views on audit observations, viz.

Audit Memos: Issued to the head of the audited unit during the field audit to be replied during the audit itself.

Inspection Reports (IR): Issued within a month of the completion of audit to be replied by the head of the audited unit within four weeks.

Draft Paragraphs: Issued to the heads of the Departments under whom the audited units function for submission of Departmental views within a period of six weeks for consideration prior to their being included in the CAG's Audit Report.

Exit Conference: Opportunity is given to the head of Departments and State Government to provide Government/Departmental views on the audit observations prior to finalisation of the Audit Report.

In all these stages, Audit strives to provide full opportunity to audited units/Head of Departments/State Government to provide clarifications/replies and only when

the departmental replies are not received or are not convincing, the audit observation are processed for inclusion in the Inspection Report or CAG's Audit Report, as the case may be. However, in most of the cases, the audited entities do not submit timely and satisfactory replies as indicated below:

- **Status of Replies to Inspection Reports**

A detailed review of IRs issued up to March 2022 to 499 Drawing and Disbursing Officers (DDOs) pertaining to 32 Departments revealed that 11928 paragraphs contained in 2475 IRs were outstanding for settlement for want of convincing replies as on 31 March 2022.

The status of outstanding IRs is given in **Table-2.1.2**.

Table-2.1.2: Outstanding IRs and Paragraphs (issued up to 31 March 2022) as on 31 March 2022

Sl. No.	Period	No. of outstanding IRs (per cent)	No. of outstanding Paras (per cent)
1	2021-22	90 (3.64)	860 (7.21)
2	More than 1 year to 3 years	378 (15.27)	2753 (23.08)
3	More than 3 years to 5 years	496 (20.04)	2999 (25.14)
4	More than 5 years	1511 (61.05)	5316 (44.57)
Total		2475	11928

Source: Information compiled by Audit

During the period of 2021-22, no Audit Committee¹ Meeting was held with the Departmental officers for settling outstanding paras.

- **Status of Replies to Audit paragraphs included in Audit Report for the year 2021-22**

For the present Audit Report for 2021-22, Audit Reports of three Performance Audits (PAs)/SSCAs and seven compliance audit paragraphs were forwarded to the Principal Secretaries/Secretaries of the concerned administrative Departments to elicit their views on the audit observations. Replies/responses of the Government in respect of Audit Reports of three PAs/SSCAs have been received. The replies of the Government in respect of seven compliance audit paragraphs is still awaited.

Follow up action taken on earlier Audit Reports

2.1.4 Replies outstanding to Audit Paragraphs included in earlier Audit Reports

To ensure accountability of the executives to the issues dealt with in various Audit Reports, the administrative departments are to issue *suo-motu* Action Taken Notes (ATNs) on all audit paragraphs and performance audits featuring in

¹ Audit Committees are constituted with a representative of administrative department, Audit and a nominee from the finance Department besides the head of the department of the auditable entity for the purpose of monitoring and ensuring compliance and settlement of pending audit observations.

the Audit Reports irrespective of the fact whether these are taken up for discussion by the Public Accounts Committee (PAC) or not. These ATNs are to be submitted to the PAC duly vetted by the Principal Accountant General (Audit), Delhi within a period of four months from the date of presentation of Audit Reports in the Legislative Assembly of Delhi.

The position of ATNs not received is given in **Table-2.1.3**.

Table-2.1.3: ATNs not received as on 31.03.2023

Audit Report (PSUs/ Non-PSUs) for the year ended 31 March	Date of placement of Audit Report in the State Legislature	Total Performance Audit (PAs) and Compliance Audit Paragraphs(CAPs) in the Audit Report		Number of PAs/CAPs Paragraphs for which ATNs were not received	
		PAs	CAs	PAs	CAs
A. Social, General and Economic Sectors (Non-PSUs)					
2018	05.07.2022	01	03	01	07
2019	05.07.2022	0	10	0	07
Total		01	13	01	14
B. PSUs					
2015	13.06.2016	01	06	01	0
2018	03.12.2019	01	02	01	0
2019	05.07.2022	0	04	0	03
Total		02	12	02	03
Grand Total (A+B)		3	32	03	17

Source: Information compiled by Audit

• **Discussion of Audit Reports by Public Accounts Committee (PAC)**

During the years 2018-19 to 2019-20, one Performance Audit and 13 Compliance Audit Paragraphs related to Departments/Autonomous Bodies were reported in these Audit Reports. PAC did not take up any of these PA/CA for discussion till 31 March 2023.

• **Discussion of Audit Reports by Committee on Government Undertaking (COGU)**

During the years 2015-16 to 2019-20, Two Performance Audits and 12 Compliance Audit Paragraphs of Public Sector Undertakings were reported in the Audit Reports. Of these, COGU had taken up two Performance Audit and five Compliance Audit Paragraphs for discussion. The status of COGU discussion as on 31 March 2023 is detailed in **Table-2.1.4**.

Table-2.1.4: Status of COGU discussion, NCT of Delhi, Vidhan Sabha

Status	PAs/TAs/CAs of Audit Report pertaining to PSUs for the year 2015-16 to 2021-22
Number of total Audit Paras	14 (2 PAs + 12 TAs)
Taken up by COGU for submission of written reply	7(2PAs + 5 TAs)
Recommendation made by COGU	Nil
ATN received	Nil
Action taken by the Department	-

Source: Information compiled by Audit

Status of laying of Audit Reports in the State Legislature

2.1.5 There were eight Audit Reports² which are yet to be presented (September 2024) before the State Legislature.

Status of laying of Annual Reports/Accounts along with Separate Audit Reports of Entities in the State Legislature

2.1.6 The status of rendering of accounts to the Comptroller and Auditor General of India and submission of Separate Audit Reports (SARs) to Delhi Legislative Assembly by autonomous bodies is depicted in **Table-2.1.5**.

Table-2.1.5: Statement showing the details of rendering of accounts to the Comptroller and Auditor General of India as on 31 March 2022

Sl. No.	Name of the autonomous body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year for which accounts due	Period of delay in submission of accounts (up to 31st March 2022)
1.	Guru Gobind Singh Indraprastha University	As per Section 19(3) of DPC Act of CAG. Deemed entrustment.	2020-21	-	-
2.	Netaji Subhash University of Technology	As per Section 20(1) of DPC Act of CAG 2017-18 to 2021-22	2019-20	2020-21	1 year
3.	Delhi Jal Board	As per Section 19(3) of DPC Act of CAG. Deemed entrustment.	2017-18	2018-19 to 2020-21	3 Years
4.	Delhi Building And Other Construction Workers' Welfare Board	As per Section 19(2) of DPC Act of CAG	2016-17	2017-18 to 2020-21	4 years
5.	Indraprastha Institute of Information Technology Delhi	As per Section 20(1) of DPC Act of CAG 2018-19 to 2022-23.	2020-21	-	-
6.	Ambedkar University Delhi	As per Section 19(3) of DPC Act of CAG Deemed entrustment	2020-21	-	-
7.	Delhi Electricity Regulatory Commission	As per Section 19(2) of DPC Act of CAG	2020-21	-	-
8.	Delhi State Legal Services Authority	As per Section 19(2) of DPC Act of CAG	2018-19	2019-20 to 2020-21	2 year
9.	Delhi Transport Corporation EPF Trust	As per Section 20(1) of DPC Act of CAG 2020-21 to 2024-25	2019-20	2020-21	1 year
10.	Delhi Financial Corporation	As per section 19 (2) of DPC Act of CAG	2020-21	-	-
11.	Delhi Transport Corporation	As per section 19 (2) of DPC Act of CAG	2019-20	2020-21	1 year

² (1) State Finances Audit Report 2020-21 (No.1 of 2022), (2) Revenue, Economic, Social and General Sectors and PSUs 2019-20 & 2020-21 (No.3 of 2022), (3) PA on Prevention and Mitigation of Vehicular Air Pollution in Delhi (No.2 of 2022), (4) PA on Children in Need of Care and Protection (No.1 of 2023), (5) State Finances Audit Report 2021-22 (No.2 of 2023), (6) PA on Regulation and Supply of Liquor in Delhi (No.1 of 2024), (7) State Finances Audit Report 2022-23 (No.2 of 2024), and (8) PA on Public Health Infrastructure and Management of Health Services (No.3 of 2024).

Sl. No.	Name of the autonomous body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year for which accounts due	Period of delay in submission of accounts (up to 31st March 2022)
12	Delhi Technological University	As per Section 20(1) of DPC Act of CAG 2017-18 to 2020-21	2019-20	2020-21	1 year
13	Indira Gandhi Delhi Technological University for Women	As per Section 20(1) of DPC Act of CAG 2013-14 to 2017-18	2017-18	2018-19 to 2020-21	3 year
14	Delhi Urban Shelter Improvement Board	As per Section 19(3) of DPC Act of CAG 2010-11 to 2014-15	Not yet received	2010-11 to 2014-15	5 year

Recoveries at the instance of Audit

2.1.7 Audit findings, involving recoveries that came to notice in the course of test audit of accounts of the departments of the State Government, were referred to various departments' Drawing and Disbursing officer (DDOs) for confirmation and further necessary action under intimation to Audit.

During 2021-22, against audit findings involving recovery of ₹ 462.40 crore pointed out in 70 cases, the DDOs concerned had effected recovery of ₹ 4.52 crore (including recovery of previous years) in 26 cases.

2.1.8 Conclusion

Not submitting replies to Audit, arrears in preparation of annual accounts of State Entities and not laying the Annual Report/Accounts along with SAR in the State Legislature adversely affects accountability and transparency in the Government and is therefore a cause of concern.

Department of Health and Family Welfare

2.2 Public Health Infrastructure and Management of Health Services – Primary Healthcare

During 2016-23, Directorate General Health Service (DGHS) failed to plan its activities to utilize the allocated amount under Capital Head for construction of Primary Health Centers as it could spend only ₹ 9.78 crore (28 *per cent*) vis-à-vis budget of ₹ 35.16 crore.

Similarly, during 2018-23 the overall savings in Aam Aadmi Mohalla Clinic (AAMC) project ranged between 31.44 *per cent* (2022-23) to 86.36 *per cent* (2018-19) which indicates shortfall in planning and implementation. Against a target of 1000 AAMCs by 31 March 2017, Department could set up only 523 AAMCs (31 March, 2023), including 31 Evening shift AAMCs. Only 38 AAMCs were set up after 31 March 2020.

Audit observed that 41 out of 218 AAMCs in the selected four districts³ remained closed for a periods ranging from 15 days to 23 months due to de-empanelment, resignation, leave etc. of doctors. AAMCs were found lacking basic medical equipment and tools such as Pulse oximeters, glucometers, X-ray viewers, thermometers, BP apparatus etc. Hundred *per cent* availability of 165 drugs prescribed in Essential Drug List was not ensured in the 74 inspected AAMCs. 70 *per cent* patients who visited AAMCs during the period from October 2022 to March 2023 received less than one minute of consultation. Inspections were grossly deficient as only two *per cent* AAMCs were inspected in four selected districts during March 2018 to March 2023.

There were shortages of Doctors, Public Health Nursing Officer (PHNO)/ Auxiliary Nurse Mid-wife (ANM) and Pharmacists in the Mobile Health Scheme⁴ (MHS) and School Health Scheme⁵. 76 medicines out of 100 EDL in MHS were not available in the Central Stores. During 2016-20, out 17 lakh (approx.) school children, only 2.81 lakh to 3.51 lakh school children were covered under School Health Scheme.

The objective of setting up of Polyclinics by upgrading existing Dispensaries as Secondary health provider intended to reduce the OPD load in Government hospital as conceived by Department could not be achieved as only 28 Polyclinics were functional out of 150 polyclinic planned by the end of year 2018-19. There was also shortage of Doctors (23 *per cent*), Nursing staff (16 *per cent*) and Paramedics (37 *per cent*) in Allopathic Dispensaries (March 2023).

³ North East, South, South-West and West

⁴ MHS provide door step delivery of primary healthcare in unserved areas, night shelters, welfare homes, special events

⁵ School Health Scheme provides comprehensive primary health check-up and screening of school children of government and aided schools

There was lack of space for storing of medicines in all the selected drug stores. Medicine boxes were kept on floor/toilet premises and staircase. Several medicines prescribed in EDL for AAMCs and Dispensaries were not available in the selected District Stores during the period from 2016-17 to 2022-23.

67 per cent of Ayurvedic dispensaries, 72 per cent of Unani dispensaries and 14 per cent of Homoeopathic dispensaries did not function all six days a week due to shortage of doctors and other paramedical staff. There was shortage of space, ramp/lift, waiting area, functional toilets, drinking water etc. in the AYUSH dispensaries. Number of OPD patients decreased by 19 per cent from 34.72 lakh in 2016-17 to 28.13 lakh in 2022-23. During Joint Physical Inspection, it was noticed that an average of 42 per cent of Ayurveda medicines and 56 per cent of Unani medicines were not available in the selected 27 Dispensaries.

GNCT of Delhi has not implemented the Ayushman Bharat Scheme in Delhi and hence it could not avail the funds for upgradation of dispensaries into AYUSH Health Wellness Centres. GNCTD has not created the post of Yoga Instructor in its dispensaries and none of the AYUSH Dispensaries were providing Yoga and Naturopathy services.

2.2.1 Introduction

Government of National Capital Territory of Delhi, restructured (July 2015) the healthcare delivery system in Delhi into a four-tier system comprising of Aam Aadmi Mohalla Clinics, Polyclinics, Multi-Specialty Hospitals and Super Specialty Hospitals. Under the restructured system, existing dispensaries⁶ were to be converted into Polyclinics.

Aam Aadmi Mohalla Clinic (AAMC) was to cater to the primary care needs of citizens. These clinics were to address common health care needs of citizens, undertake diagnostic tests and provide all essential medicines. Single doctor OPDs, in AAMCs sought to address most of the common health care scenarios where specialists were not needed.

Polyclinics were conceptualized as secondary health care provider facilitating diagnostic test facilities with specialist doctors (without admission facilities). These clinics intended to reduce the OPD load of Delhi Government Hospitals.

A summary of the three primary healthcare facilities being run by the Government are as below:

⁶ The dispensaries provide the facilities relating to (a) General OPD for treatment of common ailments, (b) Free distribution of prescribed essential medicines, (c) Treatment of minor injuries and dressing etc. (d) Basic emergency care during working hours, (e) Laboratory Services (Routine Lab. Services), (f) Immunization and Family Welfare activities, (g) Health Education and Malaria Clinic (in selected dispensaries only).

AAMC	Dispensary	Polyclinics
Aam Aadmi Mohalla Clinic (AAMC) provides single doctor general OPD and aim to cater to 10000-15000 population. AAMCs are functioning using outsourced man power and outsourced lab service	Dispensary provides single doctor general OPD and aim to cater to 30000-50000 population. Dispensaries are functioning using regular staff.	Polyclinics are conceptualised as secondary health care provider with specialist doctors (without admission facilities). These clinics intended to reduce the OPD load of Delhi Government Hospitals.

As per the Annual Report of the Directorate General of Health Services (2021-22), there are 167 Allopathic Dispensaries, 28 Polyclinics, 58 seed Primary Urban Health Centres (PUHCs), 49 Dispensaries (Ayurvedic), 523 Aam Aadmi Mohalla Clinics, 22 Dispensaries (Unani), 108 Dispensaries (Homoeopathic), eight Mobile Health Clinics and 50 School Health Clinics.

The third and the fourth tier comprised of Hospitals providing multi-specialty and super specialty facilities with provision for indoor admissions.

2.2.2 Audit Objectives

The main audit objective of this Performance Audit was to assess whether the schemes and programmes were adequately planned and executed effectively and efficiently with a view to promote the use of various systems of medicines in Primary healthcare delivery. The audit objectives were to ascertain as to how far the Government was able to ensure;

1. adequacy of funding for Primary Health Care;
2. availability and management of health care infrastructure and healthcare services;
3. availability of drugs, medicines, equipment and other consumables;
4. availability of necessary human resource at all levels e.g., doctors, nursing, para medics etc.;
5. adequacy and effectiveness of Regulatory mechanisms for ensuring that quality health care services are provided by the health care facilities/practitioners;
6. preparation and management of Emergency.

2.2.3 Audit Criteria

The following criteria were used in the Performance Audit:

- National Health Policy, 2017;
- Guidelines/instructions issued by the Government for providing health care services;
- Decisions/Orders issued by Department of Health and Family Welfare, Directorate General of Health Services (DGHS) and Directorate of

Ayurvedic, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH);

- Drugs and Cosmetics Act 1940 and Drugs and Cosmetics Rules, 1945;
- Budget speech, Outcome budget, and Annual Reports of Government/Departments/Units;
- Bio-Medical Waste (Management & Handling) Rules, 2016;
- National Disaster Management Guidelines, 2014 and National Disaster Management Guidelines for Hospital Safety, 2016.

2.2.4 Audit scope

For the purpose of the audit, records of Director General Health Services, Central Procurement Agency (CPA) of GNCTD, Office of the State Nodal Officer (SNA) of AAMC and Directorate of AYUSH covering the period 2016-17 to 2021-22 were examined. Four CDMO⁷ offices - North East, South, South-West and West, 87 Dispensaries (38 Allopathic and 49 AYUSH dispensaries) and 81 AAMCs were selected.

An Entry conference was held (13 December 2022) with the Department wherein Audit objectives, Criteria, Scope and Methodology were discussed. After conclusion of audit, an Exit Conference was also held to discuss the audit findings with the stake holders on 9 August 2023. Replies of the Department wherever received has been suitably incorporated in the report.

2.2.5 Primary Healthcare of Government of NCT of Delhi

DGHS under Health & Family Welfare Department of the Government of National Capital Territory of Delhi (GNCTD) delivers Primary Health care through its network of health care facilities viz. (i) Aam Aadmi Mohalla Clinics (AAMC), (ii) Mobile Health Clinics, (iii) School Health Clinics and (iv) Dispensaries & Polyclinics.

The DGHS through its various branches headed by officers of the rank of Additional Directors/Senior Chief Medical Officers carries out technical and executive functions in specialized areas besides providing policy inputs to the H&FW Department of GNCT of Delhi.

This Performance Audit Report includes findings on the functioning/ implementation of the Primary Health Care units/schemes of GNCTD.

2.2.5.1 Financial Management

Proper financial management entails budgeting of funds on realistic assessment of requirements and effective utilization of available funds to ensure that operational activities do not suffer for want of funds.

⁷ There are 11 District Offices under DGHS headed by Chief District Medical Officer

(i) Revenue and Capital Expenditure

During 2016-17 to 2022-23, ₹ 13,114.10 crore was allotted to Directorate General of Health Services, GNCTD, out of which ₹ 13,078.94 crore (99.73 per cent) was under the revenue head and ₹ 35.16 crore (0.27 per cent) was for the capital head.

DGHS could utilize ₹ 11241.08 crore (85.72 per cent) of the total allotted budget. Expenditure of ₹ 11231.30 crore (85.87 per cent) was incurred from the budget allotted under revenue head and ₹ 9.78 crore (27.82 per cent) under the capital head. Year-wise details are shown in **Table-2.2.1**.

Table-2.2.1: Allocation and Expenditure of DGHS

(₹ in crore)

Year	Revenue			Capital			Total budget	Total expenditure
	Budget	Exp.	In per cent	Budget	Exp.	In per cent		
2016-17	20.68	14.81	71.62	22.00	0.34	1.54	42.68	15.15
2017-18	1275.87	1130.66	88.62	0	0	-	1275.87	1130.66
2018-19	1556.07	1506.56	96.81	0	0	-	1556.07	1506.56
2019-20	1512.04	1475.34	97.57	12.00	8.58	71.50	1524.04	1483.92
2020-21	2434.19	1974.64	81.12	1.15	0.86	74.78	2435.34	1975.50
2021-22	3867.18	3250.85	84.06	0	0	-	3867.18	3250.85
2022-23	2412.91	1878.44	77.84	0.01	0	0.00	2412.92	1878.44
Total	13078.94	11231.30	85.87	35.16	9.78	27.81	13114.10	11241.08

Source: Reply furnished by the DGHS

Department failed to plan its activities to utilize the allocated amount for construction of Primary Health Centers as it could spend only ₹ 9.78 crore (28 per cent) vis-à-vis budget of ₹ 35.16 crore under Capital Head.

The above table indicates that an unrealistic budget was prepared by the Department. The Government confirmed (October 2023) the facts and figures.

(ii) Huge Savings of fund released to AAMC

The fund for AAMC project is provided to Delhi State Health Mission in the form of GIA under three sub heads, viz. 'General', 'Capital' and 'Salaries'. The sub head 'General' includes expenditure related to lab charges, rentals, electricity, office Contingency, etc. The sub head 'Salaries' includes expenditure related to remuneration of Doctors, Mohalla Clinic Attendant, Multitask Worker and Pharmacist. The sub head 'Capital' includes expenditure related to equipment.

During 2018-23, the status of allocation and expenditure on AAMC is given in **Table-2.2.2**.

Table-2.2.2: Allocation and Expenditure of AAMC project

(₹ in crore)

Year	Budget Head 2210 01 110 20 GIA to DGHS for AAMC	Opening Balance	Release	Interest	Total	Expenditure	Closing Balance/ Unspent balance at the end of the F.Y.	Saving (per cent)
2018-19	GIA General	0	32.50	0.86	33.36	1.00	32.36	97.00
	GIA for Capital Assets	0	20.00	0.00	20.00	0.03	19.97	99.86
	GIA for Salaries	0	40.50	0.00	40.50	11.77	28.73	70.92
	Total	0	93.00	0.86	93.86	12.80	81.06	86.36
2019-20	GIA General	32.36	40.00	0.10	72.46	32.57	39.90	55.05
	GIA for Capital Assets	19.97	0	0.00	19.97	0.14	19.83	99.27
	GIA for Salaries	28.73	60.00	2.19	90.91	51.61	39.30	43.22
	Total	81.06	100.00	2.29	183.35	84.32	99.02	54.00
2020-21	GIA General	39.90	15.75	0.20	55.85	30.47	25.38	45.44
	GIA for Capital Assets	19.83	1.50	0.00	21.33	0.57	20.76	97.33
	GIA for Salaries	39.30	108.00	1.63	148.93	118.44	30.49	20.47
	Total	99.02	125.25	1.83	226.11	149.47	76.63	33.89
2021-22	GIA General (20 00 31)	25.38	49.62	0.29	75.29	33.31	41.98	55.75
	GIA for Capital Assets (2000 35)	20.76	6.25	0.00	27.01	1.63	25.38	93.96
	GIA for Salaries (20 00 36)	30.49	134.51	3.17	168.17	132.17	36.00	21.40
	Total	76.63	190.38	3.46	270.47	167.10	103.36	38.21
2022-23	GIA General (20 00 31)	41.98	45.02	0.35	87.35	59.04	28.31	32.41
	GIA for Capital Assets (2000 35)	25.38	6.25	0.00	31.63	3.14	28.49	90.07
	GIA for Salaries (20 00 36)	36.00	143.00	3.52	182.52	144.52	38.00	20.81
	Total	103.36	194.27	3.86	301.49	206.69	94.80	31.44

It can be seen from **Table-2.2.2** that during 2018-23 there were savings under all the three heads. The overall savings ranged from 31.44 *per cent* (2022-23) to 86.36 *per cent* (2018-19) which indicates that there was shortfall in planning and implementation of the project.

The State Nodal Officer, AAMC stated (May 2023) that the budget provisions were kept for AAMCs to be established as per the mandate of opening 1000 AAMCs, however, the expenditure was done for actual AAMCs. The committed expenditure for ongoing essential expenditure like remuneration, electricity, water, rent are usually kept as reserve out of unspent fund of last year before the release of first instalment of GIA. Further, it stated (August 2023) that the savings had occurred due to not releasing of payment to AAMC staff/ lab services owing to some administrative reasons and effort is being made to reduce the savings under various heads.

The reply is not acceptable as budget estimate is to be based on estimated requirement for that year. The reply establishes that the budget estimation exercise was faulty.

2.2.5.2 Functioning of Aam Aadmi Mohalla Clinics

GNCTD decided (November 2015) to set up 1000 Aam Aadmi Mohalla Clinics (AAMCs) at various locations of National Capital Territory of Delhi. The aim

was to provide at least one Primary Health Care Centre for every 10000-15000 population instead of 30000-50000 population served by one Dispensary of GNCTD. AAMC is managed by State Nodal Officer (SNO) at State level and District Nodal officers in each district to supervise the works of AAMCs.

AAMC Control Cell is implementing the AAMC project work under DGHS. Doctors are posted in the AAMC through walk in interview by the CDMOs at the District level. Other staff viz. Pharmacist, Mohalla Clinic Attendant and Multitask workers are selected through written examination. A remuneration per patient of ₹ 40 to doctors, ₹ 12 to pharmacists, ₹ 10 to Mohalla Clinic Assistants and ₹ 8 to multitasking workers has been fixed with a minimum assured payment corresponding to 75 patients per day.

(i) Target of 1000 AAMCs not achieved despite lapse of seven years

GNCTD decided (November 2015) to set up 1000 Aam Aadmi Mohalla Clinics (AAMCs) at various locations in Delhi. The AAMCs were to be set up in semi-permanent structures (Porta-cabins) by Public Work Department (PWD) at a cost of ₹ 209.59 crore. 500 AAMCs were required to be set up in the year 2015-16.

The process of establishment of AAMC involved identification of government land/ private sites, site inspection & feasibility assessment by all stakeholders, installation of porta cabins in case of government land/ private land/building. After receipt of the list of interested owners, feasibility assessment of the site is done through the respective CDMO office.

Against the target of 1000 AAMCs by 31 March 2017, Department could set up only 523 AAMCs (31 March, 2023), including 31 Evening shift AAMCs.

The district wise availability of AAMCs is given in **Table-2.2.3**.

Table-2.2.3: District wise availability of AAMCs

Sl.No.	District	AAMC			Total
		Porta Cabin	Rental	Others ⁸	
1	Central	27	9	6	42
2	East	26	5	1	32
3	New Delhi	12	3	2	17
4	North	33	11	0	44
5	North East	7	23	0	30
6	North West	50	24	4	78
7	Shahdara	36	20	0	56
8	South	35	10	0	45
9	South East	37	14	0	51
10	South West	37	33	0	70
11	West	39	18	1	58
Total		339	170	14	523

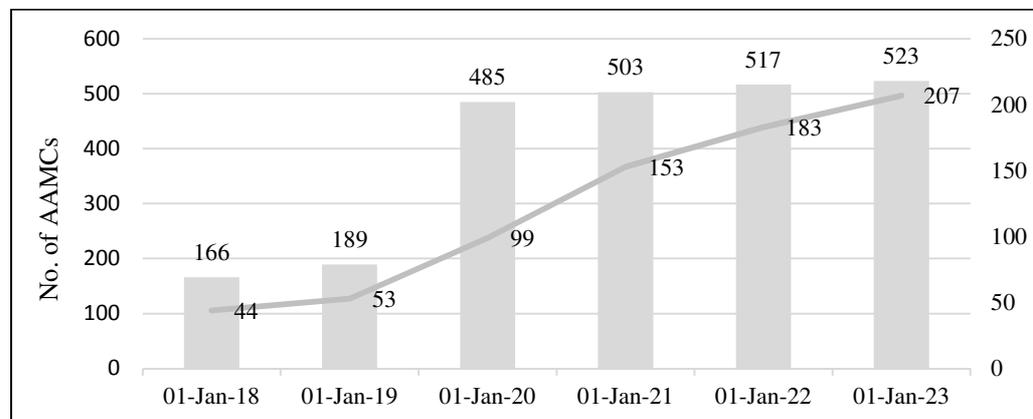
From the above table, it can be seen that there are 170 AAMCs functioning in rental buildings. Details of monthly rent and total amount incurred as rent since inception was not provided by the Department.

⁸ Basti Vikas Kendra, Govt. Building, DUSIB, Rent Free, Container

Further, it was noticed that after 31 March 2020, only 38 AAMCs were set up in next three years.

The number of AAMCs and OPD visits during the period 2017-23 is given in the **Chart-2.2.1**.

Chart-2.2.1: Trend in setting up of AAMCs vis-a-vis OPD visits



It can be seen from above chart that despite increase in the OPD visits by more than 100 per cent (2022-23) from 2019-20, the corresponding increase in AAMCs during the said period was only 8 per cent.

The department stated (August 2023) that the target of 1000 AAMCs could not be achieved due to delay in receipt of NOCs from land owning agencies and the process to open more AAMCs slowed down due to COVID-19 pandemic and unavailability of land and efforts are being made to open the remaining AAMCs.

The reply is not fully acceptable as the number of AAMCs established during last four years was not significant which indicates lack of effort on the part Department/DGHS.

Recommendation: The Government needs to prepare a proper structured plan to achieve the target of one AAMC per 10000-15000 population in a time bound manner.

(ii) Human Resource in AAMCs

As per orders (16 May 2018) of DGHS, GNCTD, the Administrative control of the AAMC lies with DGHS and the implementation of AAMC project lies with State AAMC Cell under Delhi State Health Mission (DSHM). The staff of State AAMC cell are detailed from Hospitals/ PWD. There is no sanctioned strength in the Office of State Nodal Officer/State Project Officer.

The empanelment of Doctors is done at District level by the 11 State Level Committees (CDMO is the Chairperson) constituted at each district. These State level committees prepare a merit list on the basis of the criteria approved by the Secretary (H&FW). Empanelment of Pharmacists, Mohalla Clinic Assistant (MCA) & Multi Task Workers (MTW) was done through written examinations conducted by the Maulana Azad Medical college, Delhi during 2019 and later

through Guru Gobind Singh Indraprastha University, Delhi, with prior approval of the competent authority.

The position of empanelled Doctors, MCAs, Pharmacists and MTWs is given in **Table-2.2.4**.

Table-2.2.4: Total AAMCs vis a vis empaneled staff (31 March 2023)

Category	Requirement	Empanelled
Doctors	523	506
MCA	523	498
Pharmacist	523	515
MTW	523	505

As per orders of DGHS (20 December 2019), CDMOs were to ensure that no AAMC shall remain closed due to absence of Doctor and in the rare case where AAMC remains closed due to absence of Doctor, no remuneration shall be paid to any other Paramedical Staff even if they are present on that day.

Data in **Table-2.2.4** indicate that 17 AAMCs did not function due to shortage of Doctors (31 March 2023).

Further, as per 6.1 (e) of the guidelines approved in the Cabinet Note no. 2244 in November 2015, a leave reserve of 15 *per cent* against the Medical Practitioners deployed in AAMCs were to be kept.

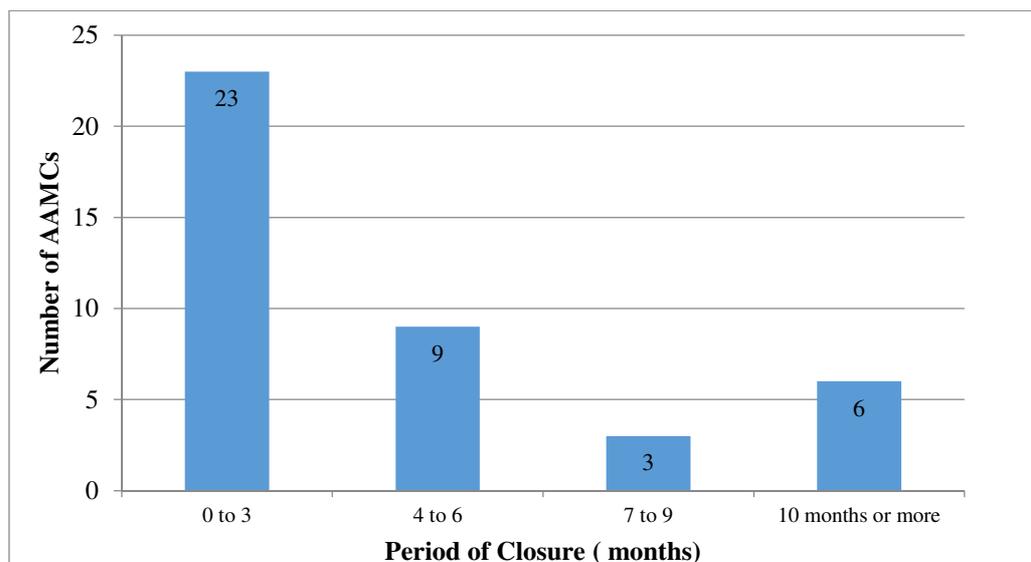
Audit observed that the Department had not made any alternate arrangement for Doctors against the vacancy due to leave, resignation or de-empanelment of Doctors.

