

## Chapter 3: Civil Departments

### Reviews

#### Urban Development Department

##### 3.1 Trans Yamuna Area Development Board

*The Government of NCT of Delhi constituted the Trans Yamuna Area Development Board in March 1994 to secure the planned growth of the Trans Yamuna Area and to reduce the disparity in its development as compared to other parts of Delhi. However, during more than eight years of its existence, the Board had not formulated a unified and coordinated Area Plan for the purpose which was its primary function. Resultantly, only adhoc schemes were executed and investments thereon aggregating to Rs. 413.42 crore upto March 2002 failed to achieve the intended objective of planned development of the Area. Scrutiny of records relating to execution of works also revealed instances of avoidable or wasteful expenditure of Rs. 90.91 lakh attributable to factors such as delays in finalisation of tenders, non-observance of prerequisites for award of works, etc. In brief, the Board would not appear to have made any worthwhile contribution towards the improvement and development of the Trans Yamuna Area. If the intended objectives are to be realised, it will be necessary for the Board to identify the drawbacks in the existing infrastructure, formulate a unified and coordinated Area Plan and develop the Area accordingly.*

#### Highlights

**Even after more than eight years of its existence, the Trans Yamuna Area Development Board had not studied and identified the drawbacks in the existing infrastructure of the Trans Yamuna Area to facilitate the formulation of a unified and coordinated Area Plan.**

**The Board irregularly allocated Rs. 62 crore upto March 2002 for execution of various works.**

**Contrary to the objectives for which the Board was established, the Municipal Corporation of Delhi and Delhi Vidyut Board incurred expenditure of Rs. 136 crore and Rs. 47 crore respectively during 1997 to 2002 largely on works of a routine nature falling within the designated spheres of their responsibilities against allotments made by the Board.**

**The Delhi Jal Board retained funds ranging between Rs. 10 crore and Rs. 25 crore in current accounts. Apart from loss of interest this resulted in development works, not being executed.**

**The Jal Board also failed to monitor the execution of work relating to the remodelling of a drain, resulting in time overrun of 56 months and cost overrun of Rs. 16.93 lakh.**

**Failure of the Jal Board to finalise tenders within their validity period or even by the extended dates necessitated re-invitation of these tenders and resultant additional expenditure of Rs. 30.13 lakh.**

**Non-adherence by the Public Works Department to the prerequisites for award of works resulted in avoidable payment of Rs. 43.85 lakh on account of cost escalation.**

### **3.1.1 Introduction**

The Government of NCT of Delhi established the Trans Yamuna Area Development Board in March 1994 with the objectives of securing the planned growth of the Trans Yamuna Area and reducing the disparity in its development as compared to other areas of Delhi. The Chief Minister of Delhi is the Chairman of the Board. Its members include all MLAs of the Trans Yamuna Area, the Chief Secretary, heads of the executing agencies and a representative not below the rank of Joint Secretary from the Department of Urban Development, Government of India.

### **3.1.2 Functions of the Board**

The main functions of the Board are to:

- study the drawbacks in the existing infrastructure and to formulate a unified and coordinated Area Plan, specifically keeping in mind the

functioning of the MCD<sup>1</sup>, DDA<sup>2</sup>, DVB<sup>3</sup>, DJB<sup>4</sup>, PWD<sup>5</sup>, and the Irrigation and Flood Control and the Slum Wings in this area;

- recommend the priorities of the projects and schemes included in the Area Plan and the stages in which it may be implemented;
- examine the nature and the extent of overlapping of functions, so as to secure an improvement in the provision of services and for quicker redressal of public grievances;
- review the progress of implementation of the schemes and to recommend to the Government the quantum of financial assistance required.