Audit observed that 41 out of 218 AAMCs in the selected Districts remained closed for a period ranging from 15 days to 23 months (**Annexure 2.2**) due to lack of availability of Doctors due to de-empanelment, resignation, leave, etc. A summary of AAMCs which remained closed due to shortage of Medical Practitioners are depicted in **Table-2.2.5** and **Chart-2.2.2**.

Table-2.2.5: Number of AAMCs which remained closed

Period of Closure (months)	No. of AAMCs
0 to 3	23
4 to 6	9
7 to 9	3
10 months or more	6

Chart-2.2.2: Durations for which AAMCs remained closed



The Department stated that efforts are being made to enhance the availability of Medical Practitioners in AAMCs.

Recommendation: The Government need to ensure proper functioning of all AAMCs by deploying /empaneling enough staff to address vacancies due to leave, resignation, de-empanelment etc.

(iii) Lack of Basic infrastructure in AAMCs

Equipment play a vital role in the functioning of a Healthcare Facility. They help healthcare professionals to provide accurate diagnosis and effective treatment. As per guidelines approved in the Cabinet Note no. 2244 in November 2015, each AAMC was to be provided with a set of equipment/furniture/facility.

Audit observed the following deficiencies during joint physical inspection of 74 out of total 81 AAMCs selected in four districts i.e. North-East, South, South-West and West:

- In 35 AAMCs display Boards were not found.
- Ten Mohalla Clinics were running without arrangement of drinking water facility.
- 24 Mohalla Clinics were not having AC facility for storing Medicines/Drugs and Injections. Moreover, Medicines were lying in open without protection from heat and moisture.
- Toilet facilities were not available in 21 AAMCs.
- 15 Mohalla Clinics did not have Power Backup facility.
- Six Mohalla Clinics were running without examination table.
- No Token Vending Machine was available in 71 Mohalla Clinics for crowd management.

- Fire Extinguisher was not found in 29 AAMCs.
- Grievance Redressal Board along with Name and address of Grievance Redressal authority was not installed in 24 AAMCs.
- 12 Mohalla Clinics were not disable friendly as no ramp was found in these clinics.
- Privacy screen for patients was not found in 20 AAMCs.
- Sufficient space for storage of Drug and Medicines was not available in 31 AAMCs
- No proper sitting arrangement was found in five AAMCs

Audit observed that several AAMCs were found situated in congested/unhygienic areas as evident in **picture 2.2.1**:



Picture 2.2.1: AAMCs in congested/unhygienic areas

The Department stated (August 2023) that the efforts are being made to upgrade the infrastructure facilities in AAMCs.

(iv) Lack of Basic Medical Equipment in AAMCs

Equipment play a vital role in the functioning of a Healthcare Facility. They help healthcare professionals to provide accurate diagnosis and effective treatment. As per AA&ES (27 November 2015) for creating AAMCs in Delhi, 42 medical equipment were sanctioned for each AAMC.

Joint physical inspection of 74 AAMCs revealed the following:

- Pulse Oximeter was not available in 21 AAMCs,

- 57 AAMCs did not have Glucometers/Strips,
- X-ray Viewer was not available in 45 AAMCs,
- In five Mohalla Clinics torch was not available with Health Consultant,
- Thermometer was not available in 18 Mohalla Clinics,
- 12 AAMCs did not have weighing Machine,
- 14 clinics did not have Height Measurement scale,
- Refrigerator was not available in two Mohalla clinics,
- BP apparatus was not available in 11 AAMCs and
- Stethoscope was not available in two AAMC.

The Department stated (August 2023) that the efforts are being made to provide all essential medical equipment in AAMCs.

(v) Lack of availability of Essential Drugs

As per the order issued by the State Nodal Officer (May 2022), all AAMC Store in-charge should ensure 100 *per cent* availability of 165 Essential Drugs by uploading timely demand to Central Procurement Agency (CPA) and timely distribution to AAMCs. District drug stores is to forward its demand to CPA and CPA through its vendor supplies the drugs/medicines to the District stores directly.

Audit observed that many medicines of EDL were either not procured by CPA or not supplied by the vendor though supply order were placed resulting in unavailability of many medicines.

District Drug Store, North-East had requested supply of 151 medicines (third quarter of 2022-23) and 128 medicines (fourth quarter 2022-23) from the CPA. CPA in turn had placed order to the vendor for supply of only 120 (79 *per cent*) and 95 medicines (74 *per cent*) in the third and fourth quarter respectively. Audit observed that 35 medicines (29 *per cent*) of third quarter and 11 medicines (12 *per cent*) of fourth quarter were not supplied by the vendors to the Drug store. There was delay ranging from three to six months in supply of medicines by the vendors.

Resultantly, there was stock out period of medicines in the District Drug Store of North-East District, As per information 26 Medicines⁹ prescribed in EDL were not available during the period of January 2022 to April 2023 ranging from one month to 16 months.

⁹ Tab. Acetylsalicylic acid, Tab. Betahistine, Ointment Clobetasol propionate, Tab. Clopidogrel, Syr. Cloxacillin, Tab. Diclofinace sodium SR, Drop Dicyclomine plus activated dimethicone, etc

During inspection of 74 working AAMCs (April/May 2023), in respect of four selected Districts (South-west, West, North-east and South), it was noticed that in 39 out of 74 AAMCs (53 per cent) less than 75 per cent of essential drugs were available at the time of inspection (**Annexure 2.3**).

The Department replied (August 2023) that some essential medicines, which had no valid Rate Contract (RC) with CPA, were purchased by the State AAMC cell from Central PSUs through GeM portal.

The reply is not tenable as audit observed that despite procurement by AAMC cell, there was lack of availability of EDL in the AAMCs. Further, it shows the deficiencies in the existing system of procurement of Drugs.

Recommendation: Government should ensure the availability of all Essential Drugs in all AAMCs by efficient management of procurement and distribution of Drugs.

(vi) Examination of AAMC OPD data

The Department provided out-patient data for the period from October 2022 to March 2023 only. The data was examined in audit using IDEA software. Audit findings with respect to consultancy time per patient, irregularities in prescription of medicines etc. are discussed below:

(a) Consultation time in AAMCs

The consultation time per patient is a measure of quality of Clinical care and patients' satisfaction. The consultation time in OPD was from 8 AM to 2 PM. The breakup of the consultancy time per patient in AAMC based on examination of OPD data during the above period was as under:

- consultancy time was 4 – 30 seconds in 31 per cent of cases,
- consultancy time was 31 second – 1 minute in 39 per cent of cases,
- consultancy time was 1-2 minutes in 18 per cent of cases and
- consultancy time was more than 2 minutes 12 per cent of cases.

It can be seen from above; consultancy time was less than one minute in 70 per cent of cases.

(b) Functional status of AAMCs

AAMCs were designed to provide a minimum of 75 OPDs per day on monthly basis (26 days). A total of 523 AAMCs were available (March 2023). The Department maintained fully computerized out-patient data for the period from October 2022 to March 2023 only and same was provided to Audit. Hence, the scope of audit was limited to that extent.

The functional status of the AAMCs is given in **Table-2.2.6**.

Table-2.2.6: Functional Status of AAMCs

Month	Number of functional AAMCs	Number of AAMCs functional for less than 11 days	Number of AAMCs with average OPDs less than 75 patients	Number of AAMCs with average OPDs 75 -150	Number of AAMCs with average OPDs 151-200	Number of AAMCs with average OPDs more than 200
Dec- Jan 2023	500	17	44	180	225	51
Jan-Feb 2023	500	10	37	175	238	50
Feb-March 2023	504	09	35	171	236	62

Source: Department website.

It can be seen from **Table-2.2.6** that on an average, 501 out of 523 AAMCs were functional during the above period, however, 39 AAMCs did not meet the criteria of 75 OPDs per day on monthly basis.

Reply was awaited (September 2024).

(vii) Inventory Management of Drugs and Medicines in AAMCs

Examination of records at District Drug Store and State Nodal Office of AAMC revealed that there was no computerized inventory management system for management of drugs.

Standard Operating Procedures (SOPs) for Pharmacy specifies that efforts must be made by concerned Pharmacist in-charge, to see that drugs found to be near expiry be transported to other departments i.e. intra & inter departments for utilization within their expiry date.

Test check of selected AAMCs (April-May 2023), revealed that 495 types of drugs (totaling 2,16,554) had expired in 37 AAMCs during the period 2018-23 (**Annexure 2.4**).

In the absence of computerized inventory management system there was no alternate system where near expiry medicines could be identified for use in other clinics.

The Department stated (August 2023) that all efforts will be taken to ensure the optimal utilization of medicines in future.

(viii) Variation in number of drugs in Essential Drug List

Department has digitized all the Mohalla Clinics in September 2022 from Registration to Distribution of medicines. 165 Essential Drugs have been approved for AAMCs.

Audit observed that in 16 out of 74 inspected AAMCs¹⁰ there was variation in EDL ranging from 117 to 195 medicines against 165 medicines prescribed in EDL.

Department replied (August 2023) that EDL is common for all AAMCs and the medicines are also supplied as per EDL to all Mohalla Clinics. There have been technical glitches in the software due to which some discrepancies have been observed, the same are being rectified.

(ix) Deficiencies in laboratory services of AAMC

Laboratory services in AAMCs (except Radiology) are provided by Private Laboratories selected through open tender by the DGHS. The payment for services was to be made within 30 days.

Audit observed that Laboratory services were not available at all AAMCs of Delhi during the period from 16 November 2022 to 14 December 2022 whereas in North District, Laboratory facilities were not available in AAMCs during 11 March 2020 to 24 April 2020 and from 13 September 2021 to 27 September 2021. The Department had not made any alternative arrangements in respect of Laboratory testing facilities during these periods.

The Department replied (May 2023) that the Laboratory facility in the North district was not available due to late verification of bills by CDMO office which was due to constraint of human resource. As regards to lack of availability of Laboratory services in all AAMCs during 16 November 2022 to 14 December 2022, Department stated that there was lack of funds due to non release of second installment of GIA.

The reply is not acceptable as sufficient funds were available under all the three heads during the period (Reference Table 2: Allocation and Expenditure of AAMC project). This shows the casual approach of the Department in ensuring patient care.

(x) Monitoring of AAMCs

DGHS had issued order (26 February 2018) that team of Chief District Medical Officers (CDMOs) shall visit all AAMC of the District on quarterly basis. Further, in December 2019, DGHS issued instruction to all CDMOs to visit at least one AAMC per month. During such visit at least 10 *per cent* of OPD entries were to be verified using contact number of patients.

Besides, Medical Officer in charge of linked Delhi Govt. Dispensary (DGD) shall visit all AAMCs of the District on fortnightly basis and submit Inspection Report to AAMC Cell, Dwarka on a monthly basis.

The monitoring team was to ensure punctuality of staff. Pharmacy Indent Register, Stock and Balance Registers, OPD Registers, Lab Registers, Daily

¹⁰ West and South West District

Consumption Registers were to be checked and report of such visit was to be submitted to State Nodal Officer on monthly basis. Focus was also to be made on judicious use of medicines and prescriptions. All the prescriptions were to be duly signed and stamped by empanelled Doctors.

Audit observed that only 175 inspections (1.56 *per cent*) against a requirement of 11,191 inspections of 218 AAMCs of selected Districts were conducted during the period from March 2018 to March 2023. Common deficiencies pointed out in the IR were lack of availability of complaint boxes, stock register not maintained properly and prescription slip not issued.

Similar deficiencies were also noticed during the physical visit of selected AAMCs by the Audit team. Audit observed that Doctors at AAMCs were keeping record of medicines prescribed in their Tablets, however, Prescription Slip was not provided to patients.

Joint Inspection of 74 AAMCs of four selected Districts conducted during April – May 2023 revealed that no inspection/monitoring related records were maintained by any of the AAMCs.

Department stated (August 2023) that the Monitoring mechanism will be strengthened in future. It also stated that Prescription Slips to the patients visiting AAMCs will be ensured.

2.2.6 Functioning of Mobile Health Scheme

GNCTD introduced (1989) Mobile Health Scheme (MHS) to provide Primary Health Care services in unserved areas with special emphasis on the migrant population and socioeconomically weaker sections residing in JJ clusters and colonies at their doorstep regularly. Besides, MHS was to cater to special events and mass gathering, social welfare homes, orphanage, old ages homes, etc. DGHS was responsible for implementation of MHS.

There were eight Mobile Health Teams functioning as of March 2023.

2.2.6.1 Shortage of man power for running Mobile Health Scheme

Each Mobile Dispensary should be manned by a Medical Officer, Public Health Nursing Officer (PHNO) or Auxiliary Nursing Midwife (ANM), Pharmacist, Dresser and an Attendant. 35 posts each of MO, PHNO/ANM, Pharmacist, Dresser and Attendant were sanctioned for MHS. The healthcare services under the Scheme were to be provided through Mobile Dispensary Vans.

Audit observed that there was continuous decline in the actual number of persons deployed due to retirement of Staff during the Audit period. The number of actual persons employed during the Audit period is given in the **Table-2.2.7**.

Table-2.2.7: Sanctioned strength and Person in-position of Mobile Health Scheme

Year	Medical Officer		PHNO/ANM		Pharmacists		Dresser		Attendant/NOs	
	SS	PIP	SS	PIP	SS	PIP	SS	PIP	SS	PIP
2016-17	35	28	35	29	35	30	35	24	35	18
2017-18	35	27	35	34	35	26	35	19	35	23
2018-19	35	26	35	31	35	21	35	22	35	16
2019-20	35	25	35	29	35	19	35	21	35	17
2020-21	35	22	35	29	35	17	35	19	35	14
2021-22	35	22	35	30	35	16	35	17	35	14
2022-23	35	18	35	30	35	15	35	15	35	12

It can be seen from the above Table that during 2016-23, shortage vis-à-vis the sanctioned strength in respect of Medical Officers ranged from 20 to 48 *per cent*, PHNO/ANM ranged from three to 17 *per cent*, Pharmacists ranged 14 to 57 *per cent*, Dressers ranged from 13 to 57 *per cent* and Attendant/Nursing Orderlies ranged from 34 to 66 *per cent*. Even amongst the posted staff, six Doctors, 20 PHNOs/ANMs, six Pharmacists, 11 Dressers and eight Nursing Orderlies/Attendants were diverted to other Offices¹¹ under DGHS.

In the absence of sufficient manpower, MHS was not in a position to provide services to all the Unserved areas, Construction sites, Night Shelters, Welfare homes etc. on regular basis. Diversion of staff to other Offices clearly shows low priority given to Mobile Health Scheme by the Department.

MHS, in its reply (October 2023) accepted the Audit observations and intimated that a detailed proposal for filling of vacant posts/creating of new posts in MHS has been initiated in April 2023.

Further, Mobile Dispensaries were to be operated using hired vehicles with the prior approval of the Finance Department. However, Audit observed that, no vehicles were hired¹² during the period 2016-23. Lack of availability of vehicles restricted the coverage and logistics (medicines/equipment) of Mobile Health Scheme.

Additional Director, MHS stated (October 2023) that the proposal for hiring of vehicles was refused on a few occasions by DGHS and the current proposal for hiring vehicles was not approved due to unavailability of budget allocation in the year 2023-24.

The fact remains that the Department could not make available the vehicles for running Mobile Dispensaries.

Recommendation: The Government needs to strengthen MHS by providing sufficient man power and ensuring adequate mobility.

¹¹ CDMO offices, Department of Family Welfare, DGHS (Headquarters) and different hospitals, etc.

¹² Except during 2017-18 (for one month) and 2020-21 (for three months)

2.2.6.2 Unavailability of Essential medicines for Mobile Health Scheme

100 Essential medicines are approved under MHS and were to be procured through Central Procurement Agency of DGHS. It was noticed from the Stock Register of medicines of Central Stores that 76 out of 100 EDL medicines were not available in the Central Stores. Scrutiny of Indent sheets submitted by Zonal teams for the period 2022-23 revealed that many times the medicines demanded by the MHS teams could not be provided by the Central Store due to non-availability of medicines. In many cases, no stock was available with the MHS team at the time demand was put up to Central Stores. This clearly shows that MHS teams were working without adequate Essential medicines.

Department accepted the Audit observations and stated (October 2023) that CPA is responsible for non-availability of Essential Drugs as demanded medicines are supplied by it.

The fact remains that MHS was functioning without Essential medicines.

2.2.6.3 Not setting up of 100 Mobile Van Clinics for Eye and Ear Care Services

Proposal for setting up of 100 Mobile Van Clinics for Eye and Ear Care Services (MHS) at estimated cost of ₹ 60.50 crore for providing Testing facility distribution of Spectacles and Hearing Aids in outreach areas through Mobile Van was approved by Lieutenant Governor (8 May 2017). DGHS was responsible for implementation of MHS.

Audit observed that despite approval of the proposal, Mobile Van Clinics for Eye and Ear Care Services could not be implemented (April 2023) as requisite funds were not sanctioned during the period 2018-23. During 2018-19, only ₹ 5 crore was sanctioned against proposal of ₹ 35.46 crore. Similarly, only ₹ 3.25 crore was sanctioned during 2019-20 and no funds were allocated thereafter.

Further, requisite posts were to be created and Staff were to be engaged for implementation of MHS. Audit observed that neither posts were sanctioned nor Staff were engaged by DGHS.

The scheme envisaged to provide doorstep Eye and Ear care services which could not be implemented in Delhi, despite approval of the Cabinet and LG since May 2017.

Department stated (June 2023) that it would be waste of resources in terms of manpower and money as Polyclinics and other facilities do have Specialists in most areas of Delhi which were catering to Citizens need in a more organized manner from a fixed setup in Polyclinics/Hospitals. Further, it stated (October 2023) that MHS did not have any post of Eye and ENT specialist for implementing the scheme.

Reply is not acceptable as the scheme was introduced in 2017 specifically for the purpose of providing doorstep Eye and Ear care screening services which were

in addition to the services already being provided by its network of Dispensaries/Polyclinics/Hospitals.

Recommendation: *The Government may re-examine continuation of the Scheme in view of the reply of the Department that providing doorstep Eye and Ear services would be a waste of resources.*

2.2.6.4 Declining coverage of Mobile Health Scheme

Audit observed shortage of staff and Mobile Vans under Mobile Health Scheme (MHS) as detailed in paras 2.3.1 and 2.3.3. This resulted in decline in number of teams deployed and number of patients treated during 2017-23 as detailed in **Table-2.2.8**.

Table-2.2.8: Number of MHS teams and number of patient treated during the audit period

Year	No. of Mobile Health Teams deployed	No. of patients treated
2017-18	27	2,25,031
2018-19	19	1,88,743
2019-20	19	1,91,349
2020-21	17	1,46,171
2021-22	8	60,311
2022-23	8	35,062

Source: Annual Report of MHS

There were 277 Night Shelters and other Day care areas for which at least 26 teams were required. Against this only seven teams were deployed for Night Shelter and one team for unserved areas (March 2023).

Due to shortage of teams, MHS could not provide regular services covering all the Night Shelters, Construction sites, Welfare homes, Unserved/underserved areas of JJ Clusters.

It was noticed that no comprehensive assessment of demand for Mobile Health Dispensaries under MHS was carried out by the Department. This assessment was also necessitated due to availability of AAMCs in JJ Clusters/unserved areas.

Department accepted (October 2023) the audit observation and stated that despite the constraints, it still provides the services to the best of its capabilities.

2.2.7 Functioning of School Health Scheme

School Health Scheme was introduced (1979) with the objective of improving the health and nutrition status of children and providing them with useful education on hygiene. School health scheme envisaged setting up School Health Clinics in school premises for easy accessibility by children. The objective of School Health Scheme *inter alia* included screening of School children for diseases, counseling and providing Comprehensive Health Care to School children through its 12 District Offices and 44 School Health Teams (March 2023). Each School Health Scheme Team is allotted a cluster of 8-10 Schools (around 10000 to 12000 students). There are approximately 17-18 lakh

students studying in about 1200 Government and Aided Schools of GNCTD. Central Store of School Health Scheme is responsible for issuing medicines to District clinics store.

2.2.7.1 Shortfall in coverage of School Children by School Health Scheme

Each School Health Scheme team is allotted a cluster of 8-10 schools (around 10000 to 12000 students). The year wise details of Screening/health checkup of school children are given in the **Table-2.2.9**.

Table-2.2.9: Details of health check-up of school children under School Health Scheme

Year	No. of Health (Teams deployed)	No. of schools covered	Appx. Percent of schools covered	No. of school children screened	Appx. Percent of school children screened
2016-17	65	325	27	281488	17
2017-18	53	367	31	328274	19
2018-19	56	333	28	316009	19
2019-20	57	282	24	351402	21
2020-21	0	3	0.3	648	0.04
2021-22	24	0	0	0	0
2022-23	24	147	12	2,09,364	12

It can be seen from **Table-2.2.9** that only 282 to 367 (24 to 31 *per cent*) Schools and 2.81 lakh to 3.51 lakh (17 to 21 *per cent*) students could be covered annually during the period from 2016-17 to 2019-20 out of around 1200 schools and 17 lakh students. During 2020-21 and 2021-22, School Health Scheme was not operational due to Covid. In the year 2022-23, the coverage was further reduced to 147 schools (12 *per cent*) and 2.09 lakh (12 *per cent*) students. Audit observed that School health team keeps the record of students, but no health card was issued to the students. Besides, parental counselling was not conducted whereas student counselling (for drug abuse) was conducted as per the coverage of the scheme.

Audit observed that 20 School Health Clinics¹³ to serve a particular School were made operational (January 2022) as a pilot project by employing the staff from School Health Scheme which effectively reduced the School Health Teams to 24 during 2021-23.

Department replied (October 2023) that it has no comment against the Audit observation.

2.2.7.2 Shortage of man power for running School Health Scheme

During 2016-23, shortage of Doctors ranged from 22 to 32 *per cent*, shortage of Public Health Nursing Officer (PHNO) ranged from 7 to 46 *per cent* whereas shortage of Pharmacists ranged from 11 to 37 *per cent* against the sanctioned strength under School Health Scheme. Details are given in **Table-2.2.10**.

¹³ Refer paragraph 2.2.7.3

Table-2.2.10: Sanctioned strength and person in-position in School Health Scheme

Year	Doctor		PHNO		Pharmacists	
	Sanctioned strength	Person in Position	Sanctioned strength	Person in Position	Sanctioned strength	Person in Position
2016-17	31	21	61	33	38	24
2017-18	32	22	61	55	38	34
2018-19	32	25	61	55	38	29
2019-20	32	25	61	57	38	32
2020-21	32	23	61	56	38	32
2021-22	32	23	61	51	38	27
2022-23	32	22	61	45	38	27

In 2022-23, six Doctors, 20 PHNOs were deputed to 20 School Health Clinics which cater to services in their respective school only. This further reduced the staff strength to cover the programmes under School Health Scheme. It was also noticed that the only post of Eye Specialist and all six posts of Dentist for referral centers were lying vacant (March 2023).

Department did not offer any comment in its reply (October 2023).

2.2.7.3 Slow progress of introduction of School Health Clinics in all Government schools

Rule 38 of Delhi School Education Rules 1973, mandates to appoint a part time or full time Doctor in every School. High court of Delhi in a case no. WP © 7814/2011 had directed (8 August 2012) the Delhi Government to implement Rule 38 of the Delhi School Education Rules within six months.

Audit observed that till March 2023, Department of Education and Department of Health and Family welfare of GNCTD could not firm up plan to implement School Health Clinics due to lack of consensus between Departments for creation of posts, payment of salary and supervision of staff.

Besides, Department of Health and Family Welfare proposal (2018) recommended by Administrative Reform Department for creation of posts of 185 Medical Officers, 611 PHNOs, 358 ANM in the strength of H&FW Department and outsourcing of 1029 Multitasking staff was rejected by the Minister of Health (September 2019) on the ground that the proposal was not practical and would take time, further suggested to open School Health Clinics as per AAMC model with empaneled staff.

PWD constructed 94 Porta Cabins and handed over (till August 2022) to Education Department. Only 20 School Health Clinics were made operational (May 2023) in porta-cabins by deploying the team from School Health Scheme.

Thus, despite provision of Medical officer as per Delhi School Education Rules 1973 and direction of Delhi High court (August 2012), GNCTD could establish facility in 20 schools only.

Department did not offer any comment in its reply (October 2023).

2.2.7.4 Other deficiencies in School Health Scheme

(a) Shortfall in conducting De-worming and WIFS programmes

De-worming programme of GNCTD covers all school children studying in Government, Aided and Private schools. 5700 schools (Approx) in Delhi (March 2023) were to be covered under the programme. Similarly, Weekly Iron Folic Acid Supplementation Programme (WIFS) of GNCTD was launched (July 2013) to tackle Anemia and covering all Government and Aided school children¹⁴. Above programmes were not operational during 2020-21 and 2021-22 as the schools were closed due to Covid.

Audit observed that only 21 per cent (2016-17) to 71 per cent (2019-20) schools were covered under De-worming programme whereas only 56 per cent (2019-20) to 76 per cent (2022-23) of the students were covered under WIFS during the 2016-23.

Department stated (October 2023) that it has no comment to offer on the Audit observation.

(b) Shortage of medicines and surgical items

Under the Scheme, 44 teams (including School health clinic in Porta Cabin) were functioning and catering to about 19 lakh school children of Delhi Government and Government Aided schools. Audit observed that the Department has not prepared an Essential Medicine List under School Health Scheme. Examination of Central stock register of School Health Scheme revealed that the stock of 21 different medicines and surgical items were not replenished after stock-out and the stock-out period ranged from 3 to 84 months. Moreover, 15 out of 21 medicines/surgical items were not available for more than 60 months during the audit period. (Annexure 2.5).

Further, examination of 17 indents of District clinics for 2022-23 revealed that medicines¹⁵ and surgical items¹⁶ were not made available by the Central Store as per demand. Similarly, several basic equipment¹⁷ demanded by the District School Health Clinics were also not provided by the Central Store.

Thus, School Health Scheme is running without requisite medicines, surgical items and equipment. Department did not offer any comment in its reply (October 2023).

(c) Equipment/items lying idle in the Store

Scrutiny of stock register of central store of School Health Scheme revealed that many equipment/items intended for use by the School Health teams were lying

¹⁴ Class 6th to 12th till 2021-22 and class 1st to 12th from 2022-23 onwards

¹⁵ Betadine ointment, Soframycin, Tab PCM, Tab Ibuprofen, Tab Cipro, Tab CPM, Tab Pheniramine, Tab Pantaprazole, Tab MNZ etc.

¹⁶ Adhesive Plaster, Band Aid, Bandage, etc.

¹⁷ Hemoglobin meter, Hb cuvettes, Weighing machine, BP apparatus, Torch, Scissor, Thermometer, etc.

idle in the store for the last nine years or more as per the details given in **Table-2.2.11**.

Table-2.2.11: Idle items in the store of School Health Scheme

Sl. No.	Name of item	Quantity
1	Centrifuge Machine	6
2	Examination table	6
3	Revolving stool	52
4	BP Apparatus	80
5	Stethoscope	21
6	Vaccine carrier	24
7	Syringe cum needle destroyer	12
8	Glucometer	123

This shows that department purchased equipment in bulk without assessing the actual demand and also failed to utilize the same by issuing to other health centers under DGHS on need basis.

Department did not offer any comment in its reply (October 2023).

Recommendation: Government should strengthen the SHS so as to provide all the services under the Scheme covering all School children. It may also consider to approve an EDL specifically for SHS and should ensure all the essential medicines in its clinics.

2.2.8 Functioning of Dispensaries/Polyclinics

Under the restructured system (July 2015), existing Dispensaries were to be converted into Polyclinics. As per order of Secretary (Health), Department of Health and Family Welfare (7 January 2016), Polyclinics were attached to Government Hospital and were to act as satellite centers for specialized Outdoor treatment purposes. The Medical Superintendent of the attached hospital was to provide manpower, drugs & consumables and other logistic support to the concerned Polyclinics and was also to supervise their day-to-day functioning. General Medicines, Pediatrics, Obstetrics and Gynecology were to be made available daily whereas Orthopedics, Dermatology, Eye & ENT at least twice weekly at the Polyclinics. As of March 2023, only 28 Polyclinics were functional and 167 Dispensaries were also providing services.

2.2.8.1 Laxity in remodeling of Dispensaries into Polyclinics for providing secondary health care

The Polyclinics, conceptualized as Secondary Health Care provider intended to reduce the OPD load of Delhi Government Hospitals. Budget Speech (2016-17) proposed to establish 150 Polyclinics by the end of the financial year 2018-19. Administrative Approval and Expenditure Sanction of ₹ 168.58 crore was issued to PWD (8 August 2018) for remodeling of the 94 shortlisted Delhi Government Dispensaries (DGD) into Polyclinics in 15 months.

District wise details of Dispensaries and Polyclinics (2021-22) is given in **Table-2.2.12**.

Table-2.2.12: Availability of Dispensaries and Polyclinics

Sl. No.	Name of District	Dispensary	Polyclinic
1	Central	24	2
2	East	16	1
3	North	15	1
4	North East	5	4
5	North West	20	7
6	South	9	1
7	South West	23	4
8	West	19	3
9	New Delhi	12	1
10	Shahdara	15	3
11	South East	9	1
	Total	167	28

Source: Annual report of DGHS

It can be seen that only 28 Dispensaries were converted into Polyclinics.

Audit observed the following deficiencies during operationalization of restructured health care system:

- Seven Polyclinics were not taken over by the Hospitals as of December 2022, where remodelling work was completed by PWD leading to operational difficulties.
- Specialists were not available for providing services in the existing Polyclinics. Department was in the process of empanelment of Specialists (December 2022) and was constrained to post even Senior Residents in place of specialist doctors in Polyclinics for OPD consultation.

Thus, the objective of setting up of Polyclinics by upgrading existing Dispensaries as Secondary health provider intended to reduce the OPD load in Government hospital as conceived by Department could not be achieved.

The Government (October 2023) stated that there was no concept of Dispensary in the restructured health care delivery system, however, 107 DGDs were not included in the remodelling list and were bound to co-exist with Polyclinic as only the Dispensary running from own buildings were to be converted into Polyclinic.

The reply of the Government is not convincing as the planned number of Polyclinic could not be made functional.

Recommendation: Government should expedite setting up of Polyclinics as envisaged in the restructured health system of GNCTD to strengthen the Secondary Healthcare.

2.2.8.2 Human Resources in Dispensaries

The availability of Doctors, Nurses, Paramedics against the sanctioned strength in different dispensaries under DGHS (31 March 2023) are given in **Table-2.2.13**.

Table-2.2.13: Sanctioned strength and Person in-position of different dispensaries

District	Sanctioned				In-position			
	Doctors	Nursing Staff	Paramedics	Others ¹⁸	Doctors	Nursing Staff	Paramedics	Others
Allopathic Dispensaries								
Central	107	158	241	216	47	90	102	90
East	51	40	71	116	41	36	51	77
West	65	43	240	11	55	36	89	5
North	57	41	113	125	36	41	83	36
South West	87	74	131	207	74	74	106	161
North East	31	23	58	64	26	22	40	45
North West	69	57	106	171	69	57	106	127
South	39	27	48	78	38	24	34	40
Shahdara	59	45	233	5	48	43	164	2
New Delhi	44	30	64	89	35	28	43	53
South East	35	22	58	61	29	18	47	20
Total	644	560	1363	1143	498	469	865	656

There was 23 per cent shortage of Doctors, 16 per cent shortage of Nursing staff and 37 per cent shortage of Paramedics in the Allopathic Dispensaries (March 2023).

The shortage of manpower in the selected Districts (31 March 2023) was as given below:

- South-West district, Medical Staff (15 per cent), Paramedical Staff (19 per cent), and Others (22 per cent).
- South district, Medical Staff (3 per cent), Paramedical Staff (29 per cent), Nursing staff (11 per cent) and Others (49 per cent).
- West district, Medical Staff (15 per cent), Paramedical Staff (63 per cent), Nursing staff (16 per cent) and Others (55 per cent).
- North-East district, Medical Staff (16 per cent), Paramedical Staff (31 per cent), Nursing staff (4 per cent) and Others (30 per cent).

Recommendation: Government should take immediate measures to fill up the vacancies.