Up to 2000-01, works recommended by the members of the Board, with the technical assistance from and in consultation with the implementing agencies, were considered and approved by the Board for providing infrastructural development in the Trans Yamuna Area. These agencies also prepared proposals for the Board's consideration indicating the estimated cost of each project, its duration, etc. From the year 2001-02, the annual action plans of various implementing agencies are placed before the Board for recommending different works to be executed in the Area. Those recommended by the Board are mainly executed through the MCD, DJB, DVB, and PWD. The Department of Urban Development, Government of NCT of Delhi administers and releases funds to these agencies on the recommendations of the Board.

### **3.1.3 Scope of Audit**

Of the aggregate expenditure of Rs. 314 crore incurred during the five-year period ending March 2002 on schemes and projects recommended by the Board, expenditure of Rs. 292 crore (92 *per cent*) was incurred by the MCD, DJB, DVB and PWD. Audit test checked the records of 14 of the 41 divisions of these four agencies covering 37 *per cent* of the expenditure incurred by them during this period. In addition, relevant records of the Urban Development Department relating to the schemes were also test checked.

### **3.1.4 Financial Management**

(a) The Schemes and works recommended by the Board are included in the budget estimates of the local agencies and departments. The Government of NCT of Delhi provides grants-in-aid to the MCD, loans to other local agencies and funds to Government departments. The Department of Urban

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<sup>1</sup> Municipal Corporation of Delhi

<sup>2</sup> Delhi Development Authority

<sup>3</sup> Delhi Vidyut Board

<sup>4</sup> Delhi Jal Board

<sup>5</sup> Public Works Department

Development releases the grants and loans to the local agencies in four quarterly instalments.

Details of the grants/loans/funds released to and actual expenditure incurred by the local bodies and departments for schemes in the Trans Yamuna Area during 1997-02 and the actual expenditure incurred there against are presented in the following table:

**Table 3.1.1: Financial outlay and actual expenditure**

(Rupees in crore)

Name of Agency/ Department	1997-98		1998-99		1999-00		2000-01		2001-02		Total	
	Rele-ases	Expen-diture	Rele-ases	Expen-diture	Rele-ases	Expen-diture	Rele-ases	Expen-diture	Rele-ases	Expen-diture	Rele-ases	Expen-diture
<b>MCD</b>	19.50	19.61	24.41	22.46	25.52	23.54	26.76	28.73	37.01	41.60	133.20	135.94
<b>DJB</b>	19.61	14.97	19.11	11.40	17.70	18.77	20.40	21.48	22.00	18.15	98.82	84.77
<b>DVB</b>	5.00	4.48	9.48	6.06	16.63	7.39	15.66	15.88	14.00	12.85	60.77	46.66
<b>PWD</b>	5.00	5.46	6.00	6.10	5.00	4.86	6.00	5.52	-	2.90	22.00	24.84
<b>DDA</b>	1.00	0.85	-	-	1.25	-	0.26	0.05	0.49	0.47	3.00	1.37
<b>I&amp;FC<sup>6</sup></b>	3.00	1.53	3.00	1.77	3.73	2.68	4.00	4.00	-	4.00	13.73	13.98
<b>UD<sup>7</sup></b>	-	-	-	-	2.47	2.47	0.87	0.87	-	3.00	3.34	6.34
<b>Total</b>	53.11	46.90	62.00	47.79	72.30	59.71	73.95	76.53	73.50	82.97	334.86	313.90

**(b) Non-adherence to conditions governing release of grants/loans**

The release of the second and subsequent instalments of grants or loans to the local agencies was subject to their signing a Memorandum of Understanding with their administrative departments, which makes it imperative on their part to achieve the stipulated targets and enables evaluation of their performance against such targets by the administrative departments. However, whereas the DJB and DVB had entered into the prescribed understanding for the financial year 2000-01, the MCD which accounts for 43 *per cent* of the total expenditure incurred on schemes recommended by the Board did not do so. Nevertheless, the Department of Urban Development continued to release grants without ensuring achievement of targets.