¹⁸ Dresser, Dark Room Attendant, Plaster Room Assistant, Nursing Orderly/Peon/Attendant, Nursing Orderly, Ambulance Attendant, Sweeper cum chowkidar and Safai karamchari.

2.2.8.3 Disproportionate deployment of Doctors in Dispensaries

Primary Health Centres deliver the basic health care facility to people. Health inequality implies systematic differences in health outcomes. Unequal distribution of health resources is a situation where available health resources are not distributed equally amongst the population.

Scrutiny of records/information (April-May 2023) furnished by the Office of the CDMOs (North East and West) revealed that the deployment of Doctors within the District was not made according to the targeted population of the concerned Dispensary. The Dispensary wise details of the same are shown in **Annexure 2.6**.

As against the criteria of serving 30000-50000 population per Dispensary, the actual population per Doctor in North-East district ranged from 18,060 to 58,146 whereas in West district it was 6,728 to 40,000.

2.2.8.4 Functioning of Dispensary Laboratories without NABL accreditation

Drug Policy of NCT of Delhi envisages making available safe, effective and good quality Drugs at all times at all health facilities. This requires strengthening of quality control mechanism. The National Board for Testing and Calibration Laboratories (NABL) has been established with the objective of providing Government, Industry Associations and Industry in general with a scheme of Conformity Assessment Body's accreditation which involves third-party assessment of the technical competence of testing including medical and calibration laboratories.

Allopathic Dispensaries of GNCTD provide for two types of laboratories, i.e. Basic Labs (BL) and Mother Labs (ML). The BL provide for basic investigation tests like Urine, Blood Sugar (Fasting/PP), HB, Albumin and tests which require only rapid kits, whereas, in ML specialized tests like Hematology, Lipid profile, LFT, KFT, etc. are being performed.

Audit observed both the labs were not accredited by NABL. In the absence of NABL accreditation, the technical competency of the labs could not be ensured.

2.2.9 District Drug Stores

In Delhi, there are six¹⁹ District Drug Stores (DDS) catering to 11 Districts. District Drug Stores receive Drugs/Medicines from Central Procurement Agency and distributes them to various Dispensaries and other health care facilities under the jurisdiction of CDMO. Test check of District Drugs Stores catering to four selected Districts revealed the following:

¹⁹ South-East/South, South-West/New Delhi, North/Central, North-East, East/Shahdara and West/North-West

2.2.9.1 Functioning of District Drug Stores

- (a) Audit observed that, since opening of AAMCs in 2015-16, DDS, South was located in the basement without provision for proper ventilation or air conditioner required for maintaining appropriate temperature. Besides, storage facilities were not augmented despite addition of about 97 AAMCs. Due to lack of space, the store authorities were constrained to keep drugs on the staircase areas of the building as shown in **Picture-2.2.2**.

Similarly, the other three selected DDS, South-West, North-East and West also lacked space for storing medicines. There was lack of basic facilities like racks for keeping medicines. As a result, medicine boxes were kept on floor/toilet premises and staircase.



Picture-2.2.2: Drugs lying on floor at district drug store of South and South East

- (b) Sanctioned strength of the District Drug Stores was not increased despite increase in the work load after introduction of AAMCs in 2015-16. Although the issue was flagged by the District Store to the higher authorities, no action was taken.
- (c) DDS, South did not comply with the Disaster Management Norms as there was no provision for fire exit or for fire extinguishers in the premises.

Similarly, fire extinguishers were not available or found beyond expiry date/not in proper condition in the DDS, North East and DDS West.

Government stated (October 2023) that South District has been repeatedly writing and flagging the issues with PWD for provision of fire exit. It was further

submitted that the fire extinguishers were in process of being replaced. It confirmed the other issues but offered no comments.

Recommendation: Government should improve the basic infrastructure of District drug stores and ensure adherence of disaster management norms in its district stores.

2.2.9.2 Shortage of Drugs in test checked District Stores as per EDL of Dispensaries

257 medicines are prescribed in the EDL of Dispensaries. During 2016-23, year-wise availability of the EDL of test checked District Stores is given in **Table-2.2.14**.

Table-2.2.14: Year wise availability of Drugs in District Stores

Year	Number of drugs in EDL	Average number of drugs available during the year	Shortfall in availability	
			In numbers	In per cent
District store catering to South West and New Delhi districts				
2016-17	257	210	47	18.29
2017-18	257	230	27	10.51
2018-19	257	226	31	12.06
2019-20	257	223	34	13.23
2020-21	257	190	67	26.07
2021-22	256	205	51	19.92
2022-23	256	223	33	12.89
District store catering to South and South East District				
2016-17	257	210	47	18.29
2017-18	257	230	27	10.51
2018-19	257	226	31	12.06
2019-20	257	223	34	13.23
2020-21	257	160	97	37.74
2021-22	256	203	53	20.70
2022-23	256	229	27	10.55

Source: Information furnished by the district stores

It can be seen from **Table-2.2.14** that 10 to 26 per cent medicines from the Essential Drug List (EDL) were not available in one District Store whereas 10 to 37 per cent medicines were not available in another District Store during the period from 2016-17 to 2022-23.

The above facts indicate that the Dispensaries were not in a position to provide patient care with all the essential medicines.

South West district accepted (October 2023) the Audit observation. Reply from other Districts was awaited.

Recommendation: Government should ensure availability of all Essential Medicines both for AAMCs and Dispensaries in its District Drug Stores.

2.2.10 Primary Health Care provided by Directorate of AYUSH

The Government of National Capital Territory of Delhi (GNCTD) established (May 1996) a separate Department of Indian System of Medicine and

Homoeopathy (ISM&H) under the Health and Family Welfare Department (DH&FW) to encourage the use of alternative systems of medicines such as Ayurveda, Yoga, Unani, Siddha and Homoeopathy (AYUSH) in healthcare delivery and to ensure propagation of Research and Education in these systems. The ISM&H was renamed as Directorate of AYUSH (Directorate) in the year 2013.

The Directorate, headed by a Director, functions under the overall supervision of the Secretary, Department of Health and Family Welfare. It provides Primary health Care facilities through its Dispensaries. Presently, there are 55 Ayurvedic, 25 Unani, and 116 Homoeopathic Dispensaries under it.

2.2.10.1 Adequacy of funding

Allocation of funds and expenditure for running Dispensaries during the period 2016-23 is given in **Table-2.2.15**.

Table-2.2.15: Budget allocation and utilization 2016-2023

Department	(₹ in crore)	
	Budget Allocation/ Grant received	Expenditure incurred
Directorate of AYUSH	237.11	182.47
Homoeopathic Wing	271.88	262.47
Total	508.99	444.94

It can be seen from **Table-2.2.15** that against the allocation of ₹ 508.99 crore, ₹ 444.94 crore (87.42 *per cent*) was utilised for the management of AYUSH activities.

2.2.10.2 Insufficient Infrastructure and space in AYUSH Dispensaries

As per IPHS Guidelines two room structure is essential to run a Dispensary to cater the need of consultation, waiting area, medicine dispensation and storage of medicines. PHC should be away from water logging area. Waiting area should have adequate space and seating arrangements for waiting/patients as per patients load. Waiting area should have adequate number of fans, coolers, benches or chairs. Safe drinking water should be available in the patients waiting area. Toilets with adequate water supply separate for males and females should be available. A locked complaint/suggestion box should be provided. Appropriate power backup/inverter should be in place to ensure that there is no disruption of services and cold chain for vaccines and diagnostics is properly maintained.

Joint Physical Inspection of 49 Dispensaries²⁰ conducted during April/May 2023 revealed the following:

- Seven Dispensaries were functioning in one room structure.

²⁰ 19 Ayurvedic, 8 Unani and 22 Homoeopathic dispensaries were inspected

- Five²¹ Dispensaries were functioning without waiting area or without proper sitting arrangement for patients.
- Most of the AYUSH Dispensaries are co-located with Allopathic Dispensaries situated on 1st or 2nd floor of the building without any lift facility. No Ramp facility was available for differently abled persons.
- In one Ayurveda Dispensary²² chair and table was not found available for the Doctor.
- Power back up was unavailable in 17 out of 49 inspected Dispensaries Seven Dispensaries did not have functional toilets for patients and 14 Dispensaries did not have any arrangement for drinking water.



Picture-2.2.3: Toilet not functional

Directorate stated (October 2023) that it opens new units in the existing Delhi Government Dispensaries and Hospitals under the Cafeteria Approach²³. Construction activities are undergoing in some Dispensaries for restructuring them into Polyclinics resulting in these operating from one room. It further intimated that corrective measures wherever feasible have been taken, however no further details were provided.

Recommendation: Government should ensure availability of all basic infrastructure and facilities in its AYUSH Dispensaries.

2.2.10.3 Partial functioning of AYUSH Dispensaries

All Dispensaries are required to function six days a week. Due to shortage of man power, Audit observed that many AYUSH dispensaries were working for less

²¹ Seelampur, Jaffarpur (Unani), Ranjit nagar, Dwarka sector 17(Ayurveda) and Dakshinpuri(Homoeopathy)

²² Sonia Vihar dispensary

²³ Under Cafeteria Approach of GNCTD, AYUSH dispensaries are to be co-located with allopathic dispensaries/hospitals to provide both the services in one place

than six days (March 2023) effectively reducing the availability of patient care services as detailed in **Table-2.2.16**.

Table-2.2.16: Details of partially functioning dispensaries

Category	Total dispensaries	Number of days functional		
		6 days	Three days	One-two days
Ayurvedic	55	18	36	1
Unani	25	7	17	1
Homoeopathic	116	99	13	4

Source: Reply of the Department

It can be seen from above **Table-2.2.16** that 67 per cent of Ayurvedic Dispensaries, 72 per cent of Unani Dispensaries and 14 per cent of Homoeopathic Dispensaries were not functioning for complete six days in a week reducing the availability of healthcare.

Directorate stated (October 2023) that proposal for creation of posts is under active consideration.

2.2.10.4 Dispensaries not upgraded into Health Wellness Centres under National AYUSH Mission

Ayushman Bharat Scheme of GoI provides for upgradation of AYUSH Dispensaries to AYUSH Health and Wellness Centres (AHWCs) by providing ₹ 6.85 lakh as non-recurring cost and ₹ 9.37 lakh per annum as recurring cost per Dispensary. Scheme includes appointment of Yoga instructors, refresher courses to Medical Officers, IEC activities, etc, in each dispensary.

GNCT of Delhi has not implemented the Ayushman Bharat Scheme in Delhi and hence it could not avail the funds for upgradation of dispensaries into AYUSH Health Wellness Centres. Thus, GNCTD neither created AHWCs nor improved the services in its Dispensaries to provide all aspect of AYUSH system of medicines to public.

Directorate stated (October 2023) that the proposal to establish State AYUSH Society which is mandatory to receive fund under NAM is under active consideration of Government.

Recommendation: Government should consider setting up of State AYUSH Society on an urgent basis to avail the benefit of Central Scheme.

2.2.10.5 OPD in AYUSH Dispensaries

Attendance of OPD patients who visited the AYUSH dispensaries between 2016-23 is given in **Table-2.2.17**.

Table-2.2.17: OPD patients in AYUSH dispensaries

Year	Ayurveda	Unani	Homoeopathy	Total
2016-17	746171	451011	2275663	3472845
2017-18	755470	493092	1843209	3091771
2018-19	668411	392079	1939883	3000373
2019-20	449024	171733	1991395	2612152
2020-21	262517	207965	1198775	1669257
2021-22	469639	269765	1280872	2020276
2022-23	671317	433905	1708114	2813336

Source: Information furnished by the Department

Number of OPD patients decreased (19 *per cent*) from 34.72 lakh in 2016-17 to 28.13 lakh in 2022-23. The patient load per Dispensary per day decreased from 62 to 18 (Ayurveda), 75 to 58 (Unani) and 74 to 49 (Homoeopathy) during the period from 2016-17 to 2022-23²⁴.

The declining footfall of patients is indicative of low patient satisfaction of services being provided by these Dispensaries.

Directorate stated (October 2023) that the reason for declining footfall is partial functioning of Dispensaries due to shortage of Doctors. It further stated that various IEC activities have been planned by Directorate of AYUSH to spread awareness about AYUSH systems.

2.2.10.6 Shortage of staff in AYUSH

There was huge shortage of staff in AYUSH Directorate and Dispensaries. Overall shortage of staff in the AYUSH Directorate was 47.78 *per cent* as of March 2023 as given in **Table-2.2.18**.

Table-2.2.18: Staff position in AYUSH Directorate

Name of the Department	SS	No. of staff posted	No. of posts vacant	Vacancy (in <i>per cent</i>)	No. of outsourced staff posted against vacancy
Directorate of AYUSH (Ayurveda & Unani wing)	229	118	111	48.47	48
Homoeopathic Wing	357	188	169	47.34	110
Total	586	306	280	47.78	158

Source: Departmental records and reply

Each Dispensary is to be posted with one General Duty Medical Officer (GDMO), one Pharmacist and one Nursing Orderly/Attendant to provide OPD services. The status of availability of staff in the Dispensaries (March 2023) is given in **Table-2.2.19**.

²⁴ Figures of covid period have been not taken in account.

Table-2.2.19: Staff position in AYUSH Dispensaries

Name of the Department/Institution	Sanctioned strength	Working Strength	Vacant Posts	Vacancy (in per cent)
Ayurvedic dispensaries	121	91	30	24
Unani Dispensaries	63	43	20	31
Homoeopathic dispensaries	285	182	103	36
Total	469	316	153	33

It can be seen from **Table-2.2.19** that the overall shortage of staff in Ayurvedic, Unani and Homoeopathic Dispensaries was 24 per cent, 31 per cent and 36 per cent respectively (March 2023).

There was significant shortage of Medical Officers and Pharmacists in Dispensaries throughout period 2016-23.

The annual shortage of Ayurvedic, Unani and Homoeopathic Medical Officers ranged from six to 27 per cent, 18 to 41 per cent and five to 23 per cent respectively.

Similarly, the annual shortage of Pharmacists in Ayurvedic, Unani and Homoeopathic dispensaries ranged from 39 to 53 per cent, 61 to 67 per cent and 35 to 41 per cent respectively.

Despite opening of new Ayurvedic, Homoeopathic and Unani Dispensaries during the Audit period, the Directorate had not created new posts. Due to shortage of staff, many Dispensaries were partially functional and operating only three days a week.

During the Joint Physical Inspection of 49 Dispensaries (April/May 2023), it was noticed that in 17 Dispensaries, Doctors were available for two to four days in a week whereas in 16 Dispensaries, Pharmacist was not available.

Directorate stated (October 2023) that it has notified the vacant posts to DSSSB & UPSC for recruitment. Further, proposal for creation of new posts is also under submission.

Recommendation: Government need to take immediate steps to address the shortage of staff to ensure smooth functioning of AYUSH dispensaries.

2.2.10.7 Lack of availability of Essential AYUSH Medicines in dispensaries

There are 110 Ayurveda, 104 Unani and 200 Homoeopathy medicines in the Essential Drug List (EDL) of 2018, approved for Dispensaries. The Dispensaries procure medicines from the Central Drug Stores of AYUSH by submitting the demand through indent sheets.

Scrutiny of Stock Registers of Central Drug Stores for the period from 2018-23 revealed that only 17 out of 104 Unani Essential Drugs and only three out of 110 Ayurvedic Essential Drugs were available throughout the 2018-23 whereas 15 Ayurvedic medicines and 18 Unani medicines were not available during the

entire period. The details of availability of Ayurvedic and Unani medicines are given in **Table-2.2.20**.

Table-2.2.20: Period for which medicines remained not available during 2018-23

Category of medicine	Total Essential Drugs	Medicines available for whole period	Period for which medicines remained not available			
			6-12 months	13-36 months	37-59 months	Medicines not available for whole period
Ayurveda	110	3	4	87	1	15
Unani	104	17	15	52	2	18

Similarly, in Homoeopathy category, eight medicines in 2017-19, 14 medicines in 2019-21 and 8 medicines in 2021-23 out of 200 essential medicines were not procured.

Thus due to lack of availability of stock in the Central Drug Store, there was shortfall in receiving of medicines against the indent submitted by the Dispensaries. Audit observed that in 37 indents (2016-23), upto 50 *per cent* of the demanded medicines were not received by the Dispensaries.

During Joint Physical Inspection, it was noticed that an average of 42 *per cent* of Ayurveda medicines and 56 *per cent* of Unani medicines were not available in the selected Dispensaries²⁵ as per the **Table-2.2.21**.

Table-2.2.21: Lack of availability of medicines in the inspected dispensaries

Category	Total no. of dispensaries	No. of units inspected	No. of Essential drugs required	Average number of medicines available	Average no. of medicines not available (in <i>per cent</i>)
Ayurveda	55	19	110	63	47(42%)
Unani	25	8	104	45	59(56%)
Homoeopathy	116	22	200	187	13(6%)

Failure of the Directorate in procuring and supplying essential medicines to Dispensaries defeated the very purpose of preparing the EDL and also compromised the ability of Dispensaries to effectively provide healthcare to patients.

Directorate accepted the Audit observation and stated (October 2023) that due to various issues in the tendering process, medicines could not be procured. Now, the classical Ayurvedic & Unani medicines manufactured by M/s IMPCL are available on GeM portal, and the procurement is being done from GeM portal.

²⁵ 19 out of 55 Ayurveda, 8 out of 25 Unani and 22 out of 116 Homoeopathy dispensaries were inspected.

2.2.10.8 Delay in purchase of Ayurvedic and Unani medicines

Department of AYUSH, Ministry of Health and Family Welfare, GoI issued direction (November 2008) to all States/UTs that AYUSH drugs should be procured through Central and State Government enterprise like M/s Indian Medicines Pharmaceutical Corporation Limited (IMPCL) who are actually manufacturing these drugs and to avoid substandard drugs.

Accordingly, GNCTD decided (November 2008) to procure AYUSH medicines from M/s Indian Medicines Pharmaceutical Corporation Limited (IMPCL) since medicines procured from open market through tendering process at lowest price were not up to the mark.

Audit observed that Directorate stopped procuring Ayurveda and Unani medicines directly from IMPCL (2018-19 onward) which was against its own policy as IMPCL was duly approved (November 2008/October 2016) by Finance Department of GNCTD for procurement of medicines. Further, instead of directly procuring from IMPCL, Directorate of AYUSH initiated tenders thrice out of which two were later cancelled due to litigations.

Finally, during the third tender (May 2019), 22 bidders were selected for supplying 198 out of 214 EDL A&U medicines in September 2020 while none of the bidders qualified for 16 medicines.

It was noticed that two bidders, who were qualified for 89 medicines, were later blacklisted by New Delhi Municipal Council for two years (February 2020) and the Directorate decided not to procure any medicine from these agencies. It, however, did not impose any penalty on the firms for concealing the facts.

In between, a Cabinet Note was approved in December 2019 for procurement of Essential A&U medicines from M/s IMPCL and Purchase Orders were issued in December 2019, even though Finance Department had given explicit approval (2008/2016) for direct procurement of medicines from IMPCL.

Resultantly, during period 2018-20 (till December 2019), most of the medicines remained out of stock and the supplies were received from IMPCL from January 2020 onwards. Moreover, after introduction of GeM portal, the buyer could place order directly with M/s IMPCL for medicines.

In May 2022, Directorate prepared a proposal to purchase various Ayurvedic and Unani medicines from IMPCL costing ₹ 3.31 crore on the basis of Annual demand raised by Dispensaries for the year 2022-23. However, the Finance Member suggested to procure the medicines through open tendering process in terms of Rule 149 (iii) of GFR though various instructions and orders were available to purchase these medicines directly from IMPCL. Finally, Directorate had floated a bid on GeM portal on 3 February 2023. The medicines were not yet procured (May 2023).

Directorate accepted the Audit Observation and stated (October 2023) that due to various issues in the tendering process, medicines could not be procured. Now, the classical Ayurvedic & Unani medicines manufactured by M/s IMPCL are available on GeM portal, and the procurement is being done from GeM portal.

Recommendation: Government should ensure the availability of all Essential AYUSH Medicines in its Dispensaries.

2.2.10.9 EDL for AYUSH not updated on regular basis

The Drug Policy of Government of NCT of Delhi framed in April 1994 provides for preparing a list of Essential Drugs every year by a Special Committee. However, it was observed that EDL of Ayurveda, Unani and Homoeopathy drugs for Dispensaries were updated only once in 2018 during the period under Audit (2016-17 to 2022-23).

Directorate stated (October 2023) that based on the ‘National List of Essential AYUSH Medicines’ published by Ministry of AYUSH, GoI in 2022, the Department has reviewed its EDL for Ayurvedic & Unani medicines. The Homoeopathic Wing of Directorate of AYUSH initiated the process for revision of EDL and Formulary of Homoeopathic medicines.

2.2.10.10 Loss of medicines due to incorrect carrying forward of balance in Stock Registers

Audit scrutiny of the Stock Registers of Ayurvedic, Unani and Homoeopathy medicines maintained by the Central Drug Store showed that in five cases balance was either not calculated correctly during issue of stock or Closing Balance at the end of the year was not correctly depicted as Opening Balance of next year resulting in loss of stocks as per the details given in **Table-2.2.22**.

Table-2.2.22: Difference in closing balance of stock

Sl. No.	Name of Medicine	Date	Actual Closing Balance	Closing balance shown in the register	Difference
1.	Kumaryasava 200ml	18.02.20	5849	5845	4
2.	Kumaryasava 200ml	17.03.20	12745	12695	50
3.	Arvindasava 200ml	26.10.21	18170	18026	144
4.	Habb-e-Asgand 30 pills	15.12.16	2750	2700	50
5.	30 Apocynum	01.04.17	100	98	2

This shows weak monitoring of inventory.

Directorate accepted the audit observation and stated (October 2023) that all necessary care will be taken for preventing such error in future.

2.2.10.11 Lab Test facility not available in all AYUSH Dispensaries

Joint Inspection of 49 AYUSH dispensaries revealed that in nine Dispensaries no Lab facility was available. As per the arrangement, Lab tests prescribed by AYUSH Doctors are being done in arrangement with the co-located Allopathic

Dispensaries/Polyclinics. Further, it was intimated by the Doctors that lab test prescription of AYUSH Doctors were not considered by the Laboratory till it was recommended by Allopathic Doctors. This indicates very low priority given to Indian System of Medicines in the Primary Health Care set up.

2.2.10.12 Unavailability of Yoga and Naturopathy Services in AYUSH Dispensaries

Yoga focuses on the prevention of Diseases and treatment of many lifestyle related disorders. Naturopathy aims to eliminate Diseases and morbid matter from body to restore the health through natural methods including alternative therapies. Directorate of AYUSH is displaying Yoga and Naturopathy as available services.

It was noticed that Directorate has not created the post of Yoga Instructor and none of the AYUSH dispensaries were providing Yoga and Naturopathy services. Thus, Directorate of AYUSH which was to promote Yoga and Naturopathy did not take adequate action to promote them amongst the citizen through its dispensaries.

Directorate stated (October 2023) that a proposal for creation of posts of Yoga Instructors/Therapists is under consideration of Government for starting OPD services of Yoga.

2.3 Lackadaisical approach of the Guru Teg Bahadur Hospital leading to avoidable payment of ₹ 70.21 lakh

Non-adherence of Delegation of Financial Power Rules, 2008 before award of work led to cancellation of contract and avoidable payment of ₹ 70.21 lakh to the contractor for breach of contract.

Rule 50(a) of Delegation of Financial Power Rules, 2008 endows full power to Principal Secretary/ Secretary of the Administrative Department in their capacity as Head of Department for Administrative Approval and Expenditure Sanction for engagement of Security and Sanitation services.

Scrutiny of records revealed that Guru Teg Bahadur Hospital (Hospital) invited an e-tender for outsourcing of Security services in September 2012. M/s Gaurav Enterprises was declared as L-1 and the provisional offer of Award of Contract for providing Watch & Ward/ Door Keeping Services for a period of two years was awarded to the agency. The final work was awarded to the contractor on 19 July 2013. On the instructions of the Medical Superintendent, another letter was issued to the contractor on 30 July 2013 stating that the award of contract is kept in abeyance till further orders.

Later, the file relating to award of work of security was sent to the Secretary (Health and Family Welfare) for approval on 30 July 2013. However, the Secretary asked the Hospital to explain as to how the work was awarded without obtaining the approval of Contract Agreement from Secretary. The Department did not accept the explanation furnished by the Hospital and instructed to cancel the tender in October 2013. Accordingly, the tender was cancelled by the hospital and the same was intimated to vendor on February 2014.

Thereafter, the agency appealed before Hon'ble Tribunal and claimed that the Hospital had malafide intensions as the contract was earlier kept in abeyance and then canceled without assigning any reason. A claim of ₹ 1,67,09,139 on account of idling charges, ₹ 77,75,716 on account of damages and compensation on loss, ₹ 25,00,000 on account of loss of business opportunity, ₹ 30,00,000 on account of legal expenses and future interest of 18 *per cent* was claimed by the vendor. The Hospital replied that neither any agreement was signed between the parties nor there existed any valid contract at any point of time. After communication of acceptance, the vendor had to sign an agreement on 31 July 2013 and before signing, a letter dated 30 July 2013 was sent regarding keeping the final award in abeyance.

In its verdict dated 6 May 2019, Hon'ble Tribunal stated that the cancellation of contract by the hospital was in breach of terms and condition of the contract and the Hospital is liable for any and all consequences flowing from such breach. Therefore, a claim amounting to ₹ 67,20,572 along with interest at the rate two *percent* higher than the current rate of interest prevalent on the date of Award from the date of filing of the claim till the date of payment was to be paid to M/s Gaurav Enterprises and a sum of ₹ 3,00,000 as cost of proceedings shall be

paid by the Hospital. Accordingly, the Hospital paid an amount of ₹ 70,20,572 to the contractor.

The Hospital stated (September 2022) that the expenditure of ₹ 70,20,572 could have been avoided had inputs been taken from the accounts functionary of this Hospital. Now the matter having financial implications are being routed through the Accounts functionaries. Further, while making the payment of ₹ 70,20,572 to the vendor, the Interest component has not been included in it.

Thus, non-adherence of Delegation of Financial Power Rules, 2008 by the Hospital resulted in avoidable expenditure of ₹ 70.21 lakh.

The matter was referred to the Government in October 2022, reply is awaited.

Directorate of Information and Publicity

2.4 Compliance Audit on Advertisement and Publicity expenditure of the Government of National Capital Territory of Delhi

During the period 2018-22, there was an exponential increase in advertisement and publicity expenditure of GNCTD by more than 12 times from ₹ 46.90 crore in 2018-19 to ₹ 612.81 crore in 2021-22. Test check of records revealed that Directorate of Information and Publicity (DIP), GNCTD released advertisement campaigns in violation of guidelines of Hon'ble Supreme Court of India on content regulation of Government advertising and General Financial Rules as these were found to be inaccurate, unverifiable and unjustified.

It is the duty of the concerned State/UT government to provide advertisement relevant to the Governments' Constitutional and legal obligation as well the citizens' right and entitlements. Audit, however, observed that in 18 cases, print advertisements were released outside NCT of Delhi and were not linked to GNCTD's constitutional and legal obligations towards the citizenry of NCT of Delhi or for informing the populace of NCT Delhi about Government schemes and initiatives and hence were in violation of Hon'ble SC guidelines. DIP incurred liability of ₹ 77.91 crore (payment made: ₹ 57.81 crore) for print advertisements released outside NCT of Delhi during July 2020 to March 2022.

The monitoring mechanism for evaluation of works done by agencies engaged from private sector for Public Relations, Social and Digital media management and Live-streaming of press conferences and events of GNCTD was either absent or lax and payments were released to agencies, despite agencies not adhering to RFP conditions

The budget control was weak as liability was incurred without availability of budget. During 2019-20 to 2021-22, rush of expenditure was noticed in the month of March which ranged from 25.60 *per cent* (2021-22) to 51.88 *per cent* (2019-20). Mechanism to address complaints received against Government advertising of GNCTD was either deficient or non-existent.

The Directorate of Information and Publicity (DIP) is responsible for informing and publicizing the programs, policies and activities of the Government of the National Capital Territory of Delhi (GNCTD) and looks after the publicity requirements of all its Departments. Expenditure on all advertisements by GNCTD (except a few Departments of GNCTD which receives minimal budget for advertisements) is met out of the budget of DIP²⁶. DIP routes all the

²⁶ Except a few Departments including Health & Family Welfare, Social Welfare and Environment Departments of GNCTD, which are provided separate nominal budget under Object Head 26-Advertisement and Publicity.

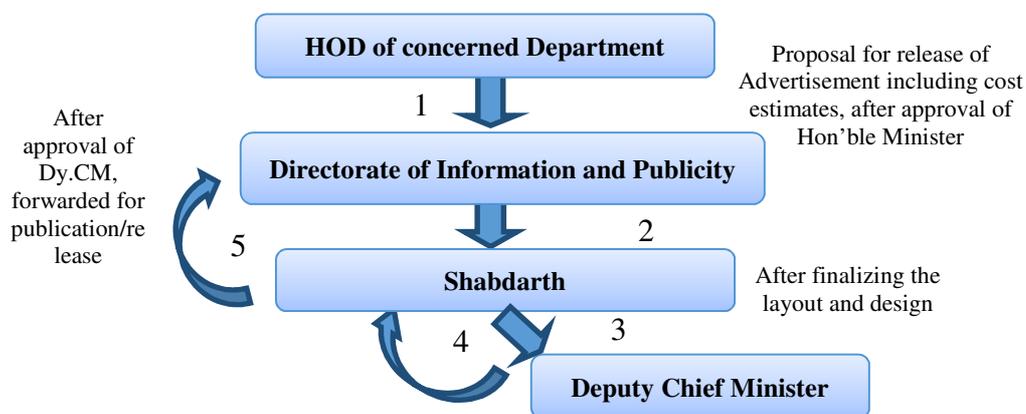
advertisements through “Shabdarth²⁷”, a Society setup (June 2015) by GNCTD under the Societies Registration Act, to function as an advertising agency.

Hon’ble Supreme Court of India Guidelines (May 2015) on Content Regulation of Government Advertising provided following parameters:

- (i) Advertising campaigns to be related to Government responsibilities.
- (ii) Advertisement materials should be presented in an objective, fair and accessible manner and be designed to meet the objectives of the campaign.
- (iii) Advertisement materials should be objective and not directed at promoting political interests of ruling party.
- (iv) Advertisement campaigns be justified and undertaken in an efficient and cost-effective manner.
- (v) Government advertising must comply with legal requirements and financial regulations and procedures.

Moreover, the Standard Operating Procedure (SOP) of June 2016, all the Heads of Departments (HODs) of GNCTD have full powers to sanction expenditure for advertisements at rates prescribed by DAVP²⁸. As per the SOP, HODs are required to provide a certificate that the contents of the advertisements conform to the Hon’ble Supreme Court Guidelines of May 2015, before forwarding the advertisements to DIP for release to media. The process of submission and approval of advertisement proposals was as given in **Chart-2.4.1**.

Chart-2.4.1: Process of advertising in GNCTD



²⁷ Shabdarth prepares designs for display advertisements and also create radio jingles/advertisements as per the requirement of the Government Departments and for this, retains 15 per cent discount offered by the media to Government on advertisements. Prior to setting up of Shabdarth, government advertisements were routed through empanelled private advertising agencies.

²⁸ Central Bureau of Communication (CBC) was set up on 8th December, 2017 by integration of erstwhile Directorate of Advertising and Visual Publicity (DAVP), Directorate of Field Publicity (DFP) and Song & Drama Division (S&DD).

Audit test checked the records of DIP for the period 2019-22 and selected nine²⁹ other Departments of GNCTD, which published their advertisements and publicity campaigns through DIP/Shabdarth, on the basis of number of advertisements released during 2019-22. The objectives of audit were to ascertain economy, efficiency and effectiveness in expenditure incurred on publicizing the programs, policies and activities of the GNCTD and compliance of guidelines and principles approved by the Hon'ble Supreme Court on content regulation of Government Advertising in respect of Advertisement Campaigns undertaken by DIP. Exit Conference was held on 25 May 2023 and replies of Public Relations Department, GNCTD wherever received have been suitably incorporated in the report.

2.4.1 Budget and Expenditure

During the period 2018-22, DIP met the expenditure on publicizing the programs, policies and activities of the GNCTD out of the budget allocated under the object Heads-Advertisement & Publicity and Other Charges. Also, budget was provided to some other Departments of GNCTD under the object head Advertisement & Publicity. Details of budget and expenditure of GNCTD on advertisement and publicity were as under:

Table-2.4.1: Details of budget and expenditure

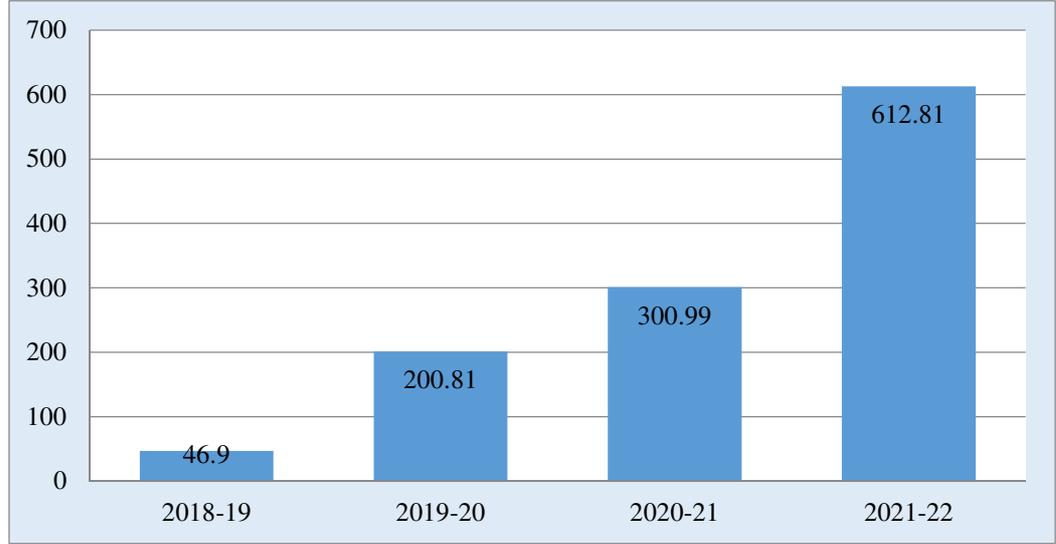
(₹ in crore)

Year	Budget for DIP	Expenditure on advertisement & Publicity by DIP	Budget for other departments of GNCTD	Expenditure on advertisement & Publicity by other departments	Total budget of GNCTD	Total exp. on Adv. by GNCTD	% increase in expenditure on advertisement & Publicity over previous year
2018-19	100.00	45.55	2.43	1.35	102.43	46.90	---
2019-20	200.00	199.99	1.77	0.82	201.77	200.81	328.17
2020-21	326.00	293.20	10.65	7.79	336.65	300.99	49.89
2021-22	604.47	591.34	26.02	21.47	630.49	612.81	103.60

It can be seen from **Table-2.4.1** that during 2018-19 to 2021-22, expenditure on advertisement and publicity increased (1,226 per cent) to ₹ 612.81 crore (2021-22) from ₹ 46.90 crore (2018-19). Expenditure on advertisements of ₹ 612.81 crore during 2021-22 was more than double the expenditure of 2020-21.

The trend of increase in expenditure on Advertisement and Publicity during the period 2018-22 is shown in **Chart-2.4.2** below:

²⁹ (i) Health & Family Welfare, (ii) Education, (iii) Urban Development, (iv) Environment, (v) Transport, (vi) Higher Education, (vii) Public Works, (viii) Administrative Reform and (ix) Development.

Chart-2.4.2: Trend of increase in expenditure of GNCTD on advertisement and publicity during 2018-22 (₹ in crore)

During 2018-19 to 2021-22, expenditure incurred on advertisement and publicity by GNCTD vis-à-vis total receipts and expenditure of GNCTD was as shown in **Table-2.4.2**.

Table-2.4.2: Expenditure on Advertisement vis-à-vis revenue expenditure

(₹ in crore)					
Year	Revenue receipts of GNCTD	Revenue expenditure of GNCTD	Expenditure on Adv. by GNCTD	Exp. on Adv. as percentage of revenue receipt.	Exp. on Adv. as percentage of revenue exp
2018-19	43,113	36,852	46.90	0.11	0.13
2019-20	47,136	39,637	200.81	0.43	0.51
2020-21	41,864	40,414	300.99	0.72	0.74
2021-22	49,313	46,043	612.81	1.24	1.33

It can be seen from **Table-2.4.2** that as a percentage of revenue expenditure, expenditure on Advertisement and Publicity increased to 1.33 *per cent* in 2021-22 from 0.13 *per cent* in 2018-19. Also, during 2020-21, when revenue receipts of the NCT of Delhi decreased by ₹ 5,172 crore (₹ 47,136 crore - ₹ 41,864 crore) i.e. by 11.18 *per cent*, expenditure on advertisements increased by ₹ 100.18 crore (₹ 300.99 crore – ₹ 200.81 crore) i.e. 49.89 *per cent*.

DIP stated (January 2023) that budget for expenditure on advertisements was allocated by Finance (Budget) Department, GNCTD with due approval of Legislative Assembly. Moreover, increase in the advertisement expenditure and priority assigned to it was as per policy decision of the Government. Public Relations Department, reiterated (May 2023) the reply received from DIP.

Reply is not tenable as it does not clearly outline the justification/outcome for multi-fold increase in the advertisement expenditure of GNCTD over the period 2018-22.

In the exit conference, the Department assured (May 2023) that measures have been taken during the year 2022-23 to curtail the expenditure on advertisements and publicity. Audit observed that during 2022-23, against the allocated budget of DIP of ₹ 460 crore (revised to ₹ 266.80 crore) under the object heads-Advertisement & Publicity and Other Charges, final expenditure was ₹ 231.95 crore.

2.4.1.1 Lack of budgetary control

Audit observed some instances of lack of budgetary control by DIP in contravention of General Financial Rules as discussed below:

(a) Rush of Expenditure

Rule 62(3) of General Financial Rules provides that rush of expenditure, particularly in the closing months of the financial year, shall be regarded as a breach of financial propriety and shall be avoided.

The Finance Department, GNCTD also issues instructions from time to time to avoid rush of expenditure in the closing months of the financial year.

Scrutiny of records of DIP for the period 2019-20 to 2021-22 revealed that in the following cases, there was rush of expenditure in the closing months of the financial year, in violation of GFRs and instructions issued by Finance Department, GNCTD, as detailed in **Table-2.4.3**.

Table-2.4.3: Details of rush of expenditure during fag end of the year

(₹ in crore)

Sl. No.	Year	Name of Head of Account	Total Expenditure during the year	Expenditure during the Months of January to March	Expenditure as per cent of total expenditure	Expenditure during the month of March	Expenditure as per cent of total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	2019-20	2220 01 001 99 00 26-Advertisement & Publicity	199.99	142.72	71.36	103.76	51.88
2.	2020-21	-do-	293.20	150.35	51.27	92.49	31.54
3.	2021-22	-do-	488.97	267.09	54.62	125.16	25.60

In reply, DIP while confirming the Audit Observation, stated (January 2023) that it was observed for compliance in future.

Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

(b) Entering into liability without budget provision

Rule 22 of General Financial Rules provides that no authority may incur any expenditure or enter into any liability involving expenditure from public funds

(Consolidated Fund/Contingency Fund and the Public Accounts) unless the same has been sanctioned by a competent authority. Rule 26 of GFRs provides that controlling officer in respect of funds placed at his disposal is to ensure that the expenditure does not exceed the budget allocation.

Audit observed that in revised estimate for 2019-20, allocation of DIP under the head 2220 01 001 99 00 26-Advertising and Publicity was reduced (December 2019) by Finance Department, GNCTD from original estimate of ₹ 300 crore to ₹ 200 crore, on request of DIP of October 2019. Out of this ₹ 200 crore, ₹ 55 crore were earmarked for bills pertaining to sub-judice matter of advertisements released in violation of Supreme Court guidelines during 2015-17. Thus, available budget for DIP for regular advertisement related expenditure during the year 2019-20 was only ₹ 145 crore.

However, on 9 March 2020, DIP intimated the Finance Department that they had incurred an expenditure of ₹ 141 crore under the head 2220-01-001-99-00-26-Advertising and Publicity and created a further liability of ₹ 60 crore as of 9 March 2020, for which the concerned agencies had raised bills.

DIP requested the Finance Department (March 2020) to either release ₹ 60 crore in addition to revised estimate of ₹ 200 crore or allow DIP to utilise earmarked (for sub-judice matter) amount of ₹ 55 crore for making payment for outstanding bills of ₹ 60 crore for 2019-20. Finance Department did not respond to DIP on its request. DIP went ahead and incurred an expenditure of ₹ 199.99 crore during the year 2019-20, utilising the earmarked budget of ₹ 55 crore for meeting the created liability, without the approval of Finance Department, GNCTD.

In reply, DIP, while contending that diversion of funds did not result in any excess expenditure under the said head of account, confirmed (January 2023) the audit observation. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

(c) Excess re-appropriation and anticipated savings not surrendered

Rule 62 (1) of GFRs provides that Departments shall surrender to the Finance Ministry, by the dates prescribed by that Ministry before the close of the financial year, all the anticipated savings noticed in the Grants or Appropriations controlled by them. The funds provided during the financial year and not utilized before the close of that financial year shall stand lapsed at the close of the financial year. Rule 62 (2) of GFRs stipulates that savings as well as provisions that cannot be profitably utilised should be surrendered to Government as soon as these are foreseen without waiting till the end of the year. No savings shall be held in reserve for possible future excesses. The objective is to minimise the scope for avoiding surrenders at a later stage.

Audit observed that during the period 2020-22, DIP made excess re-appropriation in the month of December (2020-21 and 2021-22) and did not surrender the

anticipated savings under the following heads of account timely resulting in lapse of these funds as detailed in **Table-2.4.4**.

Table-2.4.4: Details of non-surrender and lapse of funds during 2020-22

(₹ in crore)

Sl. No.	Year	Name of Head of Account	Original estimate	Revised estimate	Modified RE	Exp.	Savings	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1.	2020-21	2220 01 001 99 00 26-Advertisement & Publicity	230.00	230.00	326.00	293.20	32.80	Savings were not surrendered timely resulting in lapse of funds.
2.	2021-22	2220 60 101 94-Delhi Model of Governance for outreach programme	50.00	50.00	11.00	0.00	11.00	-do-

DIP/ while confirming the audit observation, stated (January 2023) that it was observed for compliance in future. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

(d) Introduction of new sub-heads

As per Rule 79 of GFRs, the Ministry of Finance, Department of Expenditure-Controller General of Accounts is authorised to open a new head of account on the advice of the Comptroller and Auditor General of India under the powers flowing from Article 150 of the Constitution. Ministries/Departments may open Sub-Heads (representing schemes) and Detailed Heads (denoting sub-schemes), as required by them in consultation with the Budget Division of the Ministry of Finance. Further, the Finance Department of GNCTD (at par with Ministry of Finance, GoI) is empowered to open new sub-head/detailed head for departments of NCT of Delhi.

Scrutiny of Budget records of DIP for the year 2021-22 revealed that in the proposal for original budget allocation for 2021-22, DIP did not include any additional Sub-Heads. It was, however, seen that Finance Department, GNCTD allocated budget under three new Sub-Heads and DIP incurred expenditure as detailed in **Table-2.4.5**.

Table-2.4.5: Details of new sub-heads opened during 2021-22

(₹ in crore)

Sl. No.	Name of Sub-Head	Budget Allocation	RE	Exp. incurred
1.	2220 60 101 91 Media Campaign on Women Safety	20.00	9.87	9.87
2.	2220 60 101 92 Media Campaign on Environment and Pollution related issues	20.00	19.94	19.94
3.	2220 60 101 93 Media Campaign on Health related issues	50.00	49.62	49.62
	Total	90.00	79.43	79.43

Till the year 2020-21, DIP was receiving a consolidated budget under the sub-head 2220 01 001 99 with object head as 26-Advertising and Publicity for publishing advertisement campaigns of all Departments of GNCTD at DAVP

rates in Print, Electronic and Outdoor media. The above budget allocation of ₹ 90.00 crore (RE and expenditure of ₹ 79.43 crore) under the said three new sub-heads 2220 60 101 – ‘91’, ‘92’, and ‘93’ with same Object Head i.e. 26-Advertisement and Publicity, was in addition to budget allocation of ₹ 250 crore (RE and expenditure of ₹ 489 crore) under 2220 01 001 99 00 26-Advertising and Publicity during 2021-22.

DIP stated (January 2023) that allocation of budget under three new sub-heads by Finance (Budget) Department, GNCTD was as per policy decision of the Government and accordingly funds were utilised by DIP on advertisement campaign for Women Safety, Environment and Health related issues. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not acceptable as budget allocated under the main sub-head ‘2220 01 001 99 (with expenditure of ₹ 489 crore during the year) also covered various advertisement campaigns for Women Safety, Environment and Health related issues and introduction of three new sub-heads was not justified.

(e) Misclassification of expenditure

During the year 2020-21, a budget provision of ₹ 50 crore was made under the head 2220 60 101 95 00 50 – Other charges – Communication Teams.

DIP awarded (August 2020) the work of providing Public Relation services including content creation, electronic, print and digital media co-ordination, translation, media consultancy and monitoring, graphic design and fact checking to M/s ‘Wizspk Communications and PR Private Limited’ at ₹ 28,38,983 (plus GST @ 18 *per cent*) per month.

Audit observed that despite availability of funds under the relevant head - 2220 60 101 95 00 50-Other Charges-Communication Teams, DIP made payment to the agency under the head 2220 01 001 99 00 26-Advertisement & Publicity during the period September 2020 to February 2021.

DIP stated (January 2023) that works were entirely new for the Directorate and after consultation with PAO-XI, the head of account was changed. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

2.4.1.2 Contract management

During the period 2020-22, DIP engaged three agencies through invitation of online tenders from private sector for (a) Public Relation services for efficient communication with members of the Press and citizens and to manage the Government’s PR and information dissemination effort, (b) social and digital media management to ensure active presence of GNCTD in social and digital space for creating awareness about programs and policies of GNCTD and (c) live

streaming of all press conferences and events of GNCTD on websites, portals and other media platforms.

DIP selected M/s Wizspk Communications and PR Private Limited (August 2020) to provide the PR services at ₹ 28,38,983 (plus GST) per month, initially for one year and the contract was further extended for one more year till August 2022. For social and digital media management, DIP awarded (August 2021) the work to M/s Cyfuture India Pvt. Ltd at ₹ 1,79,42,000/- (plus GST) per annum for a period one year. The work of live streaming of all press conferences and events of GNCTD was awarded (January 2021) to M/s Planetcast Media Services Ltd at ₹ 84 lakh (plus GST) per month.

Deficiencies noticed in the contract management are discussed below:

(a) Introduction of new policy without approval of Cabinet

As per Rules 7 and 8 and Schedule of Transaction of Business of the GNCTD Rules 1993, proposals involving any important change in policy or practice, shall be placed before the Council of Ministers (Cabinet).

Audit observed that the decision regarding engagement of (i) PR agency and (ii) agency for live streaming of all press conferences and events of Delhi Government on websites, portals and other media platforms from private sector, was taken by DIP at the department level itself, without approval of the Cabinet. However, in a similar case for engagement of private sector agency for Digital and Social Media management, approval of Cabinet was duly obtained.

In reply, DIP stated (January 2023) that there was no change in the policy and these works were well within the scope of work of the Directorate and only some of the work of the Directorate was outsourced so that a dedicated team may work on the subject to ensure quality and time bound execution. The decision regarding engagement of agencies from private sector was taken with prior approval of Higher Authority. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not tenable as approval of cabinet was required for engagement of private sector agencies for the first time for public relations and live streaming works. These were similar to engagement of private sector agency for social and digital media management which was duly placed by DIP for approval before the Cabinet as per provisions of the Transaction of Business Rules.

(b) Undue favour to agencies

(i) In case of PR agency, during the period of engagement of the agency from August 2020 onwards, payment for the month of June 2022 of ₹ 28,38,983 (plus GST @ 18 per cent) was not released and a show cause notice was issued in August 2022 to the agency asking for explanation for use of “Kejriwal Government”, spelling mistakes in press releases, less number of press releases in Urdu and Punjabi, etc.

Audit observed that the grounds on which show cause notice was issued to the agency in August 2022, while reviewing the payment for June 2022, in fact existed throughout the period of engagement from September 2020 to June 2022, besides other deficiencies (**Annexure 2.7**) of the agency. Failure of the DIP to observe irregularities in the work of the agency and penalize it (under Clause 7(iii) of the RFP), @ 2 per cent of the monthly fee as penalty per day resulted in undue favour to the agency as payment was made despite the agency not carrying out all the works and not submitting the requisite reports/information, as envisaged in the RFP (**Annexure 2.7**).

(ii) In case of social and digital media management agency, Audit observed that DIP levied penalty on the agency twice @ 5 per cent of the bills³⁰ for delay in publishing of post, spelling and grammatical errors etc. As per RFP conditions, any further penalty on the agency would have led to termination of the contract. Audit observed that despite work evaluating committee pointing out many objections³¹ along with failure of the agency in complying with clauses of RFP as detailed in **Annexure 2.8**, DIP did not levy any penalty for work carried out beyond November 2021 nor terminated the contract. This was tantamount to extending undue benefit to the agency.

(iii) In case of agency for live streaming of all press conferences and events of GNCTD, Clause 2 of RFP laid down the scope of work as (a) live streaming of press conferences and events of GNCTD on websites, portals, other media platforms including sending of live streaming to all news channels for live telecast, (b) submission of 60 news based video of two to three minutes per month and their dissemination to multiple news portals, (c) providing a minimum of 5 Video coverage teams. Terms and condition No. 16 prescribed that the agency will submit monthly work achievement on Scope of Work for assessment by the DIP. The form and content of the Monthly Report was not, however, clearly mentioned.

Audit observed that the committee formed by DIP evaluated only the contents of Video CDs of press conferences and events of GNCTD of short duration submitted by the agency, before the payment was released. DIP had no oversight mechanism of its own nor agency submitted any periodic reports on the number of subscribers/unique users from its own or third party server for the live streaming of press conferences and events as required under terms and condition no. 16 of the contract agreement. In the absence of same, impact or reach of live streaming by the agency and its further broadcast by different media could not be verified in audit. As such, payment at the rate of ₹ 84 lakh (excluding GST) per month was made to the agency from January 2021 onwards but the actual reach/outcome of the live streaming was not assessed in absence of oversight mechanism of DIP.

³⁰ 11 October to 31 October 2021 and 1 November to 30 November 2021

³¹ April 2022, July 2022, August 2022 and September 2022

In reply, DIP stated (January 2023) that it was the first experience of the Directorate regarding works relating to PR agency, live streaming of press conferences and events and social and digital media management. During Covid 19 pandemic, documentation of each and every minor work was not possible. Close monitoring of work and performance of the agencies was, however, ensured through electronic mode such as email, Whatsapp, etc. As and when deficiencies were observed in the work done by the agency concerned, due penalty was imposed accordingly. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not tenable as it is evident that monitoring mechanism of DIP was lax and payments were released to agencies, despite agencies not adhering to RFP conditions.

In the exit conference the Department stated (May 2023) that the contract agreement with the three agencies engaged for (i) Public Relations, (ii) social and digital media management and (iii) live streaming of press conferences and events of GNCTD have not been extended beyond August 2022, October 2022 and January 2023 respectively.

2.4.1.3 Irregular expenditure of ₹ 30.10 crore on release of advertisements

The orders/directions of Finance (Budget) Department, GNCTD issued during the first phase of Covid-19 period and its aftermath, for expenditure management and rationalisation of expenditure in view of decline in revenue of the Government of NCT of Delhi, implied that for the period 11 July 2020 to 7 September 2020, DIP was required to seek prior approval of Finance Department or Council of Ministers for incurring expenditure other than the establishment and Covid-19 related expenditure.

Audit observed that during the period 11 July 2020 to 7 September 2020, DIP incurred an expenditure of ₹ 30.10 crore on release/publishing of advertisements in Print, Electronic and Outdoor Medium³². This liability of ₹ 30.10 crore was created by DIP without seeking prior approval of Finance Department or Council of Ministers, as required by the orders/directions of Finance Department, GNCTD and therefore was unauthorised and irregular.

In reply, DIP stated (January 2023) stated that no restriction was placed on expenditure on advertisement and publicity and all the bills for the period 11 July 2020 to 7 September 2020 were accepted by PAO-XI. Further, from 8 September 2020 onwards, DIP was authorised to incur all expenditure related to DIP.

Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

³² Expenditure on Covid related advertisement/awareness campaigns has been excluded.

Reply is not tenable as orders of Finance Department, GNCTD, required DIP to seek prior approval of Finance Department or Council of Ministers, like other departments of GNCTD during the period 11 July 2020 to 7 September 2020.

2.4.1.4 Infructuous expenditure of ₹ 1.34 crore on production of Television Commercials (TVCs)

Rule 21 of General Financial Rules, which lays down the principles of financial propriety, stipulates that every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money and the expenditure should not be prima facie more than the occasion demands.

Audit observed that DIP incurred an expenditure of ₹ 1.65 crore on production of 16 Television Commercials (TVCs) for advertisement campaign on Business Blasters (Entrepreneurship-Mindset-Curriculum) Programme³³ during October 2021 to March 2022. However, only two TVCs was telecasted in TV medium and 14 TVCs produced involving expenditure of ₹ 1.34 crore were not utilized by DIP and the expenditure of ₹ 1.34 crore remained infructuous.

In reply, DIP stated (January 2023) that the TVCs were produced with due approval of the competent authority and the created TVCs will be utilised in future. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not acceptable as contents of TVCs were specific to Business Blasters (Entrepreneurship-Mindset-Curriculum) Programme released during the period October 2021 to March 2022. Moreover, the 14 TVCs were not utilized by DIP for advertisement campaign of the programme during 2022-23.

2.4.2 Content of advertisements

2.4.2.1 Inaccurate or non-verifiable content in advertisements

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that the contents of the advertisements must enable the recipients of the information to distinguish between facts and analysis and where information is presented as a fact, it should be accurate and verifiable.

Audit observed that in the following five cases, the basis of data/claims shown in the advertisement was either not available on record or found incorrect, making the advertisement content unverifiable or inaccurate.

(a) DIP released advertisements on Delhi's Air Gets Cleaner-Pollution Down by 25 per cent in print and outdoor media during the period September to November 2019 and incurred an expenditure of ₹ 17.76 crore. The content of the advertisements claimed reduction in PM 2.5 level in NCT of Delhi by 25 per cent

³³ A programme of Education Department, GNCTD to develop entrepreneurship mindset in students of GNCTD schools by encouraging them to share their business ideas and giving them seed capital.

during 2016-18 as compared to 2012-14, based on the data of Central Pollution Control Board (CPCB), Government of India. The CPCB data for 2012-18, however, showed increase of 72 per cent in PM 2.5 level during the same period as detailed in **Table-2.4.6**.

Table-2.4.6: Details of reduction/increase in PM 2.5 levels in NCT of Delhi

Period	PM 2.5 Level as per Advertisement (in µg/m ³)	PM 2.5 Level as per CPCB data (in µg/m ³)
2012-14 (A)	154	72
2016-18 (B)	115	124
Increase/decrease (in minus) in PM 2.5 Level (A)- (B)	(-) 39	52
per cent increase/decrease (in minus) in PM 2.5 Level	(-) 25 per cent	72 per cent

Thus, the data shown in advertisements claiming reduction in PM 2.5 levels in NCT of Delhi by 25 per cent from 2012-14 to 2016-18 was not as per Central Pollution Control Board data. As such these advertisements involving expenditure of ₹ 17.76 crore were released without verification in violation of guidelines of Hon'ble Supreme Court of India.

(b) As per CPWD Works Manual 2014, main stages in execution of a work include:

- administrative approval and sanction to incur expenditure from competent authority (AA&ES) based on preliminary estimates,
- preparation of detailed estimates containing the detailed specifications and quantities of various items based on Schedule of Rates maintained by CPWD or other Public Works Organisations and technical sanction;
- ensuring availability of funds to cover the charge.
- Floating of tenders, receipt of bids and selection of successful bidder in accordance with rules and
- award of work and execution of work as per prescribed milestones.

In the TV clips telecast, with an expenditure of ₹ 5.26 crore, in February and March 2021 on the subject of “bridges/flyovers/elevated corridors constructed in Delhi during last 6 years”, audit observed that (a) claim of huge savings were made after the sanction of work was granted in respect of ten³⁴ flyovers/elevated corridors in Delhi due to eradication of corruption (b) all these projects were stated to have been completed before scheduled time and (c) total figures of savings was used in the advertisement.

³⁴ 1. Mangolpuri to Madhuban chowk on outer Ring Road, 2. Madhuban Chowk to Mukarba Chowk on outer Ring Road, 3. Vikaspuri to Meera Bagh on outer Ring Road, 4. Prembari Pul to Azadpur on Ring Road, 5. Shastri Park flyover, 6. Jagatpur Chowk flyover, 7. Bhalswa Chowk flyover, 8. Burari Chowk flyover, 9. Mukundpur Chowk flyover, 10. Mayur Vihar flyover (Phase-I).

Attributing the savings against AA&ES by the Department to “eradication of corruption” was not verifiable. Audit observed that (a) in respect of the work of construction of elevated corridor from Mangolpuri to Madhuban Chowk, the final payment was more than the tendered and estimated cost, (b) nine out of 10 projects were completed with considerable delays (one to three years) as detailed in **Table-2.4.7** and (c) the claim of savings more than ₹ 506 crore in respect of 10 project was due to comparison of initial AA&ES vis-à-vis the final payment. As such these advertisements involving expenditure of ₹ 5.26 crore were released in violation of guidelines of Hon’ble Supreme Court of India.

Table-2.4.7: Status of completion of nine flyovers/elevated corridor projects

Sl. No.	Name of Flyover Project	Stipulated date of completion	Actual Date of Completion	Remarks
1.	Flyover at Jagatpur Chowk	20.05.15	27.08.18	Sl.No.1 to 4 have been executed under single agreement. There was a delay of more than 3 years in completion of the flyover project, as against the SDOC.
2.	Flyover at Mukundpur Chowk			
3.	Flyover at Burari Chowk			
4.	Flyover at Bhalswa Chowk			
5.	Elevated corridor from Vikaspuri to Meera Bagh	21.02.15	21.07.17	There was a delay of 2 years and 5 months in completion of the elevated corridor project, as against the SDOC.
6.	Elevated corridor from Mangolpuri to Madhuban Chowk	09.04.15	04.08.16	There was a delay of 1 year and 4 months in completion of the elevated corridor project, as against the SDOC.
7.	Elevated corridor from Madhuban Chowk to Mukarba Chowk	09.04.15	30.09.16	There was a delay of 1 year and 5 months in completion of the elevated corridor project, as against the SDOC
8.	Elevated corridor from Azadpur to Prembari Pul	04.04.13	25.01.16	There was a delay of 2 years and 9 months in completion of the elevated corridor project, as against the SDOC
9.	Flyover at Mayur Vihar (Phase-I)	27.10.17	25.01.19	There was a delay of 2 years and 3 months in completion of the flyover project, as against the SDOC

(c) DIP released advertisements on “Dengue cases down by 80 *per cent*” in newspapers and electronic media during August 2019 and incurred an expenditure of ₹ 9.25 crore. The content of the advertisement claimed reduction in dengue cases in NCT of Delhi from 15,867 cases during 2015 to 2,798 cases during 2018.

Audit, however, observed that data reported by National Centre for Vector Borne Diseases Control (NCVBDC) showed that decrease in dengue cases in NCT of Delhi during 2018 as compared to 2015 was only 8,731 (15867 – 7,136), which

amounts to decrease by 55 per cent. Thus, the data shown in the advertisement, was inaccurate and misleading and as such advertisements involving expenditure of ₹ 9.25 crore were released in violation of guidelines of Hon'ble Supreme Court of India.

(d) DIP ran an Outdoor media campaign (R O No. 45 of 2021-22) during 29 December 2021 to 30 January 2022 and released three advertisements in newspapers on 26 November 2011, 28 November 2021 and 5 December 2021 on Business Blaster (Entrepreneurship Mindset Curriculum) Programme involving an expenditure of ₹ 5.94 crore. The content of these Outdoor/Print advertisements included “3 lakh students, more than 51000 business ideas, 60 crore seed capital”.

Audit, however, observed that instead of 3 lakh students, only 2,70,379 students were covered under the said Programme and ₹ 54.08 crore were distributed to these 2,70,379 students of schools of GNCTD as seed money.

Thus, the data shown in advertisements involving expenditure of ₹ 5.94 crore on number of students covered under the Business Blaster (Entrepreneurship Mindset Curriculum) Programme and utilization of seed capital was inaccurate and as such in violation of guidelines of Hon'ble Supreme Court of India.

(e) DIP released outdoor and digital media campaign on completion of seven years of governance of the present Government of NCT of Delhi as “Seven Years of Governance 2022” during February 2022 and incurred an expenditure of ₹ 10.50 crore. The contents of the campaign are detailed in **Table-2.4.8**.

Table-2.4.8: Contents of 7 Saal Bemissal campaign

Sl. No.	Contents of the Campaign	Department concerned with the Campaign	Remarks
1.	7 Saal Bemissal – Delhites Receive World Class Treatment In Mohalla Clinics	Directorate General of Health Services	The parameters which were used as benchmark to claim “World class treatment in Mohalla clinics” were not available on record.
2.	7 Saal Bemissal – World Class Delhi Government Schools	Directorate of Education	The parameters which were used as benchmark to claim “World class Delhi Government Schools” were not available on record.
3.	7 Saal Bemissal – Delhi Delivers Free Electricity and Water	Department of Power and Urban Development	The documents in support of the claim for “Delivery of free electricity and water” were not available on record.
4.	7 Saal Bemissal – Home Delivery Of Government Services	Administrative Reform Department	The documents in support of the claim for “Home Delivery of Government Services” were not available on record.
5.	7 Saal Bemissal – Delhi Is Now The Start-Up Capital	Directorate of Training and Technical Education	The documents in support of the claim for “Delhi is Now the Start-up capital” were not available on record.

Further, instead of HODs of the concerned departments (i.e. Health & Family Welfare, Education, Urban Development, Power Department, Administrative Reform and Training and Technical Education) the Certificate for Compliance

on Content Regulations of Government Advertisement was signed by the HOD of Directorate of Information and Publicity. This was in clear violation of the SOP (June 2016) and did not provide the necessary assurance regarding contents included in the advertisement campaign.

DIP stated (January 2023) that as per SOP the onus of compliance of the guidelines of Hon'ble Supreme Court Guidelines of May 2015 was on Heads of Departments, as they are required to provide a certificate that the contents of the advertisements conform to the said guidelines. As matter is related to inaccurate or unverifiable contents, the concerned departments are being requested to furnish their response.

The reply is not tenable as DIP, being the Department with allocated budget for advertisement and publicity, should ensure at its level that where an information is presented as a fact, it should be accurate and verifiable and in consonance with the guidelines of Hon'ble Supreme Court.

In the exit conference, the Department assured (May 2023) that matter of ensuring correctness of data in the advertisements will be taken up with the Departments of GNCTD, which send advertisement proposals to DIP for release. Also, DIP will ensure availability of documents in support of data or claim made in the advertisements and in case of major advertisement campaigns, files of the concerned departments will be retained at DIP.

2.4.2.2 Advertisement targeting previous Governments

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that advertisement material should be objective and not directed at promoting political interests of the ruling party. It further stipulates that government advertising shall maintain political neutrality and avoid glorification of political personalities by projecting a positive impression of the party in power or a negative impression of parties critical of the government.

Audit observed that in TV clips telecast in February and March 2021 on the subject of 'bridges/flyovers/elevated corridors constructed in Delhi during last 6 years' with an expenditure of ₹ 5.26 crore, the advertisement campaign put earlier governments in negative light.

In reply, DIP stated (January 2023) that as matter was related to content, the Public Works Department was being requested to furnish its response. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not tenable as DIP, being the department with allocated budget for advertisement and publicity, should have independently ensured that contents of advertisement complied with guidelines of Hon'ble Supreme Court.

2.4.3 Disproportionate expenditure on advertisement campaign

In terms of Rule 21 of General Financial Rules, which lays down the principles of financial propriety, expenditure should not be prima facie more than the occasion demands.

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that it should be the policy of Government to use public funds in such a manner as to obtain maximum value for taxpayer's money. Advertisement campaigns must be justified and undertaken in an efficient and cost effective manner.