**MCD did not maintain assets registers**

The MCD was also required to maintain records of the assets created out of the grants in Form GFR-19 and to send a copy thereof to the Department of Urban Development. The Corporation, however, neither maintained any records of the assets created nor furnished the details to the Department of

<sup>6</sup> Irrigation and Flood Control

<sup>7</sup> Urban Development

Urban Development. In the absence of the records, actual creation of the assets could not be vouchsafed in audit.

(c) *Unutilised funds*

During 1994-2002, the Department of Urban Development released funds aggregating to Rs. 142.48 crore to the DJB. Funds ranging between Rs. 10.00 crore and Rs. 24.92 crore remained in current accounts with banks during 1994-01. Retention of funds in current accounts resulted not only in loss of interest to the DJB but also deprived the public of the intended benefits of development works for which the funds were meant.

**Funds remained  
unutilised in  
banks**

(d) *Irregular utilisation of funds*

The Sewerage Disposal Works-I Division of the DJB did not execute any work or scheme recommended by the Board during 2000-01 and 2001-02. Nevertheless, an amount of Rs. 39.44 lakh, representing the salary of the Superintending Engineer, SDW-I Circle, for these two years was debited, as expenditure against funds released on the Board's recommendations. This was irregular.

**3.1.5 Formulation of Area Plan**

As mentioned earlier, the Board's main function was to study and identify the drawbacks in the existing infrastructure and formulate a unified and coordinated Area Plan. One of the objectives of the Board was also to examine the nature and overlapping of functions among different agencies so as to secure improvements in the provision of services for quicker redressal of public grievances.

In its first meeting held in April 1994, it had identified certain problems in the area, such as pollution, non-availability of sufficient hospitals, inadequacy of school buildings, deficiencies in electricity supply, improper drainage, non-availability of water supply in unauthorised colonies, etc. The Board had therefore proposed the constitution of a committee chaired by the Chief Secretary to formulate an action plan for remedying these problems and shortcomings. The need for an integrated approach to these problems was also recognized in subsequent meetings of the Board and the Chief Minister had also emphasised in February 1999 that the Board should concentrate on large projects and works aimed at a systematic and planned development of the Area.

The Area Plan based on identification of the drawbacks was, however, not formulated. The committee envisaged in April 1994 had also not been constituted as of March 2002. Instead, the Board recommended the execution of only works of a routine nature, such as improvements to lanes, drains,

parks, street lighting, etc., replacement of cables and transformers, installation of panel boards, re-modelling of nallahs, replacement of water lines, etc. that would normally form part of the designated responsibilities of the local bodies concerned and were to be executed utilising their own resources. Certain instances noticed in the course of test-check by Audit are mentioned below:

(a) Of expenditure aggregating to Rs. 49.47 crores attributable to Divisions XXII, XXVI, XXVII, and XXXI and the Project Division, Shahdara, of the MCD during the five year period ending March 2002, expenditure of Rs. 38.06 crore (77 *per cent*) was incurred on improvements to roads, lanes, drains, parks, etc. These works constitute the normal functions of the Corporation.

(b) Similarly, expenditure aggregating to Rs. 12.64 crore was incurred by the DVB during 1999-00 on installation of transformers and laying of cables, replacement of feeders and conductors, provision of points and fittings for street lighting, etc. The expenditure did not result in the development or creation of any new assets of benefit to the general public.

(c) Two Divisions of the DJB spent Rs. 5.32 crore during 1999-01 on replacement of existing water lines.

Further, whereas the objective was to adopt an integrated approach to the redressal of the problems of the Trans Yamuna Area, the Board decided to place a sum of Rs. 50 lakh annually at the disposal of each of the 16 members of the Delhi Legislative Assembly elected from constituencies in the Area to be utilised, at their discretion, for execution of works by the MCD in their constituencies. Accordingly, Rs. 62 crore were allocated to them during 1994-02. This constituted 15 *per cent* of total expenditure of Rs. 413.42 crore incurred during this period on works undertaken by various agencies based on the recommendations of the Board. These allocations were in addition to their annual entitlement of a crore of rupees under the Assembly Constituencies Scheme for undertaking development works in their respective constituencies.

Audit scrutiny revealed that under MLA fund scheme, as against allocations totalling Rs. 48.80 crore made to the MCD during 2000-02 on behalf of the Members of the Legislative Assembly from the Trans Yamuna Area, Rs. 40.03 crore (82 *per cent*) were utilised. While details of the works on which expenditure was incurred out of the funds made available to them by the Board were not readily available, test-check in five constituencies revealed that the expenditure totalling Rs. 4.11 crore incurred out of these funds during the same period (2000-01 : Rs. 1.91 crore; 2001-02: Rs. 2.20 crore) constituted only 82 *per cent* (2000-01: 76 *per cent*; 2001-02: 88 *per cent*) of the funds provided.

Considering the fact that even the funds provided under the Assembly Constituencies scheme were not fully utilised, provision of additional funds by the Board without ensuring or specifying that these would be utilised only on schemes contributing to the planned development of the Trans Yamuna Area would not appear to have been justified.

In the circumstances, expenditure of such a large magnitude would not appear to have contributed to the augmentation of the infrastructure in the Trans Yamuna Area. On the contrary, it was more in the nature of transfer of resources to the local bodies for discharging their normal designated responsibilities. The approach to the problems plaguing the area would therefore appear to have been only *ad hoc*. The conclusion that the primary objective of establishing the Board had not been realised notwithstanding investments totalling Rs. 413.42 crore is consequently fairly inescapable.

### 3.1.6 Execution of works

(a) During 1994-02, the Board recommended 113 specific works of a total value of Rs. 120.83 crore. Test-check of records of 42 of these works (value: Rs. 34.14 crore) revealed the following:

(i) Three works of the value of Rs. 287.09 lakh approved by the Board in June 1998 were yet to be awarded as of March 2002 as detailed below:

**Table 3.1.2 : Works approved but not awarded**

Sl. No.	Name of the work	Board's approval				
		Date	Amount (Rs. in lakh)	Date of A.A <sup>8</sup> & E.S <sup>9</sup> .	Date of issue of NIT <sup>10</sup>	Extent of Delay in months
1.	Providing and laying sewer in Raghupura-I, Mohalla Ram Nagar	3.6.1998	115.57	3.8.2000	15.3.2002	42
2.	Providing and laying internal sewer in part of Shanti Mohalla	3.6.1998	37.05	3.6.2000	21.3.2001	42
3.	Providing and laying sewer in Dharampura	3.6.1998	134.47	24.4.2000	15.3.2002	42
	<b>Total</b>		<b>287.09</b>			

8 Administrative Approval

9 Expenditure Sanction

10 Notice Inviting Tender

(ii) In another 27 works of the value of Rs. 2324.68 lakh, which were approved by the Board between August 1994 and May 2000, there were delays ranging between 13 and 43 months in award of the works by concerned executing agencies. The extent of delays is analysed below:

**Table No. 3.1.3 : Delay in award of approved works**

(Rupees in lakh)

Sl. No.	Extent of delay in months	No. of cases	Amount approved
1.	13 to 24	08	500.02
2.	25 to 36	14	1273.66
3.	37 to 43	05	551.00
	<b>Total</b>	<b>27</b>	<b>2324.68</b>

(iii) Six works relating to construction of pedestrian subways and bridges, for which a lump sum provision of Rs. 500.00 lakh was approved by the Board in August 1994, were awarded by the PWD after delays ranging between 15 and 62 months.

The Board was required to review from time to time the implementation of the projects and the schemes included in the Area Plan and recommend measures for effecting coordination amongst the organisations and departments of the Government in the matter of implementation of such projects and schemes.

It was, however, noticed that the delays in implementation of these works were never reviewed by the Board in its meetings held between August 1994 and May 2000.