Audit observed that in four cases, the expenditure incurred on advertisement campaigns for schemes/programmes was disproportionate to the expenditure incurred on implementation of the said scheme/programme as detailed in **Table-2.4.9**.

Table-2.4.9: Details of disproportionate expenditure on advertisement campaigns

Sl. No.	Name of the Scheme/ Programme	Concerned department	Period and medium of advertisements	Expenditure on advertisements (₹ in crore)	Expenditure on implementation of scheme/ programme (₹ in crore)	Remarks
1.	Business Blaster (Entrepreneurship Mindset Curriculum) Programme	Education	3 November 2021 to 5 March 2022 in Print, electronic and outdoor medium	80.12	54.08	Expenditure on advertisement campaign was 1.5 times the expenditure Education Department incurred on distribution of seed money of ₹ 54.08 crore to 2,70,379 students. There was no information on final outcome of the programme i.e. business ideas selected for developing business models and further investment by the Government or potential investors.
2.	Desh ke Mentor	Education	9 October 2021 to 26 October 2021 in Print, electronic and outdoor medium	27.90	1.90	Expenditure on advertisement campaign was more than 13 times the expenditure Education Department incurred on development of application software and establishment expenditure of ₹ 1.90 crore for the programme to cover 105886 students. Registration of fresh mentors and mentees was stopped from Jan 2022 and project was handed over to Delhi Commission for protection of Child Rights in May 2022.

Sl. No.	Name of the Scheme/ Programme	Concerned department	Period and medium of advertisements	Expenditure on advertisements (₹ in crore)	Expenditure on implementation of scheme/ programme (₹ in crore)	Remarks
3.	Crop residue (Parali) Management	Development	2020-22 in Print and electronic medium	23.89	0.77	Expenditure on advertisement campaign was 31 times the expenditure of ₹ 0.77 crore. Development Department incurred during 2020-22 on procurement and spray of Bio-Decomposer and allied materials (₹ 0.74 crore ³⁵) and conducting 105 training/awareness programmes (₹ 0.03 crore) to create awareness among farmers of Delhi for use of Bio-Decomposer. Out of total 21000 farmers in Delhi, numbers of farmers benefited by use of Bio-decomposer during the years 2020-21 and 2021-22 were 310 and 519 respectively.
4.	Inauguration of India's first Smog Tower	Environment	21 August 2021 to 7 September 2021 in Print, electronic and outdoor medium	5.88	20.00	Expenditure on advertisement campaign was nearly 30 per cent of the expenditure of ₹ 20 crore. Environment Department incurred on installation of the Smog Tower at Rajiv Chowk.

Such high expenditure on above four advertisement campaigns of respective programmes when seen against the expenditure incurred on implementation of the said programme was neither justified nor in consonance with the standards of financial propriety expected in government expenditure.

In reply, DIP stated (January 2023) that administrative approval with cost for the said four advertisement campaigns was accorded by the Head of Department of the concerned departments and these campaigns were released with due approval of Hon'ble Deputy Chief Minister as per the SOP. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The fact remains that expenditure on advertisement was totally disproportionate to the cost of implementation of these schemes/programmes ranging up to 31 times of the cost of schemes themselves.

³⁵ (₹ 2.40 lakh for Bio-decomposer capsules, ₹ 33.78 lakh on hiring of tentage for preparation of Bio-decomposer, ₹ 37.17 lakh and ₹ 1.40 lakh on purchase of Gur & Besan)

2.4.4 Unjustified and unfruitful expenditure

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that Advertisement campaigns must be justified and undertaken in an efficient and cost-effective manner and should only be need based.

Audit observed that in the following two cases, the advertisement campaigns were unjustified or avoidable in view of no outcome of the campaign, limited or repeated content or actual event not being held.

(a) DIP released an advertisement in newspapers during 2019-20 on inauguration of one Mohalla Clinic in Patparganj Constituency at Ras Vihar and incurred an expenditure of ₹ 9.69 lakh on the same.

Audit observed that (a) publication of advertisement for inauguration of a single Mohalla Clinic in a particular constituency, while other similar advertisements during 2019-20 covered opening of 100 or 150 new Mohalla clinics together in all of NCT of Delhi; and (b) publication of advertisement in 10 newspapers circulated in whole of the NCT of Delhi, while the targeted identified population which would have benefitted by opening of the said Mohalla Clinic lived only in Patparganj constituency, was unjustified and in violation of SC guidelines on content regulation of Government advertising.

(b) DIP incurred an expenditure of ₹ 72.05 lakh on publishing of advertisement in print media on 23 December 2019 on holding of a dialogue by the Chief Minister with students of classes 6-12 of all Delhi schools on women's safety on 23 December 2019.

Education Department, GNCTD, however, did not furnish the details of holding of the said dialogue on 23 December 2019. In absence of such details, actual holding of the event could not be verified in audit and publishing of the advertisement on the subject with expenditure of ₹ 72.05 lakh remained unsubstantiated.

In reply, DIP stated (January 2023) that these advertisements were released following the SOP i.e. after obtaining the administrative approval and compliance certificate from HOD of concerned departments and approval of media plan by the Deputy Chief Minister. The concerned departments were, however, being requested to furnish their response. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not acceptable as it is evident that the said two advertisement campaigns were either not required or not taken to their logical conclusion.

2.4.5 Ineffective advertisements

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that Government shall exercise due caution while deciding the content, layout, size and design of the message including the target area and

the creative requirement of the intended communication in order to ensure that the maximum reach and impact are achieved in the most cost effective manner.

Further, in case of large volume advertisement campaigns, post-campaign impact assessment is necessary to be included in the planning process itself which should identify the indicators to measure success when the campaign has ended.

Audit observed that in the following two cases, the advertisement campaigns were ineffective in view of limited reach, reduction in number of beneficiaries and unsatisfactory outcome.

(a) During the period 13 December 2019 to 3 January 2020, DIP ran TV clips on Delhi Higher Education & Skill Development Guarantee Scheme and incurred an expenditure of ₹ 1.72 crore on these advertisements. The scheme provided guarantee to the banks for loans taken by meritorious students for pursuing higher education in Delhi.

Audit, however, observed that number of beneficiaries under the scheme stood at 50 and 44 during 2017-18 and 2018-19 respectively and further declined to 14 during 2020-21 and 2 during the year 2021-22. It is evident that the advertisement campaign in December 2019 and January 2020 did not reach the targeted audience effectively.

(b) DIP ran an advertisement in newspapers (21 December 2019) on installation of 109 free WiFi hotspots in Delhi (with speed of 50-200 mbps for 40-150 people at one time) and addition of approximately 500 more WiFi hotspots every week and incurred an expenditure of ₹ 1.41 crore. Audit observed that as of August 2021, Public Works Department had installed 10,500 access points for free Wifi facility which could cater to 15.75 lakh users at a particular time. However, during the month of February 2022 the maximum connected users at a particular time were 66,379 only (i.e. 4.21 *per cent* of the created capacity). It is evident that the advertisement campaign did not reach the targeted audience effectively.

It can be observed that no post- campaign impact assessment was conducted by GNCTD and no follow up campaign was taken up to improve the situation. Thus, expenditure of ₹ 1.72 crore and ₹ 1.41 crore on the Delhi Higher Education & Skill Development Guarantee Scheme and installation of WiFi hotspots in Delhi respectively remained ineffective and unfruitful.

In reply, DIP stated (January 2023) that these advertisements were released following the SOP i.e. after obtaining the administrative approval and compliance certificate from HOD of concerned departments and approval of media plan by Hon'ble Deputy Chief Minister. The concerned departments are, however, being requested to furnish their response.

Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not tenable as it is evident that the said two advertisement campaigns did not lead to increase the number of beneficiaries, rendering these advertisements ineffective.

2.4.6 Identification of target population

One of the fundamental principles underlying the Hon'ble Supreme Court guidelines on content regulation of Government advertising was that publicity and advertisement campaigns must serve specific objectives and the content of advertisements should be relevant to the government's constitutional and legal obligations as well as the citizens' rights and entitlements. Thus, the target audience/section of the society should be identified and the campaign be tailored to target this identified population in the most cost effective manner.

Audit observed that no such exercise was undertaken while designing the campaign or selecting media. There was blanket coverage in print, electronic and outdoor media without any analysis of the visibility/outreach required. In smaller campaigns which include only one of the media, the selection of newspapers was made randomly. Selection of media without identifying the targeted audience or the visibility of media to such targeted audience provided no assurance as to the effectiveness of the advertisement campaigns.

Further, the responsibility of a particular government is towards the public of that particular State/Union Territory. Audit, however, observed that in 19 cases, DIP incurred liability of ₹ 77.91 crore (payment made: ₹ 57.81 crore) for print advertisements released outside NCT of Delhi during July 2020 to March 2022 (**Annexure 2.9**). These print advertisements released outside NCT of Delhi were not linked to GNCTD's constitutional and legal obligations towards the citizenry of NCT of Delhi or of informing the populace of NCT Delhi of government schemes and initiatives and hence were in violation of Hon'ble SC guidelines.

In reply, DIP confirmed (January 2023) that DIP did not have any mechanism in place to identify the target audience or visibility of media to such a targeted audience to provide assurance as to the effectiveness of the advertisement campaigns. As regards advertisements released outside NCT of Delhi, DIP stated that as per SOP, the role of DIP was to only publish the advertisement as per the requisition of concerned departments and with approval of the Deputy Chief Minister/Minister in charge (I&P). Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not acceptable as release of advertisements outside NCT of Delhi was in clear violation of Hon'ble Supreme Court guidelines which provided for advertisements to be linked to GNCTD's constitutional and legal obligations towards the citizenry of NCT of Delhi.

In the exit conference, Department stated (May 2023) that during the year 2022-23 advertisements in All India edition of newspapers and outside NCT of Delhi were stopped.

2.4.7 Absence of post-campaign impact assessment

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that in case of large volume advertisement campaigns, post-campaign impact assessment is necessary to be included in the planning process itself which should identify the indicators to measure success when the campaign has ended.

Audit scrutiny revealed that DIP and various Departments of GNCTD did not identify and include indicators to measure success of the advertisement campaign in the planning process for advertisement campaigns. Also, no post-campaign assessment was conducted after the advertisement campaigns were over. This meant that neither indicators to measure success nor feedback on the success or failure of earlier advertisement campaign was available for inclusion in the planning process for next/subsequent advertisement campaigns on the subject matter.

In reply, DIP confirmed (January 2023) that DIP did not have any mechanism in place to conduct post-campaign impact assessment of advertisement campaigns.

In the exit conference, Department stated (May 2023) that in future post-campaign assessment will be carried out for the advertisement campaign, through an outsourced professional agency.

2.4.8 Mechanism to address complaints against content of Government advertising

2.4.8.1 Constitution of a three member committee

The order of Supreme Court of India (May 2015), *inter alia* also directed Government of India to constitute a three member body consisting of persons with unimpeachable neutrality and impartiality and who have excelled in their respective fields to oversee implementation of guidelines on content regulation of government advertising. In compliance with the Guidelines of May 2015, Government of India constituted a three members Committee³⁶ on Content Regulation of Government Advertising on 6 April 2016. The said order of May 2015 was modified by Supreme Court on 28 April 2016 which mandated the States to constitute their respective Committees. If the States so desired, the Committee constituted at the Central level may be entrusted with the task of overseeing the publication of advertisements in the States.

Ministry of Information and Broadcasting, GoI first requested (May 2016) Government of NCT of Delhi along with other State Governments, to appoint a Three Member Committee. Accordingly, DIP constituted (July 2016) a Committee on content regulation of Government advertising. However, Ministry

³⁶ This Committee functioned up to 5 April 2019. Thereafter, a new three member Committee was constituted w.e.f. 5 December 2019, which functioned upto 4 December 2021. Process for constitution of a new Committee was on in the Central Bureau of Communication, GoI.

in its letter dated 9 August 2016, clarified that the advertisements of Union Territories shall be regulated by the committee constituted by the Central Government and that the UTs (like NCT of Delhi) are not authorized to constitute their own committees. Accordingly, LG of NCT of Delhi ordered (September 2016) dissolving of the committee constituted by DIP, GNCTD.

Audit observed that despite dissolution of the earlier Committee of GNCTD by LG in September 2016, Deputy CM constituted (August 2019) a three member committee on content regulation of Government Advertising. Office of the LG conveyed (December 2019) to Secretary, Deputy CM that the decision to constitute committee by GNCTD was not legally tenable.

Thus, constitution of a three member Committee on Content Regulation of Government Advertising (CCRGA) of GNCTD in August 2019 and its extension upto August 2022, were not in line with explicit instructions of the LG of NCT of Delhi.

Further, despite constitution of the CCRGA by GNCTD w.e.f. 9 August 2019, the Committee was not functional during the period 9 August 2019 to 8 August 2021 and started functioning only after September 2021 (after the tenure was extended from 9 August 2021 to 8 August 2022).

It was further observed that payment of ₹ 5.38 lakh to members of CCRGA of GNCTD for meetings held during 9 August 2021 to 9 August 2022 was made by Shabdarth, instead of DIP.

DIP stated (January 2023) that constitution and extension of tenure of the CCRGA of GNCTD and payment of remuneration to committee members was with approval of Deputy Chief Minister. It also stated that CCRGA of GNCTD could not function due to Covid-19 pandemic and lockdown in Delhi.

The Department stated (May 2023) that the CCRGA of GNCTD has been declared (February 2023) as *non est* and notices have been issued to members of that Committee for recovery of allowances paid to them.

2.4.8.2 Disposal of complaints received against contents of government advertising

During the period 2015-22, out of total six complaints received by DIP against the contents of government advertising of GNCTD, first three were forwarded by CCRGA of GoI, requesting response of DIP and remaining three were received directly by DIP. The disposal of these six complaints is detailed below.

Audit observed the following:

In respect to complaint no. 1, CCRGA of GoI on direction (10 August 2016) of Hon'ble High Court of Delhi, considered complaint regarding release of advertisements by GNCTD in violation of Supreme Court guidelines during 2015-17. As per direction of CCRGA of GoI, DIP, GNCTD issued (March 2017)

a recovery notice of ₹ 97.15³⁷ crore to the Political Party for advertisements released during 2015-17 as they benefited that Party.

In response to audit query, DIP stated (December 2022) that no communication was made with CCRGA of GoI and said Political Party on the subject of recovery of ₹ 97.15 crore after March 2017. The files/records relating to communication of DIP with CCRGA of GoI were not provided to audit.

Thus, DIP failed to keep CCRGA of GoI updated and the matter of recovery of ₹ 97.15 crore from the Political Party, which was taken up in March 2017, was still pending as of February 2023.

The details of the case have been discussed in **Para 2.4.9** of the report.

In case of complaint No. 2, the complaint was forwarded by CCRGA of GoI in January 2020. The complaint pertained to 15 days advertisement campaign by GNCTD for Odd-Even scheme in November 2019.

Audit observed that instead of responding to the Committee of GoI, DIP placed the complaint before CCRGA of GNCTD in September 2021. Committee of GNCTD disposed off the complaint in July 2022, as complainant did not appear in person or file the complaint before the committee.

Thus, a complaint originally filed before CCRGA of GoI has been disposed off by CCRGA of GNCTD.

In case of complaint No. 3 the complaint was forwarded by CCRGA of GoI. The complaint pertained to advertisement on “Delhi Government School Class 12th result of 98 passing percentage” in Mumbai edition of Times of India newspaper on 16 July 2020.

Audit observed that instead of responding to the Committee of GoI, DIP placed the complaint before CCRGA of GNCTD in September 2021 and the committee of GNCTD disposed off the complaint in May 2022, as Committee found no violation of Hon’ble SC guidelines.

Audit observed that release of advertisement regarding Delhi Government School 12th class result in all India edition of newspapers was not directed at citizenry of NCT of Delhi only.

In case of complaint No. 4 the complaint was received by DIP/ CCRGA of GNCTD on 20 January 2022. The complaint pertained to misuse of public funds for advancing interests of a Political Party in the advertisement in All India edition of newspapers. CCRGA, GNCTD disposed off the complaint in February 2022, as committee found the complaint to be without any merit and substance.

³⁷ This amount was later re-worked out to ₹ 106.42 crore.

Audit observed that release of advertisement on 'Merry Christmas wishes by CM' in All India editions of newspapers was not linked to GNCTD's constitutional and legal obligation towards citizenry of NCT of Delhi.

The complaint No. 5 was regarding alleged wastage of public funds on two advertisements of Education Department and **complaint No. 6** pertained to advertising by Delhi Government in other states for 'Desh Ke Mentor' campaign. Complaints No. 5 and 6 were pending before CCRGA of GNCTD since March 2022 and June 2022 respectively.

In reply, DIP stated (January 2023) that DIP submitted all complaints received against the content of government advertisements of GNCTD before the CCRGA of GNCTD for review. Disposal of complaints was as per the directions of the CCRGA of GNCTD.

Reply is not tenable as it was seen that there was unauthorised disposal of complaints by CCRGA of GNCTD, which were already under consideration of CCRGA of GoI and grounds taken to dispose off the complaints were questionable, making the working of the CCRGA of GNCTD deficient.

In the exit conference, Department stated (May 2023) that CCRGA of GNCTD has been declared (February 2023) *non est* and the complaints received against advertisements of GNCTD (including three complaints which were disposed off by the CCRGA of GNCTD) have been placed before the CCRGA of GoI.

2.4.9 Recovery of expenditure on advertisements released during 2015-17 in violation of Hon'ble Supreme Court from a political party

On 10 August 2016, Hon'ble Chief Justice of Delhi High Court delivered judgement in a Public Interest Litigation and directed that the complaint on the contents of advertisements released by GNCTD during 2015-17 would be decided by CCRGA constituted by the Government of India.

The said three members Committee (CCRGA) in its order dated 16 September 2016 directed that the political party in power, which was the main beneficiary in the process of release of advertisements of GNCTD, which projected image of the politicians or political party in power in violation of Hon'ble Supreme Court guidelines, should pay for the expenditure incurred by the Government on those advertisements.

The Committee also directed the Government of NCT of Delhi to assess the expenditure incurred by it in issuing advertisements (i) outside the territory of Delhi on the occasion of various anniversaries, (ii) on those advertisements/advertorials in which the name of Political Party in power is mentioned, (iii) on those advertisements which publicized the views of the Chief Minister on the incidents that took place in other States and (iv) on those advertisements which targeted the opposition.

The Directorate of Information and Publicity, GNCTD assessed (March 2017) that an amount of ₹ 97.15 crore³⁸ was incurred on advertisements falling under the above four identified categories.

Out of this, an amount of ₹ 42.27 crore had already been paid by DIP, GNCTD and ₹ 54.88 crore was pending for payment to agencies, which carried out these advertisements in print, electronic and outdoor medium. DIP with the approval of LG issued a letter to the Convenor of the Political Party concerned for reimbursement of ₹ 97.15 crore on 30 March 2017.

The Political Party concerned filed (May 2017) a Writ Petition (W P (C) 3921/2017) before the Hon'ble High Court of Delhi, against the recovery notice of ₹ 97.15 crore. The matter was sub-judice with next date of hearing scheduled for 4 July 2023.

Audit observed that DIP did not follow up with the said political party for recovery (subsequently revised to ₹ 106.42 crore) and had issued a recovery notice only in December 2022.

In the exit conference, Department stated (May 2023) the High Court of Delhi has not stayed the recovery and DIP is pursuing the matter of recovery with the said political party.

2.4.10 Release of payment to advertisement agencies

While approving the proposal for issuing notice for recovery from a political party (as discussed in paragraph 2.4.9 above), Hon'ble LG of NCT of Delhi had observed (March 2017) that *'I am of the view that in respect of amount not yet paid, no further payment can be released by the Government as the advertisements were in violation of the Hon'ble Supreme Court's guidelines'*. Audit observed that payment of ₹ 60.52 crore (out of ₹ 106.42 crore) to various agencies was pending for Advertisements released during 2015-17 which were issued in violation of Hon'ble Supreme Court Guidelines.

Later, seven agencies approached different courts/arbitral tribunal for release of payments and the courts/arbitral tribunal ordered payment of dues to three of these agencies. Consequent to the direction of the court, outstanding payment of other agencies being committed liability and to avoid the payment of interest and cost of litigation, DIP decided (October 2021) with the approval of Deputy CM to release the payment to the remaining agencies.

DIP released payment of ₹14.28 crore to three agencies in pursuance of court/arbitration orders during September 2021 to March 2022. Moreover, DIP also released payment of ₹ 7.84 crore to four agencies which approached the courts in anticipation of court orders and ₹ 35.78 crore to other 90 agencies whose payments were pending. It was, however, observed that the payments of ₹ 43.62 crore were released to the said 94 (4+90) agencies by DIP in the absence of any court orders and without bringing it to the cognizance of the Hon'ble LG.

³⁸ This amount was later re-worked as ₹ 106.42 crore (₹ 45.90 crore already paid and ₹ 60.52 crore yet to be paid).

It was also observed that DIP had released ₹ 35.78 crore to Shabdarth for further release of payment to agencies out of which Shabdarth released payment of only ₹ 31.29 crore to 90 agencies (₹ 26.28 crore paid to agencies, ₹ 4.27 crore retained by Shabdarth towards 15 *per cent* commission and taxes of ₹ 0.74 crore) during September 2020 to August 2022. Thus, an amount of ₹ 4.49 crore (₹ 35.78 crore - ₹ 31.29 crore) was still lying with Shabdarth since March 2022.

Further, Shabdarth also included payments of ₹ 1.17 crore already made to three agencies during September to December 2020 in the total payment of ₹ 31.29 crore leading to overpayment.

In reply, DIP stated (January 2023) that Director (IP)/Secretary (PR) has full powers for payment of publicity charges at DAVP rates and all payments were made as per the directions of the competent authority of DIP as the liability was pending upon DIP. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not tenable as these payments pertained to a *sub-judice* matter in which LG had placed restriction on further release of payment. Besides, reply is silent on the matters of amount of ₹ 4.49 crore pending with Shabdarth since March 2022 and inclusion of ₹ 1.17 crore (already paid during the period September to December 2020) in ₹ 31.29 crore by Shabdarth.

2.4.11 Absence of follow up on instruction of Hon'ble LG of NCT of Delhi of March 2017

Hon'ble LG of NCT of Delhi while approving (March 2017) the proposal to recover ₹ 97.15 crore from a Political Party for Advertisements released during 2015-17 in violation of Hon'ble Supreme Court Guidelines and to the benefit of the political party, directed to (a) ensure strict adherence to the principles laid down by the Hon'ble Supreme Court for content regulation of government advertisements and (b) inquire and fix responsibility for release of advertisements during 2015-17 in violation of guidelines laid down by the Hon'ble Supreme Court.

Audit, however, observed that during 2019-22 there were still instances where advertisements and publicity campaign of GNCTD were not compliant to Hon'ble Supreme Court Guidelines on content regulation of Government advertising as discussed in **Paras 2.4.2 to 2.4.6** of the report.

Also, there was nothing on record to establish whether any (a) steps were taken by DIP to ensure strict adherence to the principles laid down by the Hon'ble Supreme Court for content regulation of Government advertisements and (b) exercise to inquire and fix responsibility for release of advertisements during 2015-17 in violation of guidelines laid down by the Hon'ble Supreme Court, was ever undertaken.

In reply, DIP stated (January 2023) that the matter regarding fixing of responsibility for release of advertisements during 2015-17 in violation of guidelines laid down by the Hon'ble Supreme Court was under consideration of Directorate of Vigilance, GNCTD and DIP has framed a working group to ensure content regulations of government advertisements according to guidelines of Hon'ble Supreme Court. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not acceptable as no separate working group was found functioning and despite the claims of DIP, cases of violation of the guidelines were also observed during 2019-22 as discussed in the Report.

2.4.12 Lack of internal control

Internal controls are safeguards that are put in place by the management of an organisation to provide assurance that its operations are proceeding as planned. These are also designed to provide reasonable assurance that the entity's general objectives are being achieved. Reasonable assurance provided by such internal controls strengthens accountability of public authorities. Audit noticed general weaknesses in internal control mechanism in place at DIP.

2.4.12.1 Deficient Standard Operating Procedure and mechanism to exercise control over expenditure

It was observed that the Standard Operating Procedure (SOP) for approval of advertisements circulated by DIP in June 2016 did not provide for vetting of the proposals by Accounts branch of DIP and hence there was no information on record whether sufficient funds were available under the Head of Account concerned, before Director (IP) accorded the Expenditure Sanction for any advertisement campaign.

It was also observed that in violation of GFR 57 which provides that all DDOs shall maintain separate registers in Form GFR 5 (Register showing expenses by Heads of Account), physically or electronically, for allocation under each minor or sub-head of account with which they are concerned, no Expenditure Control Register was being maintained by Accounts Branch of DIP during the period 2019-22. This resulted in a situation during 2019-20, when Shabdarth/DIP incurred a liability of ₹ 60 crore as of 9 March 2020 but did not have sufficient funds to meet the created liability.

DIP may review its SOP and consider inserting a provision to involve the accounts branch of DIP in the process of expenditure sanction to advertisement campaigns by the Head of the Department i.e. Director (IP). Also, accounts branch of DIP should ensure maintenance of expenditure control register for keeping a watch over the expenditure under different heads of accounts.

Public Relations Department, GNCTD stated (May 2023) that DIP has started involving the accounts branch in the process of accord of expenditure sanction to

advertisement proposals and accounts branch of DIP has started maintaining the expenditure control register for keeping a watch over the expenditure incurred.

2.4.12.2 Improper maintenance of records

Scrutiny of Earnest Money Deposit (EMD)/Performance Bank Guarantee (PBG) register maintained at DIP showed that the register was incomplete. Also, it was not maintained in the prescribed format of GAR 5 (Register of Valuables) and DDO signed it without any dates. Thus, compliance of Rule 170 and 171 of GFRs 2017 could not be ascertained regarding timely receipt and release of EMDs and PBGs and expiry of their validity and timely renewal.

Public Relations Department, GNCTD stated (May 2023) that accounts branch has started maintaining the EMD/PBG register properly.

2.4.12.3 Overlapping roles of staff of DIP and Shabdarth and lack of transparency in release of payments

The contractual staff of Shabdarth (an autonomous body of GNCTD) was involved in the preparation of Request for Proposals, tendering and selection of agencies for Public relations, social and digital media management and live streaming of all press conferences and events of Delhi Government and review of work of these agencies before making payment with or without imposing penalty for deficient work.

The agreement for advertisement works are signed between DIP and the concerned agencies. As the contractual staff of Shabdarth have access to tendering documents including technical and financial bids of the bidders it may result in the violation of the confidentiality of tenders during selection process.

Moreover, files/records relating to advertisements released during the period 2019-22 in the Print and Electronic media was being maintained by Shabdarth. The fact that government records relating to advertisements released are in custody of an non-government body instead of DIP, raises concern about safety and integrity of the records.

On receipt of claims from Newspapers, TV channels, Radio FM channels, Websites, etc, Shabdarth consolidated the claims Release order-wise and submitted the consolidated bills in the concerned files. Data and records maintained in Shabdarth are based on Release Order Numbers whereas diary registers of DIP mention only the receipt of the files from Shabdarth. Audit observed that there was no connecting link between the two sets of records. DIP was not in a position to furnish information relating to pendency of payment towards Shabdarth on a particular date.

Audit observed that committee responsible for evaluation of claims for payment certifies that the payments are being made on FIFO basis. On being asked to furnish data of date of receipt of bills and date of payment in respect of 496 Release Orders (selected in audit), DIP could furnish information for 165 ROs only.

Audit observed that claims of DIP that it makes payment on FIFO basis is questionable, considering that it could furnish related information for 165 ROs only and as per that information, while some payments were made within two days of receipt of bills, others took 1 month and some payments were made in eight months.

In reply, DIP stated (January 2023) that the overlapping of roles of staff of DIP and Shabdarth is an administrative matter and corrective steps are being undertaken for revamping of structure and procedures. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

2.4.13 Conclusion

Advertisements and publicity expenditure of GNCTD increased by more than 12 times from ₹ 46.90 crore to ₹ 612.81 crore during the period 2018-22. Advertisement campaigns were released in violation of guidelines of Supreme Court of India on content regulation of government advertising as these were found to be unjustified, released outside of NCT of Delhi and with disproportionate expenditure. There was no prior exercise to identify target audiences nor was there any post-campaign impact assessment. Payments were released to publicity agencies without ensuring adequate monitoring and evaluation of their work. Expenditure control register was not maintained resulting in release of advertisements without budget provision. DIP released payment of ₹ 57.90 crore during 2020-22 for Advertisement released during 2015-17 in violation of Hon'ble Supreme Court's guidelines without following due procedure. Mechanism to address complaints received against government advertising of GNCTD was either deficient or non-existent.

2.4.14 Recommendation

1. The advertisement campaigns undertaken by GNCTD should ensure compliance to guidelines and principles approved by the Hon'ble Supreme Court on content regulation of Government Advertising.
2. All advertisement should be in line to GNCTD constitutional and legal obligations towards the citizenry of NCT of Delhi as per Supreme court guidelines.
3. The expenditure on advertisement should be proportionate to the cost of implementation of schemes/programmes.
4. Planning for an advertisement campaign should include identification of target audience/section of the society. Post-campaign impact assessment indicators need to be laid down in the planning process itself to measure success when the campaign has ended.
5. Due mechanism needs to be laid down and followed to address complaints received against the contents of government advertisements.

Public Works Department

2.5 Irregularities in works of Providing Additional Accommodation at 6 Flag Staff Road and in Addition and Alteration in the Camp Office and Staff Block

In the work of Additions/alterations to the residence of the Chief Minister (CM) at 6 Flag Staff Road, the Public Works Department (PWD) prepared preliminary estimates (PE) of ₹ 7.91 crore by adopting the Plinth Area Rates, published by Central Public Works Department for Type VII and VIII accommodation/Bungalows. The work was declared urgent by the PWD. The said work although awarded at ₹ 8.62 crore being 13.21 *per cent* above the estimated cost, was finally completed at ₹ 33.66 crore being 342.31 *per cent* above the estimated cost.

Audit observed that in respect of award of the consultancy work, PWD did not make available to Audit the basis for selecting three consultancy firms for restricted bidding. Besides, while working out the justification cost, PWD adopted one year old rates of consultancy work and enhanced it by 50 *per cent*.

During the execution of work, PWD again resorted to restricted tendering and selected five contractors for bidding on the basis of their financial status, resourcefulness and experience in executing similar works in VIP areas. Audit however observed that only one contractor, to whom the work was awarded, had the requisite experience indicating that the selection for bidders for restricted tendering was arbitrary.

Audit observed that during execution, PWD increased the built up area from 1,397 sq.m to 1,905 sq.m (36 *per cent*) and also altered the applicable specifications of the work by executing several items of superior specifications, artistic and antique items, ornamental works (both Civil and Electrical/Services). For covering the cost, PWD had to revise the PEs four times. Besides, PWD also did not explore the possibility of tendering for additional AA&ES and works amounting ₹ 25.80 crore (2nd to 5th PE) were got executed by the existing contractor. Audit observed that ₹ 18.88 crore was incurred by PWD in execution of items of superior specification, artistic, antique and ornamental items which were executed by PWD as extra items. Moreover, AA&ES for 5th PE amounting to ₹ 9.34 crore was issued more than two months after completion of the work, thus creating a liability without any approval.

The second work of additions/alterations in Staff Block/Camp Office, was awarded at ₹ 16.54 crore against the estimated cost of ₹ 18.37 crore. The said work also awarded through restricted tendering. The reasons for resorting to restricted tendering could not be ascertained as the related records were not made available to Audit.

Audit observed that, out of ₹ 19.87 crore sanctioned for construction of Staff Block and Camp Office, funds were diverted for other works. Besides, the Staff Block was not constructed and out of the funds, seven servant quarters were constructed at another location not related to the original work. Besides,

the nature of Camp Office was altered from Permanent to Semi-Permanent Structure (SPS) rendering the AA&ES and the estimates totally unrelated to the actual work executed. Ultimately, only raw structure of the Camp Office was completed as the funds for the same were exhausted and foreclosure of the work was initiated by PWD in June 2023.

2.5.1 Background

The Minister, Public Works Department (PWD), Government of National Capital Territory of Delhi (GNCTD) proposed (17 March 2020) for remodelling of existing accommodation at ground floor and construction of an additional storey at 6 Flag Staff Road³⁹. The work was declared as most urgent.