(b) Rules envisage that the notice inviting tenders should not be issued unless all tender documents, including site free from encroachments is available. Two Divisions of the MCD (XI and XIV), however, awarded two works notwithstanding the fact that the sites on which these were to be executed had been encroached upon. On account of the encroachments either not being removed or their belated removal, these works had not been completed as stipulated and were in progress as of March 2002. Consequently, expenditure aggregating to Rs. 8.72 lakh incurred till then had not enabled realisation of the intended objectives. Relevant details are



tabulated below:

**Table 3.1.4: Expenditure on incomplete work**

Sl. No.	Name of work (Name of Division)	Date of award of work	Stipulated date of completion	Tendered Cost (Rs. in lakh)	Payment made (Rs. in lakh)	Remarks
1.	Construction of boundary wall of quabristan at Khureji Khas (MCD Div. No. XI)	March 2000	June 2000	8.94	7.81	Of a total area of 4000 square meters, 560 square meters continued to be under encroachment
2.	Development of car parking side in front of cremation ground, Geeta Colony (MCD Div. No. XIV)	April 2000	June 2000	3.74	0.91	Encroachment on the land belonging to the DDA was removed only on 22 May 2002.

(c) The Executive Engineer (Construction), Drainage IX, Delhi Jal Board, awarded the work of "Remodelling of Gokalpur Drain in gaps from RD 712 to 808, 872 to 1010 and 1950 to 2868 including repairs from RD zero to 712 in Shahdara (Part-I)" to M/s N.K. Builders in August 1995 at a negotiated amount of Rs. 197.32 lakh. The work was to commence in August 1995 and was to be completed by November 1996.

**Work was completed after a delay of 56 months**

**Delay of 56 months resulted in cost escalation by Rs. 16.93 lakh**

**Non-finalisation of tenders within their validity period necessitated their re-invitation, resulting in cost increase of Rs. 30.13 lakh**

The work was, however, completed in July 2001 after a delay of 56 months and a sum of Rs. 211.38 lakh, including Rs. 16.93 lakh on account of cost escalation, was paid to the contractor. The Executive Engineer attributed the reasons for delay to encroachment on the entire alignment of the drain, narrow lanes and difficulty in bringing materials to the site because of its location. This was not tenable as the Executive Engineer himself was to provide an encroachment free site before award of the work. The failure to do so resulted in time overrun by 56 months and cost escalation of Rs. 16.93 lakh paid to the contractor.

(d) In terms of the provisions of the CPWD manual, tenders are to be finalised within 90 days of their opening. There were, however, avoidable administrative delays in the processing of tenders in respect of four works relating to three Divisions of the DJB, as a result of which these could not be finalised within their validity period or such extended period as had been stipulated by the tenderers. This necessitated re-invitation of tenders for these works leading to delays in award of the related contracts ranging from six to 28 months and a cost increase of Rs. 30.13 lakh in the aggregate. Relevant

details are tabulated below:

**Table 3.1.5: Extra expenditure due to delays in award of works**

Sl. No.	Particulars of work	Month of award of work	Extent of delay in award of work (in months)	Cost escalation (Rupees in lakh)
1.	Remodeling of Radhey puri Drain, Part II, Shahdara, RD 860 to 1297	August 1998	28	11.17
2.	Construction of RCC pipe/ RCC box drain in Shahdara	November 1997	20	9.67
3.	Providing and laying of internal sewer line in Khichripur village, Shahdara South	December 1996	6	5.64
4.	Construction of out fall drain in Shahdara	April 1997	9	3.65
	<b>Total</b>			<b>30.13</b>

(e) Rules envisage that the PWD should not issue tender notices unless all tender documents, including complete architectural and structural drawings, are available. The department also has the responsibility to supply these documents and drawings to the contractors as stipulated in the contracts. The Divisional Officers also have to ensure that the stipulated materials are supplied to the contractors and that all formalities, related works, if any, etc. are completed in time so as to avoid delays in execution of works.

The Executive Engineers of Divisions XXIX and XXX awarded the works relating to the construction of subways and bridges to four contractors during March 1996 to May 1998. They, however, failed to fulfill these essential requirements before finalising the contracts as well as after the works were awarded. This resulted in time overrun ranging from eight to 20 months and avoidable payments aggregating to Rs. 43.85 lakh as cost escalation in terms of the relevant agreements to the contractors. Details are contained in table

**Non-adherence to prerequisites for award of works resulted in cost escalation of Rs. 43.85 lakh**

below:

**Table 3.1.6: Expenditure towards cost escalation**

Sl. No.	Name of work and (Name of Division)	Date of commencement	Stipulated date of completion	Actual date of completion	Tendered amount (Rupees in lakh)	Cost escalation paid (Rupees in lakh)	Main reasons for delay
1.	Construction of Pedestrian subway across Road No.59 near Gokalpuri and Khajuri Chowk (PWD XXX)	3.3.96	2.5.97	31.12.98	142.02	12.55	Shortage of materials, construction of diversion roads, shifting of electric poles and water lines, etc.
2.	Construction of Bridge across Ghazipur Drain near Vasundara Enclave, Delhi (PWD XXX)	31.5.98	30.4.99	15.1.00	204.04	14.10	Delay in finalisation of alignment of wells and designs of pier, pier cap, pedestals and type of railing, etc.
3.	Construction of Bridge at road No.65 across trunk drain No.1 Joining road No.66 opposite U.P. Irrigation rest house (PWD XXIX)	14.1.97	13.7.98	1.7.99	136.46	3.82	Shortage of materials, road restoration, and delay in finalisation of drawings of slab seal joints, etc.
4.	Construction of Pedestrian subway across road NH-24 bye pass near Mayur Vihar, Phase II, 'T' Junction (PWD XXX)	19.8.97	18.6.98	15.4.99	84.27	13.38	Delay in finalisation of drawings, shortage of materials, execution of additional work by an other agency and deviations.
	<b>Total</b>				566.79	43.85	

### 3.1.7 Conclusion

The objective of development of the Trans Yamuna Area after identification of the drawbacks in infrastructure and their rectification based on a unified and coordinated Area Plan was not realised. Even after eight years of the constitution of the Board, only *ad hoc* schemes and works that would normally fall within the designated spheres of responsibility of the executing agencies continue to be recommended and undertaken. This only underscores the urgent need for the formulation of a well-considered and integrated Area Plan.

These observations were referred to the Government in August 2002; their reply was awaited as of December 2002.

**Welfare of Scheduled Caste/ Scheduled Tribe/ Other  
Backward Classes Department**

**3.2 National Scheme of Liberation and Rehabilitation of  
Scavengers and their Dependents**

*The Scheme envisaged the rehabilitation of scavengers and their dependents in other dignified occupations by providing appropriate training and financial assistance. Its implementation was, however, not effective in Delhi. Notwithstanding a number of surveys undertaken for their identification, their results were inconsistent and, consequently, accurate and reliable information in regard to the number of scavengers was not available to facilitate determination of targets on a rational basis and to ensure the successful implementation of the Scheme. Profile of each scavenger, indicating his aptitude, training requirements and possible alternative employment was not prepared, and, consequently, there was no nexus between the training imparted and the rehabilitation efforts. Training was also imparted to persons other than those identified as scavengers. The Delhi Scheduled Caste Financial and Development Corporation, responsible for implementing the Scheme, could utilize only 59 per cent of the funds provided by the Government of India. The Corporation had no information on the number of beneficiaries extended financial assistance by the banks and monitoring of this vital component of the Scheme was ineffective, if not non-existent. Its claim that there were no scavengers left in Delhi did not also have an adequate factual basis given the position reflected in the Annual Plan for the year 2001-02 that as many as 1.39 lakh dry latrines still existed in the city. A scheme for the conversion of dry latrines into water-borne ones, which was a critical prerequisite for ensuring that scavengers gave up their obnoxious and inhuman hereditary occupation, was not implemented at all by the Municipal Corporation of Delhi which was entrusted this responsibility and funds aggregating to Rs. three crore remained almost entirely unutilized. In short, the implementation of the Scheme was ineffective because of inadequate surveys and identification processes resulting in non-availability of an adequate information base; adhoc determination of targets; and improperly directed rehabilitation efforts*