Subsequently, Superintending Engineer (SE), PWD proposed (27 July 2020) that the building being an old construction having load bearing walls, remodelling of the existing ground floor or creation of additional floor could not be done and recommended fresh construction within the premises after demolition of the existing structure. Engagement of Consultant/Architect for design and getting requisite approval from local body was also proposed. The proposal was approved on the same day (27 July 2020) by Minister (PWD), Principal Secretary (PWD), Engineer-in-Chief and then Principal Chief Engineer. There was nothing in the records made available to audit which indicated any feasibility study for remodelling of bungalow at 6 Flag Staff Road was conducted by PWD.

2.5.2 Limitation

The audit was conducted (during June and October 2023) to look into the various aspects of work, including planning, tendering process and execution.

Audit Observations mentioned in the succeeding paragraphs are based on the photocopies of the records/partial records⁴⁰ made available by the PWD Divisions to Audit as all the original records was reported to be seized by the Vigilance Department, GNCTD.

Thus, in the absence of complete records, audit could neither draw assurance regarding the planning activity nor about the correctness and genuineness of work executed. Moreover, due to not furnishing of supply vouchers along with the challans, the genuineness of material supplied by the contractors as well as the rate/make at which the material was actually purchased could not be verified.

³⁹ Bungalow allotted to the Chief Minister of Delhi in 2015.

⁴⁰ Records such as the correspondence files of the implementing divisions, detailed measurement of Technical Sanctions, Measurement Books, Running Account Bills, noting portions of Deviation in Quantities and execution of extra items, Supply Vouchers, Sanction wise details of items executed, cases of extension of time, Initial Drawings and completion drawings, Material at Site Register and files relating to demolition of old residential building of Chief Minister were not provided to audit.

The matter of unavailability of records was taken up with the Executive Engineer and Principal Secretary, PWD. Despite several reminders complete records were not made available to Audit. Moreover, the reply to the draft report issued (17 October 2023) was also not received from the Government/PWD, despite repeated reminders (June 2024).

The Administrative Approvals and Expenditure Sanctions, expenditure incurred and status of works executed at 6 Flag Staff Road is given in **Table-2.5.1**.

Table-2.5.1: Details of AA&ESs, expenditure incurred and status of works

(₹ in crore)

Initial/Additional AA&ES	Approving authorities	Amount	Total Amount	Expenditure incurred	Status of work
Work-I-Addition and alteration at 6 Flag Staff Road SH: Providing Additional Accommodation					
1 st (Initial AA&ES) dated 5.9.2020	Chief Engineer	7.91	7.91	33.66	Completed
2 nd (Additional AA&ES) dated 16.6.21	Chief Engineer	1.64	25.80		
3 rd (Additional AA&ES) dated 22.10.2021	Chief Engineer	9.09			
4 th (Additional AA&ES) dated 30.12.2021	Chief Engineer	5.73			
5 th (Additional AA&ES) dated 29.6.2022	Chief Engineer	9.34			
Total			33.71		
Work-II-Addition/alteration of Staff Block/ Camp Office, 6 Staff Flag Road, Civil Lines					
1 (Initial AA&ES) dated 4.3.2021	Chief Engineer	10.00 (Camp Office)		19.22	100 per cent with reference to sanction amount. Pending as per foreclosure report prepared by Executive Engineer, Central & New Delhi Building (M-323) dated 19 June 2023.
2 (Initial AA&ES) dated 7.6.2021	Chief Engineer	9.87 (Staff Block)			
Total		19.87			

2.5.3 Work-I

Work-I was awarded⁴¹ at a tendered cost of ₹ 8.62 crore (Civil- ₹ 7.02 crore and electrical- ₹ 1.59 crore) which was 13.21 per cent above the estimated cost of ₹ 7.61 crore (Civil- ₹ 6.02 crore and Electrical- ₹ 1.59 crore). The stipulated date of start and completion of the work was October 2020 and April 2021 respectively and the work was finally completed on April 2022. The final payment of ₹ 33.66 crore (Civil - ₹ 29.08 crore and Electrical- ₹ 4.57 crore) was made to the Contractor. The work, which was awarded at 13.21 per cent above the estimated cost, was finally completed at 342.31 per cent above the estimated cost and 290.49 per cent above the tendered amount.

⁴¹ Agreement No. 11/2020-21, October 2020

Audit observed the following shortcomings during the various stages of the work:

2.5.3.1 Planning

Proper planning of work is important to ensure that desired objective of the work is achieved without any time or cost overrun. However, following shortcomings were noticed at the planning stage itself.

(i) Basis of selection of Consultant

Section 1.5 (2) of CPWD Works Manual, 2019 stipulates that normally, unless situation warrants otherwise, Work Orders shall be placed after open call of quotations with publicity through web for works up to ₹ 5 lakh. Quotations for works with estimated cost of more than ₹ 5 lakh shall be invited through e-tendering platform. In case of exigencies, with recorded reasons, urgent works may be executed by collecting spot quotations with the approval of Chief Engineer (CE). Further, Rule 183 of General Financial Rules also stipulates that where the estimated cost of the consultancy services is above ₹ 25 lakh, an enquiry seeking 'Expression of Interest' from Consultants should be published on Central Public Procurement Portal (CPPP) and on GeM. An organisation having its own website should also publish all its advertised tender enquiries on the website.

Audit observed that the scope of consultancy work included preparation of Preliminary Estimate (PE) and carrying out all modifications. Chief Engineer declared the work of appointment of the consultant as urgent and also granted permission to collect spot quotation for the same. The spot quotation from three consultants was collected (29 July 2020) and the consultancy work was awarded (30 July 2020) to a consultancy firm M/s Tevatia Chauhan and Sharma Architect (P) Limited at lowest quoted rate of ₹41.30 lakh. However, the basis and justification of shortlisting/identification of only these three Consultants was not found in the records made available to Audit.

Thus, audit couldn't draw assurance regarding correct procedure followed in the appointment of Consultant.

(ii) Incorrect calculation of Justified Cost

As per SoP 5/3 of CPWD works manual 2019, Justification cost is prepared for checking the reasonability of rates before opening of tender based on the market rates of material and labour etc. prevailing on the last date of submission of tender.

Audit observed irregularities in calculation of Justified Cost for the consultancy work as discussed below:

- As per records furnished to Audit, it was observed that instead of preparing justified cost based on the prevailing market rates on the last date of submission of tender, PWD accepted Rate Justification

(30 July 2020) by adopting one year old rates of consultancy for Court Buildings (₹ 450 per sq.m). Thus, the basis of Justification Cost was inappropriate as the consultancy rates used for justification pertained to office building whereas the building to be constructed was residential.

- The justified cost was approved by the SE on 30 July 2020. However, from the justification sheet, it was observed that EE had put up the same to SE without any date of submission under his signature. Thus, the exact date of preparation of the justified cost could not be ascertained. The possibility of manipulation of justification cost to enable the contract to the bidder cannot be ruled out in the absence of reply and no further records made available which could establish the date of preparation of justified cost.
- Incorrect plot area of 6,974 sq.m instead of the actual area of 4,778 sq.m was mentioned in the quotation letter.
- While working out the Justified Cost, PWD also enhanced the rate by 50 per cent from ₹ 450 per sq.m to ₹ 675 per sq.m on account of additional services without any justification. This led to increase in the justified cost by ₹11.77 lakh⁴² by adopting higher rates.

(iii) Repeated revision of Preliminary Estimates

The Preliminary Cost Estimation (PE) is often the first step towards execution of work. These estimates are prepared based on Plinth Area Rates (PAR)⁴³, published by CPWD, for the purpose of obtaining the Administrative Approval and Expenditure Sanction (AA&ES) of the work involved.

Further, Section 3/2 (12) of Standard Operating Procedures of CPWD Works Manual 2019 stipulates that Plinth Area Scales, as notified by Ministry of Housing and Urban Affairs (MoHUA), are to be followed for all Construction Works in the General Pool houses as well as houses for other Ministries/Departments where such norms are applicable.

PWD prepared the 1st PE on the basis of applicable specification of PAR for Type VII and VIII/bungalows at an estimated cost of ₹ 7.91 crore for the purpose of NIT and thereafter additional four AA & ES were also accorded. The proposals of all five PEs were approved by the Minister, PWD. The details are given in **Table-2.5.2**.

⁴² 5230 sq.m (area used for calculation of justified cost) X ₹ 225 (₹675 per sq.m - ₹ 450 per sq.m)

⁴³ The Plinth Area Rates 2019, prepared after taking into account the use of new materials, new construction technologies and revised General Pool Residential Accommodation norms approved by MoHUA which were updated in July 2020.

Table-2.5.2: Details of five AA & ES

Sl. No.	Number & Date	Amount (₹ in crore)	Basis of preparation of PEs	Remarks
1	1 st , 1.9.2020	7.91	PAR 2020/Market rates	Providing additional accommodation
2	2 nd , 8.6.2021	1.64	Market rates	Change of interiors, material of kitchen/laundry/pantry, flooring items, change in structure
3	3 rd , 22.10.2021	9.09	PAR 2021/Market rates	Additional work/increase in area/Superior specification
4	4 th , 30.12.2021	5.73	Market rates/DSR	Scope of work increase in respect of artistic and antique finishing items over and above the amount of 3 rd PE
5	5 th , 29.6.2022	9.34	Market rates	Increase due to change in scope of work such as artistic and ornamental work (₹ 5.07 crore), designer accessories fittings (₹ 48.27 lakh), Marble work (₹ 1.97 crore) etc. over and above the amount of 3 rd PE
Total		33.71		

Scrutiny of the records provided with respect to the PEs revealed the following:

- **Lack of clarity regarding submission of PEs by the selected consultant**

Audit observed that the scope of consultancy work included preparation of PE and carrying out all modifications, if required, till its approval by the competent authority. However, neither any documents/records were found which established that the PEs were submitted by the Consultant nor any reply was furnished by the department on the query raised by audit. There was also no reference to the same in the note for accordance of Administrative Approval and Expenditure Sanction dated 1 September 2020.

Since the first PE was the framework on which the entire Work I was to be executed, the lack of clarity regarding preparation of the PE by the selected Consultant puts the subsequent work on unreliable foundation and lacks justification for payment to the consultant.

- **Increase in built up area in 3rd PE without justification**

The third PE prepared for ₹ 9.09 crore was put up by SE for approval with a note '*the additional PE is for additional scope, items which were not covered in previous sanctions and for increase in scope of construction*'. Audit observed that built up area was increased (36 per cent) from 1,397 to 1,905 sq.m, however, neither any justification was provided for the same in the records nor was it asked for by the Chief Engineer, who accorded AA & ES.

This arbitrary increase in the area not only highlights poor planning of the work but also increased the overall cost.

- **Inflation of subsequent PEs due to inclusion of items already covered in 1st and 2nd PEs**

The 1st PE was prepared on the basis of applicable specification of PAR for Type VII and VIII/ bungalows and included the work of superior interiors, superior toilets and modular kitchen, etc. and items amounting to ₹ 7.91 crore.

On comparing various items included in the 3rd, 4th and 5th PEs, audit observed that an amount of ₹ 5.46 crore (out of ₹ 9.09 crore of 3rd PE), ₹ 5.73 crore (4th PE) and ₹ 9.34 crore (5th PE) included for use of super specification, artistic and antique items, ornamental works. Moreover, the items of 3rd to 5th PEs were already considered in 1st PE. The second PE of ₹ 1.64 crore was approved for providing and fixing modular kitchen, laundry, pantry etc which was also considered in the 1st PE.

- **AA and ES accorded after completion of work**

The approval to the 5th AA & ES, amounting to ₹ 9.34 crore, was accorded by the Chief Engineer on 29 June 2022, i.e. more than two months after the completion of work (20 April 2022).

It is not clear how items of work in the 5th PE, for which there was no AA or provision of funds, could be executed. Further, there were nothing in the records which indicated that any explanation was called for regarding approval of AA & ES after completion of work.

Thus, the planning stage was fraught with doubtful selection of consultants, frequent revision of estimates, inclusion of items of higher specification which were already covered earlier, increasing the scope of work without proper justification etc, which led to an increase of 290 *per cent* in tendered cost of the work i.e. from ₹ 8.62 crore compared to actual payment of ₹ 33.66 crore.

2.5.3.2 Tendering Process

The objective of public procurement is to ensure transparency, competition and elimination of arbitrariness in the purchase of goods and services. However, audit observed the following in the tendering process of Work I:

- (i) **Irregularities in tendering process carried out through restricted tender**

As per Rules for Enlistment of Contractors in CPWD, registered contractors with CPWD should be allowed to tender for works within their tendering limit. Contractors registered under Class-II, I, I (A), I (AA), I (AAA) and I (Super) are eligible to tender for composite work having monetary value of ₹ 10.50 crore, ₹ 30 crore, ₹ 50 crore, ₹ 100 crore, ₹ 200 crore, and ₹ 500 crore or more respectively.

As per CPWD Works Manual 2019 'Restricted Tender are of secret/ special nature requiring specialized equipment or maintenance of VIP residences/ important buildings invited from limited prequalified Contractors'. Restricted Tenders of above ₹ 50 lakh can be called with the prior approval of the Competent Authority i.e. Additional Director General (Engineer-in-Chief/Principal Chief Engineer) with recorded reasons.

The Principal Chief Engineer had approved the proposal to go for restricted tendering stating that the work pertained to VIP residence and has to be completed at a fast pace. Tenders were invited (October 2020) from five contractors for Work-I through e-tendering giving them seven days to submit the bid. Out of the five Contractors invited to participate in the bidding, only three submitted their bid and the work was awarded to the lowest bidder i.e. M/s A.K. Builders.

Audit observed the following with regard to the restricted tendering:

- SE, PWD shortlisted five contractors statedly on the basis that they were financially sound, resourceful and had done similar important works in VIP areas. Audit scrutiny of tender documents made available to audit, however, revealed that only one contractor i.e. M/s A. K. Builders (Class-I) had the experience to execute the work in VIP area. The remaining four contractors executed works related to construction of additional classrooms in Delhi Government School, development of park and construction of Atal Samadhi etc, indicating that these contractors didn't have the experience of doing similar work in VIP areas. Thus, the list prepared by the PWD was *ab initio* deficient as only one contractor was qualified to participate in restricted bidding as per the criteria stated by the SE.
- Further as per condition no. 12 of additional AA & ES, award of work was to be made through e-tendering only. Audit observed that PWD did not explore the possibility of e-tendering for additional AA & ES and the works amounting to ₹ 25.80 crore were got executed by the existing contractor.

Thus, the arbitrary shortlisting of bidders along with not resorting to open tender (e-tendering), for additional AA & ES, deprived the Government of competitive rates for the works amounting to ₹ 25.80 crore (total of all four additional PEs).

2.5.3.3 Execution of Work

In the absence of majority of records pertaining to execution of work, like Measurement Books, supply vouchers, running account bills etc, audit couldn't establish assurance regarding the execution process. However, from the limited records made available to audit, the following were observed:

(i) Deviation in agreement quantities

As per clause 12 of the General Conditions of the Contract entered with the contractor, in case contract items exceeded the limits laid down in Schedule F, the rates were to be determined on the basis of the market rates for the quantities over and above the limit prescribed. As per Schedule F of the agreement, payment was to be made to the contractor at the agreement rates for execution of deviated item of earth work from sub-head up to 100 *per cent* and for other work up to 30 *per cent*. Market rates were to be paid for deviations beyond the above limits.

As per agreement, 338 items (133 civil +205 electrical) were required to be executed by the contractor for the entire Work I. However, it was noticed that there was variation in the quantity executed vis-à-vis agreement quantity in respect to several civil and electrical items as detailed in **Table-2.5.3**.

Table-2.5.3: Variation in civil and electrical agreement items

Particulars	Number of items excess executed	Amount	Number of items not executed	Amount	(₹ in crore)	
					Number of items less executed	Amount
Civil	50	3.51	52	0.73	30	0.91
Electrical	51	0.79	82	0.29	22	0.09
Total	101	4.3	134	1.02	52	1.00

It can be seen from **Table 2.5.3** that out of total agreement items, quantities amounting to ₹ 4.30 crore, ₹1.02 crore and ₹1 crore were executed in excess, not executed and less executed than the estimated quantities respectively.

- On comparing the estimated quantities with the quantities actually executed, audit observed that in respect of 74 items (35 Civil + 39 Electrical) deviation was more than 30 *per cent*. Due to more than 30 *per cent* deviation, PWD had to make extra payment of ₹ 0.67 crore as per clause 12 of the contract condition, it being the difference between the agreement rates and market rates.
- Moreover at the time of approvals of Civil work statements, no remarks were given in respect of deviated quantities. Thus, in the absence of justification, deviation in items could not be verified.
- Para 5.11.1 (3) of CPWD Works Manual stipulates that the authorities preparing, examining and sanctioning Extra/Substituted items should ensure proper preparation of nomenclature of items, record specific reasons to execute them, and casual remarks/reasons like “Required as per site conditions” or “Required at site” etc. should not be recorded. In respect of electrical work, ₹ 2.57 crore was incurred on execution of Extra and Substitute items, against which casual remarks such as ‘*as per site requirement and quantity not taken in the Agreement*’ and ‘*as per approval*

of the Consultant' were mentioned, in contravention of provision of CPWD Works Manual.

(ii) Execution of Substituted items leading to extra payment

Substituted items are those which are executed in place of items of work included in the Schedule of Quantities of the Contract. Audit noticed that 21 agreement (**Annexure 2.10**) items amounting to ₹ 1.42 crore were substituted with material of superior specifications which resulted in extra expenditure.

(iii) ₹ 18.88 crore incurred as extra items beyond the limit of PAR

From the documents provided to audit, it was seen that out of the items of superior specifications, artistic and antique items, ornamental work, etc. included in the additional PEs, 198 items (Civil) and 40 items (Electrical), amounting to ₹ 17.30 crore (for example – items relating to modular kitchen worth ₹ 68.76 lakh, sheer curtains worth ₹95.90 lakhs etc. Details in **Annexure 2.11**) and ₹ 1.58 crore (**Annexure 2.12**) respectively were executed as Extra items beyond the limit of PAR. This led to extra expenditure of ₹ 18.88 crore. Further, the matter relating to the inclusion of super specification items over and above the applicable specifications was not objected by any authorities of PWD. No reasons for execution of extra items beyond the limit of plinth area rates were mentioned in the records made available to audit.

2.5.4 WORK-II - Addition/alteration of Staff Block/ Camp Office, 6 Staff Flag Road, Civil Lines

As per the records made available to audit (noting portion of June 2021), in the preliminary drawing furnished by the Consultant, there was provision for construction of Staff Block and Camp Office inside the Residential Complex covering an area of 705 sq.m and 510 sq.m respectively. The work was awarded (Agreement No. 19/21-22 dated 14.7.2021) at a tendered cost of ₹ 16.54 crore which was 10.01 *per cent* below the estimated cost of ₹ 18.37 crore. The stipulated date of start and completion of the work was July 2021 and January 2022. Scrutiny of the records made available to audit revealed that there is no mention of Staff Block constructed under the agreement, whereas the work of camp office was stopped in the middle of construction.

The work of Camp Office had not been completed as of October 2023. However, payment of ₹ 19.22 crore has been made to the Contractor (Civil-₹ 14.64 crore, Electrical-₹ 4.58 crore) against the sanctioned amount of ₹ 19.87 crore. Moreover, in the Work Progress Report, the physical progress of work was mentioned as 100 *per cent* complete with reference to sanction amount but was pending as per foreclosure report prepared (19 June 2023) by Executive Engineer which indicates that incorrect status of work was mentioned in the Progress Report. Details of the remaining sanctioned amount of ₹ 0.65 crore could not be ascertained due to lack of availability of bills/records. The work was proposed

(June 2023) to be foreclosed due to want of revised sanction or additional sanction. However, final decision was still pending as of September 2023.

Audit observed the following shortcomings during the various stages of the work.

2.5.4.1 Planning of Work

(i) Inflated Preliminary Estimates of ₹ 3.86 crore for the Staff Block/Camp Office

Audit observed that the Preliminary Estimate (PE) of ₹ 9.87 crore and ₹ 10 crore in respect of work of addition/alteration in the Staff Block and Camp Office were prepared based on the Plinth Area Rates-2020 and 2021 respectively. Audit observed several discrepancies detailed below:

Staff Block/Camp Office

- In respect of staff block, PWD used incorrect rates i.e. Non-Residential Building (₹ 25,800 per sq.m) instead of Residential Building (₹ 19,700 per sq.m) rates for calculation of RCC framed structure for 510 sq.m area. This resulted in inflated AA and ES by ₹ 0.31 crore⁴⁴. Besides, there was provision of ₹0.53 crore for construction of basement in the Preliminary Estimate which was not included in the agreement entered into with the contractor which indicated that the basement was to be constructed. Thus on account of both, the PE was inflated by ₹ 0.84 crore. In respect of Camp office also there was provision of ₹ 0.75 crore for construction of basement which was not included in the agreement with the contractor indicating that the basement was not constructed.
- Audit observed that the percentage of each component of Service and Electrical Works were calculated on the basis of total amount of Civil Cost mentioned in the Preliminary Estimate. As the total amount of civil cost of Staff block and Camp office were inflated by ₹0.84 crore and ₹0.75 crore respectively, the Service and Electrical works were also over estimated by ₹1.41 crore⁴⁵ and ₹0.86 crore⁴⁶ respectively.

Thus, due to incorrect adoption of Civil cost, the PE of Camp Office/Staff Block was inflated by ₹ 3.86 crore.

(ii) Irregularities and discrepancies in the calculation of additional costs for various items in the Preliminary Estimate.

Audit analysis revealed that there was lack of uniformity in the preparation of PE as for similar items, different rates were adopted in the two PEs as shown in **Table-2.5.4** below:

⁴⁴ (₹ 25800 - ₹ 19700) = ₹ 6100 x 510 sq.m)

⁴⁵ Percentage of Service and Electricals is 168.25 of Civil Cost i.e. 168.25 per cent of (₹ 2.11 crore minus ₹ 1.27 crore {₹2.11 crore minus ₹ 0.84 crore) = ₹ 1.41 crore.

⁴⁶ Percentage of Service and Electricals is 115.25 of Civil Cost i.e. 115.25 per cent of (₹ 2.90 crore minus ₹ 2.50 crore {₹2.90 crore minus ₹ 0.75crore) = ₹ 0.86 crore.

Table-2.5.4: Comparison of rates of items in PE of Staff Block and Camp Office

Sl. No.	Description of item	Rates as per PE of Staff Block	Rates as per PE of Camp Office
1	Extra for special LED luminaries lighting for VVIP Installation	@20%	@10%
2	Lan System	@1000/ sq.m	@800/ sq.m
3	SITC of IP-based EPABX system	@1000/ sq.m	@600/ sq.m
4	Extra for superior and elegant quality water supply and sanitary installation	@20%	@10%
5	Extra for using eco-friendly material	@20%	@10%

Lack of adoption of uniform rates for same items indicates inconsistencies in the preparation of the Preliminary Estimates of the Camp Office and Staff Block.

2.5.4.2 Tendering process

Audit observed that Restricted Tender for the Work-II was invited (June 2021) through e-Tendering system and the work was awarded to M/s PNSC Infrastructure Limited. However, records in respect of shortlisting of bidders were not made available to Audit. In the absence of records Audit could not provide assurance regarding the tendering process involved.

2.5.4.3 Execution of Work

As per AA and ES the Staff Block and Camp Office were to be constructed inside the Residential Complex covering an area of 705 sq.m and 510 sq.m respectively.

In this regard, following was observed by audit:

(i) **Construction of non-residential building (Camp Office) in area earmarked for General Pool Residential Accommodation redevelopment**

In February 2022, i.e. more than six months from the date of award of work, the Superintending Engineer proposed to use part of 45-47 Rajpur Road plot⁴⁷ (behind 6 Flag Staff Road) to construct semi-permanent type Camp Office for better coordination and use of Chief Minister Office. The same was approved by the Minister, PWD.

In the Cabinet Note (28 July 2021) GNCTD, it was mentioned that the existing building of General Pool Residential Accommodation (GPRA) at 45-47 Rajpur Road was around 50 years old and was experiencing structural distress. During a review meeting taken by the Minister (PWD) as well as Secretary (PWD), it was decided that these GPRA colonies can be redeveloped to exploit the land to full potential and to construct new flats as per latest structural guidelines and amenities.

⁴⁷ As per cabinet approval (28 July 2021), the said plot was proposed for redevelopment of GPRA quarters.

Audit observed that Minister (PWD) approved construction of a semi-permanent Non-Residential structure in an area earmarked for redevelopment as Residential Building, in contravention to the Cabinet decision. Moreover, the area of Camp Office was also increased by 275 *per cent* (705 sq.m to 2640 sq.m). Thus, there was change in location of the construction site and its structural nature in respect to Work II. The proposal for foreclosure of work was initiated by the EE. However, the final decision was not communicated to audit. Thus, the work of camp office was stopped in the middle leading to infructuous expenditure to that extent.

The expenditure on incomplete construction of Camp Office could not be calculated due to non-segregation of Schedule of Quantities for Camp Office and Staff Block. Moreover, the Measurement Books of the works were also not made available.

(ii) Staff Block not constructed

The AA & ES accorded for the construction of Staff Block was ₹ 9.87 crore. However, as per the foreclosure note moved by the department there is no mention of Staff Block in the list of work done under agreement of Work II. The reason for foreclosure given was lack of progress in work since February 2023 and non-receipt of any revised sanction or additional sanction for the same.

(iii) Diversion of funds

Rule 26 (ii) of General Financial Rules, 2017 stipulates that it is the duty and responsibility of a controlling officer in respect of funds placed at his disposal to ensure that the expenditure is incurred for the purpose for which funds have been provided.

The following are the instances where above provision was not adhered to:

• **Diversion of funds to the Residential Complex**

Audit observed that an amount of ₹ 1.87 crore (**Annexure 2.13**) was incurred on providing and fixing/placing of sanitary items, furniture and gym equipment at the Residence (of Chief Minister). However, instead of charging these items to Work-I viz. Addition and alteration at 6 Flag Staff Road, these items were included as extra items in Work-II i.e. Addition/alteration of Staff Block/ Camp Office, 6 Staff Flag Road, Civil Lines and approval of the same was also accorded by the Chief Engineer.

There was nothing in the records made available to Audit about any issue raised by the Chief Engineer before according approval for the same, which resulted in diversion of fund to that extent.

- **Diversion of about ₹ 1.33 crore for construction of servant quarters**

Audit observed that as per the directions of the CM office, PWD shifted the servant quarters⁴⁸ at the boundary walls adjacent to the plot of CM residence to 33 Shamnath Marg Delhi Dialogue Commission Campus. This was done to widen the road to provide unrestricted movement to the fire tenders. Permission for the same was granted by Superintending Engineer.

Against the construction of the above mentioned eight servant quarters in the new location, PWD incurred an expenditure of nearly ₹ 1.33 crore as extra items in the Work II and the same was approved by Chief Engineer. The exact expenditure on servant quarters could not be calculated due to non-segregation of amount incurred on various works related to Chief Minister's Residential Complex i.e. Electric Station and Security Rooms as extra items along with the Servant Quarters items.

- **Diversion of fund to Minister's Bungalow**

Audit noticed that a payment of ₹ 6.41 lakh was made to the Contractor for the item Supply, Installation, Testing and Commissioning of treadmill installed at a Minister's Bungalow by diverting funds for Camp Office and Staff Block. The place of installation could not be verified due to non-furnishing of Measurement Books by the Division.

Thus, there were multiple instances wherein the funds earmarked for Work II had been utilised at other places.

As, can be seen from the above mentioned paragraphs, there were a number of financial deviations from Work II which eventually led to paucity of fund for carrying out the actual construction.

(iv) Execution of Work II

As per CPWD Works Manual 2019 items that are completely new and are in addition to the items contained in the schedule of quantities of the contract are extra items. As per para 3/3 of Chapter III of Standard Operating Practice (SOP) of CPWD Works Manual, the Detailed Estimate is to be complete and comprehensive and should be supported by detailed architectural drawings, preliminary structural plans, preliminary lay-out drawings of the various services, detailed drawings and/or specifications for various components of work involved etc. Audit observed following instances of increase in quantities/execution of Extra items indicating that the SOP was not followed, which are summarized below:

- **Deviation in agreement quantities**

Against the tendered amount of ₹ 9.66 crore, PWD paid an amount of ₹ 14.64 crore (March 2023) to the Contractor against the execution of Civil component

⁴⁸ 45-47 Rajpur road allottees.

of the work. Audit observed that out of 170 agreement items, quantities executed in respect of 35 items amounting to ₹ 1.03 crore were in excess of those mentioned in the agreement. Out of this, an expenditure of ₹ 99.82 lakh was made for execution of work related to construction of Servant Quarters, Electrical Meter Room/Security Block at Chief Minister Residence and Camp Office. However, site wise details of expenditure incurred was not available in the records made available to Audit. Further, the exact reasons for non-execution and less execution of 73 and 59 agreement items amounting to ₹ 2.88 crore and ₹ 3.14 crore could not be verified as the work had not been completed as of October 2023.

In the remarks column of Deviation Statement, it was mentioned that 'provision not taken in the agreement'. This indicates that plans and designs of works were not complete and comprehensive. Further, in the absence of Measurement Books, the actual place of execution of agreement items could not be verified in Audit.

- **Overpayment for Deviation in quantities**

As per clause 12.3 of General Condition of Contract, in case of Deviation in quantities of contract items, which exceed the limit laid down in Schedule F, the Contractor was to be paid at agreement rate/market rate whichever is less. As per Schedule F of the Contract, the Deviation limit was 100 *per cent*.

Audit observed from the bills that there were deviation in 14 agreement items. In these items, although agreement rates were less than market rates, payment amounting to ₹ 0.38 crore was made at market rates, in contravention of condition of the Contract. This resulted in overpayment of ₹ 0.38 crore to the Contractor.

- (v) **Appointment of Consultants without conducting codal formalities**

According to Rule 183 and 184 of GFR, where the estimated cost of the consulting service is up to Rupees twenty-five lakhs, preparation of a long list of potential Consultants may be done on the basis of formal or informal enquiries from other Ministries or Departments or Organisations involved in similar activities, Chambers of Commerce & Industry, Association of Consultancy Firms etc. and where the estimated cost of the Consulting Services is above Rupees twenty-five lakhs, an enquiry for seeking 'Expression of Interest' from Consultants should be published on Central Public Procurement Portal (CPPP) at www.eprocure.gov.in and on GeM. An organisation having its own website should also publish all its advertised tender enquiries on the website. According to Central Vigilance Commission (CVC) guidelines, the selection of consultants should be made in a transparent manner through competitive bidding and the role of Consultants should be intellectual, advisory and recommendatory. Further, engagement of Consultants may be resorted to in situations requiring

high quality services for which the concerned Ministry/ Department does not have the requisite expertise.

Six Consultants for Interior Designing (₹ 50.84 lakh), Landscape (₹ 50.84 lakh), Lighting Design Services (₹ 17.39 lakh), Structural design (₹ 66.90 lakh), Architectural Planning and designing (₹ 93.66 lakh) and Complete Mechanical, Electrical and Plumbing (MEP) design (₹ 66.90 lakh) were engaged for Camp Office. The appointment of Consultants by the Contractor as Extra items were approved (February 2023) by the Chief Engineer.

Audit observed that selection of the Consultants was not carried out by the PWD but they were directly engaged by the Contractor. Payment of ₹ 25 lakh, ₹ 25 lakh, ₹ 5 lakh, ₹ 66.90 lakh, ₹ 55 lakh and ₹ 4 lakh were made for the Consultancy Works aggregating to ₹ 1.81 crore as extra items, in contravention of above provision. Moreover, the records relating to scope of work assigned vis-à-vis the actual work done, payment schedule, agreement entered into with these Consultants were not made available to Audit.

Audit could not draw as assurance that the consultants selected were competent to provide quality of service. Besides, engagement of Consultants as Extra items was against the provisions of GFR, MoF and CVC Guidelines.

(vi) Non assurance about utilisation of electrical equipment

On the basis of records made available to Audit, it was noticed that 12 Electrical items⁴⁹ costing ₹ 1.34 crore (80 *per cent* of the agreement items rate) were supplied by the contractor at the time of the start of the Work of Camp Office.

These items were to be installed, tested and commissioned at Camp Office. However, as per the foreclosure note moved by the PWD for Work II, only raw construction of Camp Office was carried out. Resultantly, the status and location of Installation, Testing and Commissioning of these equipment could not be verified in Audit.