## Highlights

The results of surveys conducted in 1992-93 to facilitate formulation of a time-bound programme for identification of scavengers and their dependents and their aptitude for specific alternative trades and occupations were unreliable because of overlapping of areas covered by them and inclusion of safai karamcharis and children below 6 months of age; these were also inconsistent with the findings of subsequent surveys.

The training objective of the Scheme was not pursued with the required seriousness and the targets fixed lacked a rational basis and appeared to have been determined in what can be termed only as an *ad hoc* manner. The training efforts, limited as they were, did not also benefit the intended target group since training was also imparted to persons other than those identified as scavengers or their dependents. It did not also result in rehabilitation of the beneficiaries in more dignified vocations.

Targets fixed for rehabilitation of the scavenger population, which themselves appeared to be inflated, were not achieved.

Extension of financial assistance to facilitate rehabilitation was confined only to those who complied with the terms and conditions stipulated by banks. In the result, of the 8,112 beneficiaries recommended for such assistance, only 2,681 were covered.

Monitoring by the implementing agency of the utilization of the funds released to the banks was ineffective, if not all together non-existent.

Of grants aggregating to Rs. 7.15 crore made available for implementing the Scheme, only Rs. 4.25 crore were utilized as of March 2002.

Though a scheme for the conversion of dry latrines into water-borne ones was entrusted for implementation to the Municipal Corporation of Delhi, it was not implemented at all and funds aggregating to Rs. three crore made available for the purpose remained almost entirely unutilized.

**The claim of the implementing agency in March 2000 that no more scavengers were left in Delhi would not appear to be factually sustainable because the Delhi Government had subsequently estimated that as many as 1.39 lakh dry latrines still existed in the city, which obviously would require manual scavenging.**

### **3.2.1 Introduction**

The Government of India, Ministry of Welfare, launched the National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents in 1980-81. Its objective was to liberate scavengers and their dependents from their hereditary, obnoxious and inhuman occupation of manually removing night soil and filth and to rehabilitate them in alternative dignified occupations and vocations within a period of five years. The scheme was bifurcated in March 1992 and the component of conversion of dry latrines was entrusted to the Ministries of Urban Development and Rural Development and the rehabilitation of scavengers to the Ministry of Social Justice and Empowerment. The Government of India partially modified the scheme with effect from 1 April 1996.

The scheme has the following components:

- (i) Formulation of a time-bound programme for identification of scavengers and their dependents and their aptitude for alternative trades through a survey.
- (ii) Provision of training in identified trades for scavengers and their dependents at the nearest local training institution or centre of various Government or non-government organisations keeping in view their aptitude, local requirements and environment.
- (iii) Rehabilitation of scavengers in various trades and occupations through the provision of subsidy, margin money loans and bank loans.

### **3.2.2 Organisational Arrangements**

The Delhi Scheduled Caste Financial and Development Corporation Limited a fully-owned undertaking of the Government of National Capital Territory of Delhi implemented the scheme in National Capital Territory of Delhi. The Secretary, Department of Welfare of Scheduled Caste/ Schedule Tribe/ Other Backward Classes was responsible for coordinating the implementation of the scheme with Central Government.

### 3.2.3 Scope of Review

Mention was made in paragraphs 5.60 to 5.63 of the Report of the Comptroller and Auditor General of India for the year ending March 2000 about certain deficiencies in the implementation of the Scheme.

Audit conducted a test-check of the records pertaining to the implementation of the Scheme during the period from 1997-98 to 2001-02 by the agencies concerned with a view to assessing the extent to which its objectives were realized.