(vii) Irregular dismantling of structures

Section 8.4 of CPWD Works Manual provides that no Government building, built or purchased, should be disposed off by sale or demolition unless it has previously been ascertained that it is not required by any Department of the Government, and/or it is in dangerous condition and/or beyond economic repairs, or it is necessary to have a vacant site for constructing a Government building or structure in place of the existing one. When a building is proposed to be dismantled, a Survey Report should be prepared and submitted for approval

⁴⁹ Six electronically operated motorised swing gate drive unit, two control panel, eight swing gate, three hydraulically operated crash rated bollards, six hand held metal detector, three multi zone door frame metal detector, two LED traffic light, 12 IR beam photo sensors for safety at all gates and bollards, perimeter intrusion detection system, one software/ API to monitor all node control units connected to its network, IP based node control unit, two silent type Diesel Generating Set of 160 KVA.

of the authority competent to sanction sale or dismantlement of the building. Where the approval of Government of India to the proposal of demolition of the building is necessary and such approval in principle has been obtained, the Director General/ Additional Directors General/Chief Engineers are delegated Financial Powers to sanction such Survey Reports. After the Survey Report is sanctioned, the Reserve Price shall be fixed by the Officers as per delegated powers, after taking into consideration the assessed salvage value of the dismantled materials only. The buildings which are not owned by CPWD/Directorate of Estates, MoHUA, approval of disposal shall be taken from the owner/client. In case of Government of NCT of Delhi, the allotment branch of Public Works Department headed by Secretary, PWD allots Government accommodation to eligible applicants.

Audit observed that payment of ₹ 19.49 lakh was made to the contractor for dismantling of old Quarters at Chief Minister's House and demolishing of IAS Flats and Servant Quarters⁵⁰. The work of demolishing of flats was executed by PWD as extra items without preparing any Survey Report and fixing Reserve Price. Moreover, there was nothing in the records made available to audit to ascertain whether necessary permission from appropriate authority was obtained before demolishing Servant Quarters and IAS Flats. Further, in the absence of complete records, Audit could not ascertain as to how the serviceable material recovered during demolition was utilised or disposed off.

2.5.5 Other issues

Other irregularities indicating inflated costs, overpriced items without marked survey/analysis/single quotation noticed in the execution of Work I and II are detailed in **Table-2.5.5**.

Table-2.5.5: Other issues noticed during execution

Sl. No.	Item	Amount (₹ in crore)	Nature of irregularity
1	Providing and fixing three beds plus six side tables - Work I.	0.09	2 nd Preliminary estimates included lump sum provision. Analysis of rates and quotations from which rates were derived were not found in the records made available to Audit.
2	Providing and fixing Vanity in Toilets – Work I.	0.15	2 nd Preliminary estimates included lump sum provision. Rate was derived on the basis of single quotation
3	Provision of Consultancy job after one year of award of work – Work I.	1.00	3 rd PE included provision of ₹ 1 crore for superior interior and its consultancy despite fact that original PE had provision of Consultancy services.
4	Penal clause in consultancy Agreement not incorporated – Work I.	-	As per Central Vigilance Commission (CVC) instructions (November 2002), there should be no major deviation in the scope of work after the Contract is awarded and the Consultant should be penalized for poor planning, if the deviations result in excessive cost overruns.

⁵⁰ At 45-47 Rajpur road.

Sl. No.	Item	Amount (₹ in crore)	Nature of irregularity
			The work order for consultancy work did not have any clause to penalise the Consultant for poor planning. As a result, PWD was not in a position to penalise the Consultant although there were huge variation in quantities of work executed from those in the work contract.
5	Approval from Building Committee and Delhi Urban Art Commission	-	<p>Section 4.10 (3) of CPWD Works Manual stipulates that before approval of NIT, approval of plans from Local Bodies⁵¹ should be obtained, wherever required.</p> <p>Further, in terms of the mandate of Delhi Urban Art Commission (DUAC), Local Bodies concerned with development work in the city are required to refer the Building and Engineering proposals online to DUAC before according approval. DUAC considers the proposals in terms of its mandate and conveys its recommendations to the concerned Local Body online</p> <p>In respect of Work I, tender was invited on 1 October 2020 whereas the initial proposal to obtain approval was sent to the Building Committee on 7 October 2020, i.e., after invitation of Tender.</p> <p>Building Committee took two and half months to reject the proposal with directions to submit other relevant documents. By that time 20 per cent, (January 2021) to 40 per cent (February 2021) work was executed. Further, no compliance was found on record to the objections raised by the Building Committee. Thus the Building was erected without sanctioned plans. Approval of Building Plan was obtained from DUAC for 1583.19 sq.m whereas the actual area constructed was 1906 sq.m. Revised approval from DUAC was not found in the records furnished to Audit.</p> <p>In respect of Work – II, Audit observed that in the tender forwarding memo, against the column of approval to Building Plan clearance from DUAC/Local bodies, PWD had mentioned 'Approved/in-process'. However, there was nothing in the records made available to Audit regarding approval granted by these authorities before NIT.</p> <p>Further, after one year and 6 ½ months from the award of work, the scope of work of Work-II was entirely changed from permanent structure to semi-permanent structure.</p>
6	Rate analysis of 205 Non DSR electrical items – work I.	-	Para 2.1 of Manual of Procurement of Goods 2017, stipulates that the prevailing market price ascertained through a market survey or quotations from one or more prospective suppliers or published catalogues/Maximum Retail Price (MRP) printed on the item are the main source for establishing the

⁵¹ North DMC (July 2017) has exempted PWD for seeking sanction of Building plans and therefore PWD has setup its own committee to certify that the Building Plans conform to the Building Bylaws.

Sl. No.	Item	Amount (₹ in crore)	Nature of irregularity
			estimated cost of items for which no historic data are available. Audit observed that Detailed Estimates of the Work-I included 205 non-DSR electrical items, of which the market rates of 104 items were prepared on single quotation basis only.
7	Merging of AA and ES of different head of accounts	19.87	<p>Section 3.1.1.8 of CPWD Works Manual 2019 stipulates that it is upto the Technical Sanction Authority to combine various sanctions for the same work and issue a single Technical Sanction provided total of all sanctions for the same work fall under his/ her competence.</p> <p>In respect of the works viz. 'Addition and Alteration in Office Block (Camp Office): Non – residential' & 'Addition and Alteration in Staff Block: Residential' having different Heads of Account, AA & ES were issued for ₹ 10.00 crore and ₹ 9.87 crore separately by Chief Engineer under two separate head of accounts.</p> <p>In contrary to above, estimates of both the Works entirely different (residential/non-residential) were prepared jointly and technically sanctioned by Chief Engineer. In addition to above, combined Schedule of Quantities of both the Works were prepared and technically sanctioned. As a result of combining Technical Sanction of two Works of different nature, the PWD was not in a position to charge expenditure on these Works to the appropriate Heads of Account.</p> <p>Audit also observed irregular booking of expenditure viz. advance payment of ₹ 2.80 crore was made to Contractor under the Head of Account-4216 (Capital outlay on Housing). Whereas the adjustment of the same was made in the Revenue Head i.e. 2059 and payment of 2nd Running Accounts bill was made and adjusted under the same Head of Account i.e. 4216, whereas the advance payment of 3rd Running Account bill was made under Head of Account 4059.</p> <p>Thus, merging of sanction of two different heads i.e. General Pool Accommodation (4216) and Improvement of Office Building (4059) without any specific reasons was irregular and blurred the tracing of expenditure.</p>
8	Preparation of Preliminary Estimate of Staff Block without proper basis	-	Basis of various items like Special LED luminaries lighting, Special Electrical Equipment, Audio Video System, Superior flooring not available in the PAR and included in the PE on percentage basis was not found in the records made available to audit. Audit could not draw any assurance about PE as costing of items was done without any basis.

Thus, in respect of both the works undertaken by PWD, only Work I was completed whereas the Work - II (Construction of Camp office/Staff block) only raw construction of Camp Office was carried and the Staff block was not constructed. The planning stages was fraught with doubtful selection of

consultant, frequent revision of estimates, increasing the scope of work without proper justification. The tendering stages was also fraught with arbitrary preparation of restrictive list of tenderers. Execution stages also involved huge deviation in execution of agreement quantities, execution of superior specification items (₹ 18.88 crore) as extra items, deviation of funds, etc.

2.6 Unfruitful expenditure of ₹ 1.47 crore

Failure of the Department to ensure hindrance free site before awarding of work led to foreclosing of the work of construction of drainage system of Main Burari Road rendering an expenditure of ₹ 1.47 crore on the work unfruitful.

Section 15.1 (2) of CPWD Works Manual 2014 stipulates that before approval of NIT, availability of clear site, funds and approval of building plans from local bodies are desirable.

With the stated objective of providing better drainage/sewerage facilities and avoid flooding on road, the work for 'Construction of drainage system of main Burari Road from Hiranki Bandh to Amrit Vihar up to irrigation drain in Swarup Nagar Road' was awarded (March 2018) to M/s Competent Construction Co. at a tendered cost of ₹ 5.64 crore with stipulated date of start and completion as 31 March 2018 and 30 September 2018 respectively. As per scope of work, RCC box culvert drain for a length of 5555 meter from Amrit Vihar to Hiranki Bandh (both side) was required to be constructed. However, the drain could be constructed only for a length of 1062.35 meters (20 per cent of the work) due to a court case over land ownership and the remaining work, constituting construction of 4492.65 meters of drain from Amrit Vihar to Hiranki Bandh, was not constructed.

Test check of records (July/August 2022) of C & ND Roads Division for the period April 2013 to March 2022, revealed that land over which part of the drain was to be constructed was disputed and a court case was pending well before the date of issue of NIT (23 February 2018). Besides, it was observed that clear site was not available for construction of drain and the site was under encroachment.

As the site was not available due to encumbrance and dispute of ownership of land, the work was foreclosed in May 2019 and a payment of ₹ 1.47 crore, was made to the contractor for the completed work.

Failure of the department in awarding of work at proposed drainage/sewerage facilities without proper survey/ground situation/proper demarcation eventually led to foreclosure of the work and unfruitful expenditure of ₹ 1.47 crore. Further, the partially constructed drain would not serve the purpose of the project, i.e. alleviating the drainage problem from Amrit Vihar to Hiranki Bandh.

The matter was referred to the Department in December 2022, their reply is still awaited (July 2023).

Department of Revenue

2.7 Unfruitful expenditure of ₹ 1.81 crore due to failure to convert vehicles for quick response

Necessary equipment were neither installed by DDMA/Department in procured vehicles nor any fabrication work carried out, which was a pre-condition to convert them into Quick Response Vehicles (QRVs), even after a lapse of 25 to 42 months of purchase resulting in unfruitful expenditure of ₹ 1.81 crore.

Delhi Disaster Management Authority (DDMA) approved (8 July 2015) the Delhi Disaster Management Plan 2015-16, wherein it was decided for enhancing the strength of Quick Response Vehicles (QRVs). A meeting involving experts from the Delhi Fire Service, Health Department, and Directorate of Industrial Safety was held (October 2015) under the Chairmanship of Divisional commissioner (Disaster Management) to assess the exact requirement of vehicles and machinery. A list of equipment to be fitted in each QRV i.e. fabrication work, Oxygen cylinder, lifesaving equipment, TETRA sets/wireless sets, flashlight, siren, logo etc. was prepared.

Each vehicle was to be manned by three trained Civil Defence Volunteers (including one driver) round the clock. After getting approval for proposal in principle for procurement of 46 QRVs in the category of the Innova 2.5 G, the Department made a proposal (March 2018) for urgent procurement of 13 QRVs i.e., one for HQ, two for Shahdara District, and ten for other Districts.

DDMA had procured seven QRVs (Innova) in October 2018 at a cost of ₹ 95,35,725/- and six QRVs (Innova) at a cost of ₹ 85, 79,864/- in March 2020. To make them properly functional, fabrication and installation of equipment (Oxygen cylinder, lifesaving equipment, TETRA sets/wireless sets, flashlight, siren, logo, etc.) had to be done in all the 13 QRVs. As per order of the Special CEO, DDMA (31 July 2020) to concerned District Magistrate the vehicles should be exclusively used for purpose of Disaster related activities and should not be used for any other purpose.

Audit scrutiny revealed that DDMA/Revenue Department neither installed the necessary equipment nor did any fabrication work in these QRVs even after a lapse of almost three to five years of purchase of these vehicles. Further, it was found that some of these vehicles were used by the concerned District for other purposes not related to Disaster related activities.

The failure of the Department in making the vehicles functional as QRV resulted in Districts not fully equipped/ill-equipped to deal with any emergency/disaster

situation in Delhi. Further, the expenditure of ₹ 1.81⁵² crore became unfruitful and the life of the vehicles had also lapsed by three to five years.

The matter was referred to the Government (June 2023), reply is still awaited.

2.8 Blockade of funds of ₹ 2.38 crore on purchase and installation of nine V-SAT terminals

Failure of the department in ensuring timely procurement and installation of nine V-SAT terminals resulted in blockade of funds amounting to ₹ 2.38 crore.

With a view to making communication network in disaster situations failsafe, a proposal for procurement and installation of Very Small Aperture Terminals (V-SAT) at nine Revenue District Headquarters was initiated (August 2019) by the Delhi Disaster Management Authority/Revenue Department so that all the eleven districts of the Revenue Department of Government of NCT of Delhi have V-SAT terminals for seamless communication during disaster situations. South and North-East Districts of Delhi and Emergency Operations Centre (Headquarters) had V-SAT terminals supplied and installed under NDMS Pilot Project of National Disaster Management Authority (NDMA).

Revenue Department, GNCTD requested (August 2019) the Sub Divisional Engineer (BD), Bharat Sanchar Nigam Limited (BSNL), Bengaluru for quotations regarding supply and installation of KU BAND nine V- SAT terminals. In response, BSNL submitted (September 2019) its quotations for the same and the Department issued (December 2019) an order to BSNL for supply and installation of nine V-SAT terminals and for providing satellite and Internet Leased Line (ILL Bandwidth of 2 Mbps) for three years in nine different districts of the Revenue Department at a total cost of ₹ 6.98 crore. The Department sanctioned (February 2020) an advance of ₹ 2.38 crore to BSNL being 100 per cent cost of V- SAT Hardware materials and Annual Recurring Charges for Satellite and ILL Bandwidth of 2 MBPS for the first year.

In this regard, Audit observed that an advance payment of ₹ 2.38 crore was made to BSNL on 13 February 2020 without executing any MoU/Agreement laying out the terms and conditions for the contract. It was observed that although BSNL installed these V-SAT terminals, these were not made functional as of May 2022 i.e. even after two years of making full payment in advance. This resulted in a blockade of funds of ₹ 2.38 crore for more than two years along with loss of interest of ₹ 27.05⁵³ lakh up to May 2022. Also, in the absence of any formal agreement with BSNL, the Department was not in a position to ensure timely operationalization of the terminals nor it could levy any penalty for the delay.

⁵² 95,35,725 (7 QRVs) + 85,79,864 (6 QRVs)

⁵³ (23782109*5.25*2.17)/100, Rate= 5.25 (SBI Fixed deposit avg. rate for the period) , Duration =26 months (Feb. 2020 to May 2022)

The matter was referred to the Government (February 2023), their reply was awaited.

Department of Social Welfare

2.9 Delay in construction of Old Age Homes

Failure of the Department of Social Welfare (DSW) in constructing much needed Old Age Homes at three locations even after a lapse of seven to eight years of possession of the land, deprived the destitute, old and infirm persons of Delhi who are in the age group of 60 years of the much required social support, besides infructuous expenditure of ₹ 2.92 crore.

As per clause 19(1) of Establishment of Old Age Homes (OAHs) of Senior Citizen Act, 2007, the State Government may establish and maintain such number of OAHs at accessible places, as it may deem necessary, in a phased manner, beginning with at least one in each district to accommodate in such homes a minimum of one hundred fifty senior citizens who are indigent. These OAHs are intended to provide free boarding/lodging, medical care and counselling and recreational facilities to needy senior citizens.

For the purpose of establishing OAHs, Delhi Development Authority (DDA) / Gram Panchayat had allotted three plots of land to Department of Social Welfare (DSW), Government of National Capital Territory of Delhi (GNCTD) in the year 2013. The plots were immediately handed over to Public Works Department (PWD) for construction of OAH. Despite availability of land, the construction of old age homes did not commence as of March 2022 as detailed in the following paragraphs:

1. A plot size 779.52 Sqm, at Sarita Vihar allotted (26 July 2013) by DDA at a cost of ₹ 58.68 lakh (November 2013), was taken over by the Department (November 2014). The drawing for OAH was in-principal approved by the Principal Secretary, Social Welfare in January 2016. Preliminary estimates submitted (April 2018) by PWD for ₹ 3.58 crore was returned back by DSW for seeking clarification. PWD re-submitted estimates of ₹ 4.47 crore (January 2021) only after correspondence was made by the Secretary, DSW to Principal Secretary. Application for approval of building plan from local body was approved by South Delhi Municipal Corporation (May 2019). Audit observed that delay in submission of revised estimates by PWD and lack of pursuance on the part of DSW, resulted in a delay of more than six years for issuing Administrative Approval and Expenditure Sanction of ₹ 4.47 crore to PWD (November 2021) after taking over the possession of land by DSW. Construction was yet to start as of March 2022.
2. Another plot size 02 bighas 10 biswa at Chhattarpur was allotted (March 2013) by Gram Panchayat at a cost of ₹ 43.57 lakh (May 2013), the possession of land was taken over by the Department in July 2013. The

drawings for OAH were approved in November 2014. Audit observed that the building drawing was rejected by Delhi Urban Art Commission (DUAC) on May 2020 as the designs did not serve the functions properly and the shape of the plot was not suitable for construction of OAH and it had suggested for alternate site. Department of Social Welfare stated (March 2022) that it had decided to construct Old Age Home with reduced capacity on the plot and accordingly PWD was requested for revised layout with reduced strength of residents.

3. Another plot size 1009.54 Sqm. at Geeta Colony was allotted (June 2013) by DDA at a cost of ₹ 76.02 lakh (August 2013). Possession of the land was taken over by the Department in November 2014. Audit observed that drawings and preliminary estimates could not be finalized by the Department of Social Welfare/PWD despite several correspondence made in this regard (June 2022).

In addition to above, expenditure of ₹ 1.13 crore (₹ 27.82 lakh of Sarita Vihar, ₹71.46 lakh of Chattarpur and ₹ 14.28 lakh of Geeta Colony) was also incurred by the Department on watch and ward and construction of boundary wall of the land during 2013-20.

Thus, construction work of much needed OAHs has not yet been started even after a lapse of seven to eight years after taking possession of the land. The delay in construction of these OAHs can be attributed to lack of pursuance on the part of DSW towards construction of OAHs in Delhi. The delay in construction of OAHs denied the needy and poor senior citizens of Delhi the much needed social support, despite incurring expenditure to the tune of ₹ 2.92 crore⁵⁴.

The matter was referred to the Government in October 2022, reply is awaited (September 2024).

⁵⁴ ₹ 1.78 crore for cost of acquiring plots plus ₹ 1.14 crore for watch and ward and construction of boundary wall of plots.

Urban Development Department

Delhi Jal Board

2.10 Excess payment of ₹ 2.65 crore due to non-payment of property tax in time

Indecisiveness of the department to pay property tax in time resulted in failure to avail benefit of 15 per cent rebate of ₹ 2.59 crore on property tax besides avoidable payment of interest of ₹ 5.41 lakh for delay in payment.

Section 113 of The Delhi Municipal Corporation Act, 1957 empowers the Corporation to levy property tax. As per section 114 of the act, “the property taxes shall be levied on Land and buildings in Delhi”. Further, the Corporation issues advisory from time to time which prescribes 15 per cent rebate if property tax is paid in one lump-sum before first quarter or 30th June of every year.

During the audit of the Office of the Director (Finance and General), Delhi Jal Board for the year 2020-21, it was noticed that North Delhi Municipal Corporation (NDMC) served a demand notice (18 April 2019) to DJB for the payment of property tax amounting to ₹ 4.97 crore for the year 2019-20 in respect of properties of the DJB within the jurisdiction of NDMC. As per demand notice, rebate of ₹ 74.58 lakh (15 per cent of ₹ 4.97 crore) was available if ₹ 4.23 crore was paid on or before 30 June 2019. NDMC also requested DJB to provide details of properties falling within the jurisdiction of NDMC so that assessment of the left-out properties/land may also be carried out. However, Audit observed that DJB neither paid the property tax nor furnished details of properties/land.

NDMC revised assessment of DJB’s properties and issued (4 September 2019) demand of property tax of ₹ 17.35 crore to DJB including property tax of ₹ 12.26 crore on property at Narela Water Treatment Plant which was left out from assessment since 2006-07 to 2019-20. Due to non-payment of property tax by DJB timely, NDMC issued “Warrant of Distress” under Section 156A of the Delhi Municipal Corporation Act, 1957 to Branch Manager, Syndicate Bank for attachment of ₹ 17.35 crore from DJB’s Bank Account. Thereafter, DJB had paid (March 2020) outstanding Property Tax of ₹ 17.35 crore to NDMC (**Annexure 2.14**).

Thus, due to non-payment of property tax in time, DJB failed to avail benefit of 15 per cent rebate of ₹ 2.59 crore on property tax. Besides, interest of ₹ 5.41 lakh was also paid by the DJB for delay in payment of property tax (**Annexure 2.14**).

In its reply (June 2022), DJB stated that correspondence have been made between DMCs concerned continuously to adjust outstanding amount of property tax against pending water charges through book adjustment but no response was received from the DMCs. During this exercise, the period for availing rebate on

property tax expired and North DMC recovered its property tax by attachment of DJB Bank Account.

Reply of DJB is not acceptable as it should have ensured payment of property tax on time, since it is a statutory levy, when there was no favourable response from DMCs for adjustment of property tax against pending water charges.

The matter was referred to the Government (December 2022), their reply is awaited (September 2024).

Department of Women and Child Development

2.11 Compliance Audit on Ladli Scheme implemented by GNCTD

During the period 2018-22, Department of Women and Child Development (DWCD) did not conduct any survey or prepared any data of intended beneficiaries nor fixed any annual financial or physical targets for covering beneficiaries under the Ladli Scheme. No advertisement campaign or publicity activities for promoting awareness of Ladli Scheme was conducted by DWCD.

Enrolment of new beneficiaries had decreased by 69 *per cent* from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21 whereas enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

DWCD fixed time lines (2022) for registration, renewal and payment of maturity amount to the beneficiaries after a delay of 14 years after inception (2008) of the Scheme.

Despite introduction of online mode for submission of Application, District level offices/DWCD were not using the facility for processing and sanctioning of financial assistance to the beneficiaries.

16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth was noticed in the scheme database which resulted in excess payment of ₹ 11.49 crore to State Bank Life Insurance Company Limited.

78,065 beneficiaries had attained the age of 18 years at the time of enrolment in the scheme, due to which ₹ 180.92 crore (including interest) were lying in the accounts of these beneficiaries with SBIL. Similarly, fund amounting to ₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (31 December 2022) where the beneficiaries had attained the maturity age.

2.11.1 Introduction

Department of Women and Child Development (DWCD), GNCTD launched Delhi Ladli Scheme with effect from 1 January 2008. The aim and objectives of the scheme were to enhance the social status of a girl child in the society as well

as in the family, to ensure proper education, to make girl child self-reliant and to protect the girl child from discrimination and deprivation.

DWCD makes periodical assistance in the name of the eligible⁵⁵ girl child, which are kept by State Bank Life Insurance Company Limited (SBIL) as fixed deposits to her credit and later redeemed along with accrued interest, after attaining the age of 18 years and passing Xth from a Government recognized school or her taking admission in XIIth. Stages and amount of financial assistance is as given in **Chart-2.11.1**.

Chart-2.11.1: Stages of financial assistance



Girls born on or after 1 January 2008 will get benefit deposited in her account immediately after birth. The other girls born before 1 January 2008 will get benefit under this scheme from academic year 2008-09 on their admission to I, VI, IX, XII class and after passing the X class, in a Govt. recognized School.

As of 31 December 2022, there were 8,84,710 active beneficiaries under the scheme. During the audit period (2019-22), 1,54,487 new beneficiaries were registered/enrolled and 2,55,473 beneficiaries renewed their registration at various milestones. During this period, maturity amount of ₹ 180.01 crore was paid to 73,536 beneficiaries.

2.11.1.1 Set-up of Ladli Scheme in the DWCD

The Ladli Scheme is implemented by DWCD, GNCTD headed by the Secretary who is assisted by a Director (DWCD), one Joint Director, one Deputy Director, one Assistant Director and a Ladli branch. In addition, Ladli Scheme is implemented through 10 Districts Offices headed by District Officer at the District level.

DWCD signed a Memorandum of Understanding (MoU) on 30 July 2008 with SBIL and State Bank of India (SBI) for financial arrangement of the scheme which includes maintaining of accounts of beneficiaries, releasing maturity

⁵⁵ The applicant and her parents must be bonafide residents of NCT of Delhi for at least three years preceding the date of application, (ii) annual income of parents of the child should not exceed ₹ one lakh (iii) the financial assistance is restricted to only two girls in a family, (iv) the child should be studying in a Government/MCD/NDMC or Government recognized school in Delhi,

amount and opening of savings account of beneficiaries in SBI for depositing the maturity amount.

2.11.1.2 Audit Objectives

The Audit objectives were to assess

- (i) whether there was adequate planning for implementation of the scheme,
- (ii) whether funds were adequate and utilized in efficient manner,
- (iii) whether the implementation of the scheme was in accordance with Delhi Ladli Scheme Rules framed by the GNCTD and
- (iv) whether adequate monitoring existed for effective operation and management of the scheme.

2.11.1.3 Audit Criteria

The Audit criteria were derived from the following:

- (i) Delhi Ladli Scheme Rules, 2008,
- (ii) Notifications/circulars issued by the DWCD/GNCTD,
- (iii) Records of selected district and DWCD headquarters,
- (iv) Minutes of the meetings of DWCD and
- (v) Replies of the DWCD headquarters and its districts.

2.11.1.4 Audit Scope, Coverage and Methodology

Audit test checked records at the DWCD and three Districts⁵⁶ out of the 10 districts covering the period 2019-22. Apart from this, data provided by DWCD relating to beneficiaries, renewals, maturity claims, amount etc., was also examined. An Exit Meeting was held with the Director, DWCD on 04 August 2023 to discuss the audit findings. Replies of the Department wherever received have been incorporated in the Report.

Audit findings

2.11.2 Planning for implementation of the Scheme

2.11.2.1 Assessment not done to identify intended beneficiaries nor targets fixed for covering them

DWCD prepares annual budget of the Ladli Scheme on the basis of the previous year's budget and expenditure.

Audit observed that DWCD did not conduct any survey or prepared any data of intended beneficiaries to be covered under the Ladli Scheme nor fixed any annual financial or physical targets for covering beneficiaries under the Ladli Scheme.

⁵⁶ North West-II, North East and East

DWCD stated (January 2023) that it is not possible to calculate the exact number of eligible beneficiaries which would be born in Delhi and enrolment at school level cannot be predicted in exact number. It further added that registration cases were processed as and when they were received through different sources like offline mode through schools/parents or online mode through e-district portal.

Reply is not acceptable as the DWCD did not set-up any mechanism to proactively identify girl child born in Delhi whose parents were bonafide residents of Delhi and had annual income less than ₹ one lakh.

Government stated (July 2023) that the DWCD intends to provide financial assistance to maximum beneficiaries who are registered under Delhi Ladli Scheme, 2008 and DWCD is fixing and maintaining the target of each district on the basis of last financial year achievement.

Reply is not acceptable, as supporting documents relating to fixing of targets and achievement of the physical targets were not furnished.

2.11.2.2 Lack of effort to create awareness/publicity of Ladli Scheme

One of the aim of the scheme is to ensure proper education so as to make the girl child self-reliant, where parents income is less the ₹ one lakh per annum. Secretary, DWCD, in a meeting (20 February 2020), emphasized the need to generate awareness about the Ladli Scheme among the socially weaker and illiterate people through wide publicity in leading Newspapers on monthly or quarterly basis.

Audit observed that despite direction of Secretary, no advertisement campaign or publicity activities through any media/mode promoting awareness of Ladli Scheme was conducted by DWCD during 2019-2022 either monthly or quarterly.

In its reply, Government stated (July 2023) that advertisements in newspapers were published in September 2020 and September 2022 for wide publicity/awareness and as a campaign to create awareness.

Reply is not acceptable, as supporting document were not furnished with reply. Further from their own reply, it was done only twice in three years as against direction to do monthly or quarterly. Still further, the Department should have made efforts to reach the people through electronic modes i.e. Audio/Video on Radio/TV, through organizing publicity/awareness camp in the colonies/jhuggis etc. and also through display boards in Metro/prominent places of Delhi, but no such steps were taken by the Department.

2.11.2.3 Delays in remittance and in framing time lines for fresh Registration, Renewal and Maturity payment at District level and SBIL

Although the Ladli scheme was launched in January 2008, DWCD fixed time lines for fresh registration, renewal and payment of maturity amount to the beneficiaries after a delay of 14 years (August 2022).

Audit observed that there were delays in remittances and registration on the part of Districts and SBI Life insurance Company Limited during 2019-22 which has been discussed as under:

- (a) Test check of record of District North-West-II revealed that there were delays of eight to 15 months in remittance of financial assistance by the District office to SBIL in 139 and 74 cases of new birth Registrations pertaining to 2019-20 and 2020-21 respectively. Remaining two selected districts East and North East did not maintain records relating to receipt and disposal of applications.

In its reply, Government stated (July 2023) that DWCD has issued (August 2022) directions to all District Offices and SBIL to adhere to timelines as regard to new Registration, Renewal of Ladli cases and payment of maturity amount to the beneficiaries. No reply was given with regard to non-maintenance of records by East and North-East Districts.

- (b) At the time of Registration *inter alia* following documents are required to be submitted viz. three years residence proof in Delhi, self-declaration by the parent regarding annual income not exceeding ₹ one lakh, birth certificate of the girl child issued by the Registrar of MCD/NDMC and copy of Aadhaar Card of the parents and the child, if available.

Test check of records of rejected cases of two Selected Districts revealed that 35 applications were rejected by District Offices on invalid grounds.

Audit observed that

- Five applications were rejected for non-submission of copy of Aadhaar card of parents despite this not being a mandatory document,
- 15 cases were rejected as applicants had declared annual income of ₹ 1 lakh whereas as per rule the income should not exceed ₹ 1 Lakh,
- Eight cases were rejected as name of the child was not mentioned in the Birth Certificate,
- Four cases were rejected on the ground that stamp and signature of the Principal of the School was not found on the Form although the Forms were duly attested by Head of the School.
- In three cases copy of Aadhaar card of the child was not enclosed,

Similarly, while rejecting incomplete/deficient Applications, reasons of rejection were not intimated to the concerned school authorities/parents. Audit observed that 26 applications verified by the class teachers were rejected for missing stamp and signature of Principal of the School without conveying the same to the School or the parents of the children.

In its reply, Government stated (July 2023) that applicants were informed telephonically and for school going girls, the details of rejected cases were provided to the Ladli Yojana In-charge of the concerned school.

Reply is not acceptable as the applicants were rejected on insufficient grounds. With regard to informing reasons for rejections to the applicants no documentary proof was attached in support of reply.

2.11.2.4 Digitization of Ladli Scheme on e-District Portal not fully implemented

Minister of DWCD had set deadline of July 2020 to provide Ladli Scheme through online mode through e-district. This included making provision in e-districts to receive On-line Applications/Forms from the applicants, approval and sanction of these Applications on e-district, provision for transfer of the Applications in case of other districts.

Provision for online submission of Application under the scheme was made functional by DWCD from 24 December 2020.

Despite introduction of online mode for submission of Application, District level offices/DWCD were not using the facility for processing and sanctioning of financial assistance to the beneficiaries due to technical problems⁵⁷ at the level of DWCD Headquarters/District offices and the Applications were pending for approval.

During February 2021 to August 2022, 731, 525 and 1006 online Applications were received in respect of three selected districts viz. East, North West-II and North East respectively.

Audit observed that although Applications were processed and marked as 'Application approved' however they were not enrolled/registered under the scheme and were pending.

District Officer East (March 2023) stated that no system had been developed/adopted at DWCD headquarters level to process all sanctioned and rejected cases for further necessary action. DWCD stated (March 2023) that due to sudden emergence of Corona, staff strength was at its minimum and the process of digitization of the Scheme was delayed.

In its reply, Government stated (July 2023) that the Ladli Branch is in constant touch with IT Branch and SBIL to make the scheme fully functional through online mode. As regard pending online cases, Government stated that due to some technical problem these cases could not be processed. It further stated that

⁵⁷ Interim sheet for billing purpose could not be generated and consequently fund value was not being transferred to SBIL through concerned Pay and Accounts office, lack of transfer of applications among districts in case applicant applied in wrong district on e-portal, lack of provision for rectification/rejection of cases where applicants does not reply to the queries raised in their application even after proper intimation, etc.

in order to resolve such pending cases, the DWCD headquarters had organized a meeting with SBIL, IT Branch and District Officers in June 2023.

2.11.3 Fund Management

2.11.3.1 Budget and expenditure

The budget provision and actual expenditure on implementation of the Ladli Scheme during the period 2019-22 are given in **Table-2.11.1**.

Table-2.11.1: Budget provision and actual expenditure on implementation of Ladli Scheme

Year	Budget	Expenditure	Unspent budget	(₹ in crore)
				Unspent budget (in per cent)
2019-20	100.00	85.30	14.70	14.70
2020-21	100.00	84.82	15.18	15.18
2021-22	90.00	85.02	4.98	5.53
Total	290.00	255.14	34.86	

It can be seen from the **Table-2.11.1**, that budget ranging from 5.53 to 15.18 *per cent* remained unspent during 2019-22.

The reason noticed for savings was less receipt of new enrolment/renewal applications in District offices. Department stated that no target was fixed for registrations/renewals by the Department to provide assistance to maximum beneficiaries who were registered. The reply is not acceptable, as Department should have proactively identified the girl child who were in need of financial support under the scheme.

The Government stated (July 2023) that during the period 2019-22, pandemic had an adverse effect on new Registration as well as Renewal of Registration cases.

2.11.3.2 Discrepancy in amount remitted to SBIL and expenditure booked by DWCD

DWCD makes periodical payments in the name of the girl child, which are kept by State Bank Life Insurance Company Limited (SBIL). As per rule 7 (6) of Delhi Ladli Scheme Rules 2008, DWCD shall reconcile the expenditure with concerned authorized bank after every six months. Fund remitted to SBIL as per fund statements maintained by the SBIL and expenditure booked by the DWCD during the period 2019-20 to 2021-22 was as shown in **Table-2.11.2**.

Table-2.11.2: Fund remitted to SBIL and expenditure booked by DWCD

(₹ in crore)

Year	New enrolment	Renewal	Amount remitted (new cases) to SBIL	Amount remitted (renewal) to SBIL	Total amount remitted to SBIL	Expenditure booked by the DWCD	Difference
2019-20	30,192	92,161	18.80	55.09	73.89	85.30	(+)11.41
2020-21	61,546	86,514	35.08	52.11	87.19	84.82	(-) 2.37
2021-22	62,749	76,798	36.12	48.40	84.52	85.02	(+)0.50
Total	154487	255473	90.00	155.6	245.6	255.14	

Source: Fund statement of Ladli Scheme maintained by SBIL

Audit observed that DWCD did not conduct Quarterly reconciliation of beneficiaries and amount remitted to the SBIL during 2019-22. Resultantly there were difference in expenditure booked by the DWCD and annual figures furnished by SBIL.

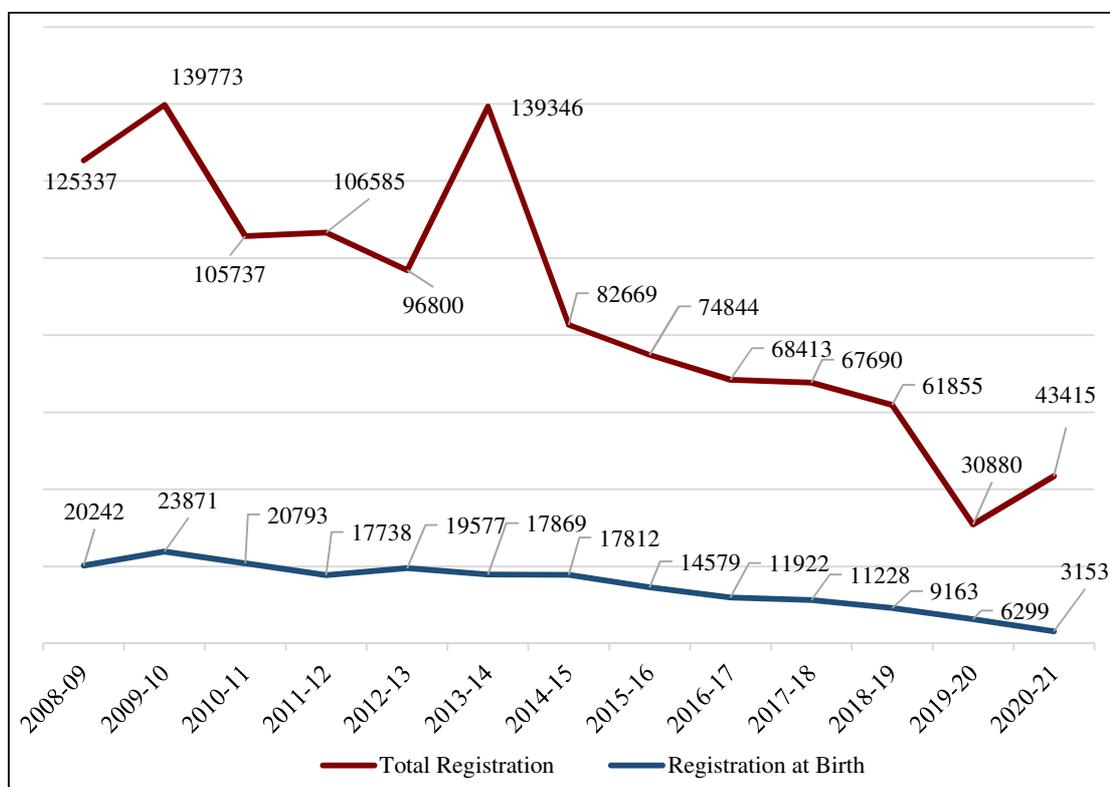
In its reply, Government stated (July 2023) that reply would be submitted in due course after obtaining from the SBIL.

2.11.4 Registration and Renewal

2.11.4.1 Registration of new beneficiaries in the scheme

The trend of Registration of new beneficiaries in the Delhi Ladli Scheme during the period 2008-09 to 2020-21 is given in the **Chart-2.11.2**.

Chart-2.11.2: Trends in registration during 2008-21



The analysis of above data shows that enrolment of new beneficiaries has decreased by 69 per cent from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21.

Moreover, enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

The Government stated (July 2023) that reply would be submitted in due course after obtaining from the SBIL.

2.11.4.2 Duplicate beneficiaries under Delhi Ladli Scheme

DWCD did not have a mechanism (Aadhaar linked) to ensure that only unique beneficiaries are registered under the scheme. Besides, the process for inclusion of Ladli Scheme in DBT mode was initiated by the Planning Department, GNCTD only in May 2023. Failure to ensure Registration of unique beneficiaries resulted in Registration of the same beneficiary more than once.

Audit observed that database of 8,84,710 active beneficiaries (December 2022) had 16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth. This resulted in excess payment of ₹ 11.49 crore to SBIL.

Moreover, in 20,127 cases involving payment of ₹ 29.23 crore, audit observed that beneficiaries name, date of birth and either name of parents was same, as shown in the table below, which indicates possible duplicate cases and needs to be thoroughly verified.

A few illustrative examples are given in **Table-2.11.3**.

Table-2.11.3: Examples of similar beneficiaries

Sl. No.	Member Name	Mother Name	Father Name	DoB of Member
1.	Aafiya	Firdaus	Mohd Asif	07-10-2005
	Aafiya	Firdous	Mohd Asif	07-10-2005
2.	Aafiya	Nagina	Nawabuddin	14-08-2004
	Aafiya	Nagina Khatoon	Nawabuddin	14-08-2004
3.	Aakanksha	Vibha Rao	Ravi Rao	10-01-1998
	Aakanksha	Vima Rao	Ravi Rao	10-01-1998
4.	Aanshi Kumari	Mamta	Atar Singh	17-08-2015
	Aanshi Kumari	Mamta Devi	Atar Singh	17-08-2015
5.	Aachal	Sarita Devi	Jagbir Singh	15-11-2005
	Aachal	Sarita Devi	Late Jagbir Singh	15-11-2005
6.	Aaditi Kaushal	Preeti Kaushal	R D Kaushal	26-09-2007
	Aaditi Kaushal	Preeti Kaushal	Rameshwar Dayalkaushal	26-09-2007
7.	Aafiya	Shama	Noor Husan	20-07-2010
	Aafiya	Shama	Nur Hasan	20-07-2010

Further, Audit observed that there were blank/invalid entries in important columns such as 'Father name' and 'Mother name' which indicated absence of proper input validation controls. Audit observed that 371 cases and 2484 cases had either blank or invalid entry such as single character, N/A, number in column of 'Father name' and 'Mother name' respectively.

During test check of records, Audit observed that District West had written (March 2020) to SBIL for refund amount in respect of 42 case of duplicate Registration, however, the same was pending (March 2023).

The Department needs to review and exclude such cases and develop a mechanism to ensure that same beneficiary is not registered multiples times. Department may also ensure adequate validation controls during digitization of beneficiary data.

In reply, Government stated (July 2023) that this happened due to lack of awareness on the part of the parents, who unknowingly fill new forms instead of renewal forms in district offices. It was further stated that the Department has recommended to make Aadhaar mandatory for all such cases so that fraud cases are curtailed. It was also stated that DWCD headquarters has issued instructions to SBIL for developing an online software for database of beneficiaries. It has directed all District Officers to ensure that no duplicate case shall be reported in future. Government also stated that complete reply would be submitted in due course after obtaining from the SBIL.

2.11.4.3 Irregular Registration of adult beneficiaries resulted in excess expenditure of ₹ 180.92 crore under Ladli Scheme

GNCTD provides financial assistance in the form of long term FDRs in the name of girl child (at the time of birth, on admission in class I, VI, IX and XII and passing the class X), encashable only after the said girl child attains the age of 18 years and has passed class X or has taken admission to class XII. As per Master Policy of Document Schedule II, a person must not have completed the age of 17 years at the time of her admission to the scheme. In circular issued by DWCD (October 2022), all District Officers, DWCD and SBIL officials were directed to follow the mentioned age criteria for enrolment under Delhi Ladli Scheme and the criteria for admission to Class XIIth mentioned that the age of the child should be 16+ but less than 18.

Audit observed that out of 8,84,710 active beneficiaries (December 2022) 78,065 beneficiaries (8.82 per cent) had attained 18 years of age at the time of enrolment in the scheme. An amount of ₹ 180.92 crore (including interest) were lying in the accounts of these beneficiaries with SBIL. Department may review such cases and take appropriate steps.

In its reply, Government stated (July 2023) that there is no age criteria mentioned for school Ladli new Registration. It was further added that no where in the scheme it is written that enrollment of the girl child cannot be done at the age of 17 years. It was also stated that complete reply would be submitted in due course after obtaining from the SBIL.

Reply is not tenable because Master Policy Document Schedule II of MoU signed between department and SBIL provides that a person must not have completed the age of 17 years at the time of her admission to the scheme. Further the cases pointed out in audit pertained to enrollment of beneficiary in the scheme who had attained 18 years of age at the time of enrollment.

Test check of Maturity data of District East, revealed that 1842 beneficiaries were paid maturity amounting to ₹ 4.77 crore despite these beneficiaries joining the scheme after attaining the age of 18 years.

Besides, Audit observed that in 298 cases, the column 'Date of Birth' was blank which indicates incompleteness of data of the beneficiaries at the time of maturity.

2.11.4.4 Registration of beneficiary at birth after time lag of five to 15 years

According to Rule 6.2 of Delhi Ladli Scheme Rules, 2008, the parents of the girl child shall submit the Application within one year from the Date of Birth of the child in order to be eligible for the initial payment of ₹ 10,000/₹ 11,000. District Social Welfare Officer will be the competent authority to relax the above time limit depending on the merits of the individual case. Thereafter, the applicant will be eligible for benefits of subsequent milestones occurring after Registration.

Scrutiny of data of active members (December 2022) revealed that 51 cases of such registration amounting to ₹ 5.54 lakh was done with time lag of five to 15 years. Further, Audit observed that in these cases the payment against next immediate milestone was shown pending.

In its reply, Government stated (July 2023) that no case is registered in District Office after one year of birth, however, due to the working of SBIL which activates the case in the system only after receiving the payment, it creates confusion as some cases are timely received but activated after the year. It was further added that complete reply would be submitted in due course after obtaining from the SBIL.

Reply of the Department is not acceptable as the data showed that Registrations were done with time lag of five to 15 years and timely disposal of Application is the Department's responsibility.

2.11.4.5 Financial assistance not restricted up to two girl children in a family

As per Rule 4 (5), the financial assistance shall be restricted up to two girl children in a family. During analysis of data of active beneficiaries provided by the SBIL, Audit observed that there was no system in place for ensuring compliance with the above said rule.

Based on test check conducted by Audit, four cases of financial assistance not restricted up to two girl children in a family were noticed. In the absence of any mechanism to ensure compliance of the above order, additional cases of similar deficiency may not be ruled out.

In its reply, Government stated (July 2023) that reply would be submitted in due course after obtaining from the SBIL.

2.11.4.6 Records relating to receipt and disposal of fresh Applications not maintained at the District level

As per MoU, relevant records such as original copy of Registration Form, Residence proof, Birth Certificate and Annual Income Certificate were sent to the SBIL by the District office for scanning and the hard copy of the same maintained by SBIL were to be destroyed.

Audit observed that neither the original copy of Registration Form, Residence proof, Birth Certificate and Annual Income Certificate of the registered beneficiary nor the scanned copy of the same were available with DWCD/Districts. In the absence of availability of requisite documents, Audit could not ascertain in test check the correctness and genuineness of registered beneficiaries under the scheme.

Audit is of the view that as DWCD is the custodian of the data, all records should be maintained by DWCD either in physical or electronic form.

In its reply, Government stated that (July 2023) the District Offices have full records of registration/enrollment records of beneficiaries and copies are also retained for information, but due to Covid-19 there were some instances wherein records were not properly maintained.

Reply is not acceptable as copies of Registration Form, Residence proof, Birth Certificate and Annual Income Certificate of the registered beneficiary etc. were called for during Audit, but the same were not available with them and were not provided to Audit.

2.11.4.7 Issuance of same Unique ID for two members in fresh registration

As per MoU, the District Office shall create a 'Member Unique Number/Form Number' for every girl child in the new registration. Scrutiny of data of three

selected Districts for period 2019-22 revealed that same Unique Numbers/Form Number were allotted to more than one beneficiary.

Audit observed that in 22, 9, and 135 cases same Form Number was assigned to two different beneficiaries in North East, North West – II and East districts respectively. In one case of North East District same Form Number was assigned to three different beneficiaries. Funds amounting to ₹ 30.16 lakh were transferred to the SBIL in these cases without ensuring unique ID of girl child.

In its reply, Government stated (July 2023) that before sending a form of Ladli Yojana to SBIL, it must undergo many stages and there is a possibility of clerical mistake at any stage and the Headquarters would conduct a training program for Officials/Officers for proper record keeping/management of the Ladli Scheme.

2.11.4.8 Renewal of milestones

As per Rule 8 (i & ii) of Delhi Ladli scheme rules 2008, the long term Fixed Deposit receipts was to be renewed at every subsequent stage of deposit and it was the responsibility of DWCD to obtain a Certificate from the School authorities of the beneficiary girl child being alive and studying in a regular School. Department did not furnish the information of total cases due for Renewal and cases renewed during the period 2019-22. Thus Audit could not ascertain the number of cases which were not renewed.

The status of cases due for Renewal and cases Renewed in respect of three selected District during the period due 2019-22 is given in **Table-2.11.4**.

Table-2.11.4: Status of renewal in the selected districts

Name of the district	Number of case due for renewal	Number of cases actually renewed
North East	Not furnished	30,137
North West – II	Not furnished	32,901
East	49,735	35,244

It can be seen from the above table that the percentage of renewal of cases in respect of district East was only 70.86 per cent.

Audit scrutiny also revealed that in 18,746 (19.07 per cent) out of 98,282 cases renewed, renewals for 2 to 4 milestones were done together as the renewal amount ranged between ₹ 10,000 to ₹ 20,000 instead of ₹ 5,000 as detailed in **Table-2.11.5**.

Table-2.11.5: Number of cases in which there were delays in renewal of 2 to 4 milestones

Name of District	Number of cases in which ₹ 20000 was paid for four milestones together	Number of cases in which ₹ 15000 was paid for three milestones together	Number of cases in which ₹ 10000 was paid for two milestones together
North East	02	463	4233
North West-II	117	707	4621
East	71	1142	7390

The delay in timely renewal of cases resulted in loss of interest on accumulated amount at the time of maturity.

In its reply, the District Office East stated that the parents of the beneficiary were not aware about the scheme and the District had not received the information from school in time.

The reply is not acceptable as DWCD is overall responsible for ensuring timely renewal of cases when these become due.

2.11.4.9 Excess payment of ₹ 63.13 lakh made to SBIL in renewal of milestone

Audit scrutiny of data for 2019-22 of three test checked Districts viz. North East, North West-II and East revealed that in case of 1082 beneficiaries, District Office had made double payment of ₹ 5000 to 1076 beneficiaries and triple payment of ₹ 5000 to six beneficiaries at the time of renewal of milestones which resulted in extra payment of ₹ 63.12 lakh as per details given in **Table-2.11.6**.

Table-2.11.6: Multiple payments made to SBIL

Name of the district	Year	No. of beneficiaries	Amount payable to SBIL	No. of cases renewed twice/thrice	Total amount paid	Excess amount paid
North East	2019-20	24	1,25,000	48	2,45,000	1,20,000
	2021-22	777	49,10,000	1557	94,60,000	45,50,000
North West-II	2019-20	13	85,000	26	1,70,000	85,000
	2021-22	1	5,000	2	10,000	5,000
East	2019-20	23	1,57,500	46	31,50,000	1,57,500
	2020-21	133	7,22,500	269	15,05,000	7,82,500
	2021-22	111	6,12,500	222	12,25,000	6,12,500
Total		1082	66,17,500	2170	1,29,30,000	63,12,500

This shows that the District Offices do not exercise due diligence to ensure that no beneficiary is given the benefit more than once for the same stage of renewal before sending list of renewal cases to SBIL or issuing sanction orders/making payment to SBIL.

In its reply, Government stated (July 2023) that District Offices East, North East and North-West-II have not made any excess payment, but as per Department Office Order in January 2015, if renewal is missed at any milestone, but the child

is still in school, the District Officer can take a decision for further renewal and in consonance of the Order issued, make payment twice/thrice for renewals, if the girl is presently studying in the school.

Reply is not acceptable as Department had made double/triple payment to same beneficiary for same milestone and not for missing milestones.

2.11.5 Maturity

2.11.5.1 Transfer of maturity amount of more than one case to same Bank Account

As per Rule 7(5), the accumulated amount will be paid to the girl child through an Account opened at SBI in her name.

DWCD had not furnished data of Maturity amount ₹ 180.01 crore paid to 73,536 beneficiaries during 2019-22. Scrutiny of Maturity data furnished by test checked Districts revealed that on three occasions, involving two cases each having different member ID and beneficiary name, the amount was credited in same Account Number.

Table-2.11.7: Details of accounts in which payments of two beneficiaries were made

Period	Member Unique ID (T)	Member name	A/c Details	Date of payment	Amount Paid (in ₹)
2019-20	022998DP	Suman	31735900563	30-04-2019	33997
2020-21	036321	Sonia	31735900563	13-12-2019	9073
2019-20	211728	Somya Gupta	35755912872	06-03-2020	33935
2021-22	03GE1920t1522	Srishti Gupta	35755912872	19-05-2020	40352
2019-20	283568	Neha	38255860055	12-08-2021	32029
2021-22	347945	Neha	38255860055	27-01-2022	11157

Total payments made in these accounts amounted to ₹ 1.61 lakh.

2.11.5.2 Maturity amount of ₹ 2.68 crore not disbursed due to failure of EFT and time barred cheques

Clause 16 of MoU signed between DWCD and SBIL provides that within six months before the Maturity date of claims, the girl child shall open a Bank Account at SBI and the Bank Account details should be submitted to the District Office while claiming the Maturity amount and SBIL shall transfer the Maturity payment through cheque/DD/UTR or EFT.

Audit observed that during 2008 to September 2021, ₹ 2.68 crore maturity amount processed by SBIL to beneficiary accounts through EFT was rejected by the Bank. Audit had requested the Department to furnish the action taken for payment to the beneficiaries of these rejected cases. DWCD stated (March 2023)

that EFTs were rejected due to closed account, minor accounts and wrong account details of the beneficiaries.

Reply is not acceptable as the Department did not furnish the latest status of payment of the rejected cases.

In its reply, Government stated (July 2023) that the reply would be furnished in due course after obtaining from the SBIL.

2.11.5.3 Undisbursed amount of ₹ 618.38 crore lying with SBIL

As per rule 18 and 19 of the MoU signed between GNCTD and SBIL (July 2008), the Maturity claims shall be settled in favour of the member's (beneficiary) SBI Saving Account and shall be routed through the Government. Further, Rules provide that Death claims would be settled in the name of the Government and the claims arising in case of termination of membership shall also be settled in favour of the Government.

Database of 8,84,710 active beneficiaries (December 2022) furnished by the Department was analyzed. Audit observed that since inception of the Ladli Scheme (2008), fund amounting to ₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (31st December 2022) whereas the beneficiaries had attained the maturity age. Details are shown in **Table-2.11.8**.

Table-2.11.8: Unspent/unclaimed amount lying with SBIL

Milestone	Beneficiaries between age 18 to 20		Beneficiaries between age 21 to 25		Beneficiaries age 26 and above		Total Beneficiaries age 18 and above		(₹ in crore)
	No. of Beneficiaries	Unclaimed Amount	No. of Beneficiaries	Unclaimed Amount	No. of Beneficiaries	Unclaimed Amount	No. of Beneficiaries	Unclaimed Amount	Number of case (In per cent)
When a girl child born in hospital/nursing home	10	0.02	6	0.01	0	0.00	16	0.03	0.00
When girl child born at Home	3	0.01	2	0.01	0	0.00	5	0.01	0.00
Admission in 1 st Class	10,242	13.92	1,316	1.84	36	0.05	11594	15.81	3.62
Admission in 6 th Class	19,834	28.51	21,401	27.24	2,916	4.17	44151	59.93	13.79
Admission in 9 th Class	35,513	57.37	38,963	62.85	15,070	22.70	89546	142.92	27.96
Passing 10 th Class	22,732	42.90	24,549	49.54	17,834	35.90	65115	128.34	20.33
Admission in 12 th Class	37,206	93.30	31,712	83.07	40,927	94.97	109845	271.34	34.30
Total	125540	236.03	117949	224.56	76783	157.78	320272	618.38	100.00

It can be seen from the above Table that 1.26 lakh beneficiaries had reached the age of 18 to 20 years, against which ₹ 236.03 crore was lying unclaimed. Similarly, as against 1.18 lakh beneficiaries with age of 20 to 26 years and 0.77 lakh beneficiaries being more than 26 years, the unspent/unclaimed amount lying undisbursed with SBIL was ₹ 224.56 crore and ₹ 157.78 crore respectively. Moreover, 1,74,960 (54.63 per cent) cases were not settled where beneficiaries had fulfilled the criteria of Maturity having attained the age of eighteen years and had passed Xth class, but the amount was still lying with SBIL.

DWCD decided (November 2019) to reach out to members/beneficiaries who had moved to Maturity stage through Public Notice in Newspapers. Audit observed that Public Notices were issued only twice (10 September 2020 and 17 June 2022) in the Newspapers. Thus, failure of DWCD in creating awareness amongst the beneficiaries and lack of adequate action in tracing the beneficiaries through appropriate means deprived 3.20 lakh girl children from the benefits of the scheme, totaling to ₹ 618.38 crore as unclaimed amount.

Further, DWCD repeatedly directed⁵⁸ SBIL to refund the unclaimed amount and settle it in favour of Government as per provisions of the Ladli Rules 2008, but no action in this regard has been taken by SBIL. DWCD stated (March 2023) that the matter of unclaimed amount lying with SBIL for refund in the Government Accounts is still under process.

In its reply, Government stated (July 2023) that beneficiaries, even after maturity of their policy do not turn up for encashing the policy which may be due to migration, drop out or other reasons. DWCD has taken up the matter with SBIL for refunding the unclaimed amount lying with SBIL, but no satisfactory reply has been received from SBIL. It further added that the reply would be furnished in due course after obtaining from the SBIL.

Reply is not acceptable as the Department needs to enhance communication and outreach regarding the disbursement of unclaimed maturity amounts to entitled beneficiaries through public awareness campaigns utilizing social media, local newspapers, workshops, seminars etc.

In respect of two out of three selected Districts⁵⁹ cases of Maturity amount due, beneficiaries Application received and payment made to beneficiaries during 2019-22 are given in **Table-2.11.9**.

⁵⁸ August 2018 to March 2023

⁵⁹ Data was not provided by North-West-II District

Table-2.11.9: Cases of maturity amount due, beneficiaries applied and payment made

Name of district.	Cases due for payment on maturity	Application for maturity payment received	Cases in which SBIL made payment
North East	22349	12194	12111
East	60843	11643	9362

In can be seen from the above Table that out of total cases of Maturity, due for payment, only 19.13 *per cent* (East) and 54.60 *per cent* (North East) had applied for Maturity Claim. The percentage of claim actually paid to the beneficiaries ranged between 80.40 *per cent* (East) and 99.31 *per cent* (North East).

The reason for lack of payment to the beneficiaries were incomplete beneficiary details, invalid account details, etc.

2.11.5.4 Cheque/DD No/UTR NO/ EFT Ref No. not mentioned

The Ladli Rules 2008 provide that six months before the Maturity Date, the girl child shall open a Bank Account at SBI and the Bank Account details shall be submitted to the District Office while claiming the Maturity amount and SBIL shall transfer the Maturity payment through Cheque/DD/UTR or EFT.

SBI Life provides the login facility for beneficiaries to view details such as fund value, next milestone due date, date of joining of scheme, etc. Once the claim for Maturity amount is processed, data of beneficiary is deleted from the Ladli website. Audit observed that the Districts Offices do not have any record to check the name of beneficiaries to whom payments were made and the actual date of payment.

Audit scrutiny of the Maturity payment data for the period 2019-22 furnished by the District Office East and North West-II revealed that in 46 cases (₹ 14.17 lakh) and 31 cases (₹ 10.22 lakh) respectively, Maturity amount was not credited in the beneficiary account on account of invalid credit account, invalid beneficiary details etc. In the absence of status of realization, it could not be ascertained in Audit if payments were finally credited to the beneficiaries' accounts or not. Audit observed that after Maturity Claims are processed by SBIL on advice of DWCD, the beneficiary data are removed from the website and Districts Offices also do not have records of payments realized to the beneficiary and cases which were rejected.

Audit observed that District Officer (Central) also raised this matter in June 2021 with SBIL as the District Office does not have any information to satisfy the beneficiary about the Maturity amount. It had repeatedly requested SBIL to provide the District Office access to this data but no response had been received from SBIL.

In its reply, Government stated (July 2023) that EFT were rejected due to invalid details of beneficiaries as also invalid Bank Accounts. In this regard Department

would seek detailed report from the District Offices concerned and the complete reply would be furnished in due course after obtaining from the SBIL.

2.11.6 Monitoring and Supervision

In order to ensure the effective implementation of the scheme, it was necessary to have an effective Monitoring mechanism at every stage. However, Monitoring mechanism of the 'Ladli Scheme' had the following deficiencies:

2.11.6.1 Periodical Review of Ladli Scheme not carried out

The main objective of Delhi Ladli Scheme 2008 was to promote Socio-economic development of the girl child by providing education-linked financial assistance. Rule 12 of the Delhi Ladli Scheme 2008 provides that the scheme should be reviewed every two years and its progress should be monitored by the Department.

Audit observed that the Ladli Scheme was not reviewed since its inception in 2008. In the absence of periodical review of the Scheme, DWCD was not in a position to assess bottlenecks in various processes such as registration, renewal etc. and address the issues affecting implementation of the Scheme.

DWCD stated (March 2023) that the matter of putting up proposal for amendment in the Ladli Rule is under process.

In its reply, Government stated (July 2023) that DWCD is reviewing the scheme and the file regarding amendment of Ladli Scheme is under submission to the Minister of WCD.

2.11.6.2 Deficiencies in maintenance of records relating to the Scheme

As per Ladli Scheme Rules 2008, Long Term Fixed Deposit receipt should be provided to the applicant.

a) Audit observed that the selected three districts did not maintain any Register for entering details of Long Term Fixed Deposit receipts issued to the beneficiaries. In the absence of proper records, Audit could not ascertain whether deposit receipts were provided to the applicants.

b) District Offices did not maintain register to record the details of Application for claims of Maturity. Thus, the time taken for processing of the cases of Maturity could not be ascertained.

In its reply, the Government stated (July 2023) that in the selected three Districts Long Term Fixed Deposit Receipts are available on Ladli Fund Website.

Reply is not acceptable as neither Register was maintained nor reply of availability of such Ladli Fund Website was communicated during Audit, in the absence of which Audit could not ascertain whether Deposit Receipts were provided to applicants.

2.11.7 Conclusion

DWCD neither prepared any data of intended beneficiaries to be covered under the Ladli Scheme nor fixed any Annual Financial or Physical targets for covering the beneficiaries. Inadequate advertisement campaign promoting awareness of Ladli Scheme among the socially weaker sections was conducted by DWCD during 2019-2022. DWCD did not frame time lines for the Districts/SBIL for disposal of cases timely. The digitalization of Ladli Scheme on e-District portal was not fully functional.

There was steep fall in registration by 69 *per cent* from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21. Moreover, enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

Audit observed that Database of 8,84,710 active beneficiaries (December 2022) had 16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth. This resulted in excess payment of ₹ 11.49 crore to SBIL. 51 cases of Registration at the time of birth had joined the scheme after a time lag of five years to 15 years. 78,065 beneficiaries had attained age of 18 years against scheme guidelines at the time of registration against which ₹ 180.92 crore (including interest) was lying in the accounts of these beneficiaries with SBIL.

In test checked Districts, Audit observed lack of Internal Control as milestones of 1082 beneficiaries were renewed more than once, which led to excess payment of ₹ 63.13 lakh.

Online mode for receiving Applications was not fully functional as 2262 Applications received though On-line mode (February 2021 to August 2022) in respect of three Districts were not processed (April 2023) due to incomplete implementation.

₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (December 2022) whereas beneficiaries had attained the Maturity age.

There was lack of effective Monitoring mechanism in implementation of the Scheme as the scheme had not been reviewed even a single time since its implementation from 2008.

2.11.8 Recommendations

- Schemes should be periodically reviewed as per provision of Delhi Ladli Scheme Rules 2008.
- DWCD should take steps to create awareness of the scheme through regular publicity campaigns. Reasons for steep fall in enrolment of beneficiaries should be analyzed and steps taken for improvement.

- DWCD should take concrete steps to make the Online mode fully functional by rectifying technical problems faced in District Offices/DWCD for receiving and processing of Online Applications of Ladli Scheme.
- The Department should adopt proper mechanism to avoid duplicate/multiple Registration of beneficiaries, Registration of adult beneficiaries and of time barred cases. Proper mechanism should be adopted to avoid renewal of same milestone twice and thrice of a beneficiary.
- The Department should ensure maintaining of proper record of Renewal cases, New Registration cases and Maturity payment cases by the concerned Districts.
- Applications rejected for Registration may be timely communicated for follow up.
- DWCD should take adequate necessary steps to inform beneficiaries who have not applied for Claims despite attaining Maturity age and to obtain refund of the huge unclaimed amount lying with SBIL.



(RAJIV KUMAR PANDEY)

New Delhi

Dated: 12 November 2024

Principal Accountant General (Audit), Delhi

Countersigned



(GIRISH CHANDRA MURMU)

New Delhi

Dated: 13 November 2024

Comptroller and Auditor General of India