### 3.2.4 Receipts of Grants and their Disbursement

The position of grants released by the Government of India for the scheme and State's share under the scheme and expenditure for the period 1991-92 to 2001-2002 is tabulated below:

**Table 3.2.1: Receipt of Grants & Disbursement**

(Rupees in crore)						
Year	Unspent balance of grant as on 1 <sup>st</sup> April	Grants received from GOI	Contributions made by Govt. of NCT	Total Funds available for the Scheme	Expenditure incurred on training and rehabilitation of scavengers	Unspent balance
1991-92	--	3.75	NIL	3.75	--	3.75
1992-93	3.75	0.05	NIL	3.80	0.63	3.17
1993-94	3.17	NIL	--	3.17	0.11	3.06
1994-95	3.06	NIL	1.07	4.13	0.47	3.66
1995-96	3.66	NIL	--	3.66	0.76	2.90
1996-97	2.90	1.48	0.80	5.18	0.48	4.70
1997-98	4.70	NIL	NIL	4.70	0.70	4.00
1998-99	4.00	NIL	NIL	4.00	0.13	3.87
1999-00	3.87	NIL	NIL	3.87	0.72	3.15
2000-01	3.15 + 0.33*	NIL	NIL	3.48	0.18	3.30
2001-02	3.29	NIL	NIL	3.29	0.06	3.23
<b>Total</b>		<b>5.28</b>	<b>1.87</b>		<b>4.25</b>	

*Note : The contribution made by the banks and the Corporation as loan were not made available.*

\* Represents amount received back from the banks.

The following points were noticed in this connection :

- (i) Government of India released the grants in 1991-92 on the basis of the projected number of scavengers.
- (ii) Though an opening balance of Rs.2.90 crore was available, the Government of India released Rs.1.48 crore in 1996-97. Government of NCT also released Rs.0.80 crore in the same year without assessing the actual requirements.

**Unspent balances were neither surrendered nor was approval of the Central Government obtained to carry them forward**

The sanctions for grants-in-aid stipulated that the nodal agency concerned should surrender unspent grants or obtain the approval of the Government of India to carry it forward to the subsequent year. However, neither did the Corporation surrender such unspent balances nor obtain the approval of the Government of India to carry them forward. The Corporation retained the unspent balance of Rs.3.23 crore as of March 31, 2002, though it had informed the Government of India in March 2000 that there were no more scavengers in Delhi.

The Corporation, had also informed the Government of India in June 2000 that the funds could not be utilised due to (i) reduction in the number of identified scavengers; (ii) the reluctant and indifferent attitude of the participating banks in extending loans in the absence of a guarantee clause under the Scheme to ensure their recovery; and (iii) the absence of a provision in the Scheme for conversion of dry latrines into water-borne ones immediately after covering even complete clusters of scavengers.

### 3.2.5 Identification of Scavengers

**Surveys conducted for identification of scavengers were deficient and inconsistent**

The first step in the implementation of the Scheme was the formulation of a time-bound programme for identification of scavengers and their dependents and their aptitude for specific alternative trades and occupations. The Government of India had directed all the States to complete surveys for the purpose before 30 June 1992. The Government of NCT of Delhi however, failed to initiate action in this regard by the stipulated date. Between September 1992 and May 1993, four independent agencies (Delhi Scheduled Castes Financial and Development Corporation, Marketing and Research Group, Bureau of Economics & Statistics and Delhi School of Social Work), were commissioned to conduct surveys of scavengers in Delhi without clearly spelling out the areas to be covered by them. The number of scavengers identified by them were as follows:

**Table 3.2.2: No. of Scavengers identified and the name of the agency**

Name of the agency	Delhi Scheduled Castes Financial and Development Corporation	Marketing and Research Group	Bureau of Economics and Statistics	Delhi School of Social Work
Coverage	Not specified	Not specified	2 blocks	68 Assembly constituencies
No. of scavengers identified	505	500	7,988	8,427

- (i) The basis of identification of scavengers by Delhi Scheduled Castes Financial and Development Corporation and Marketing and Research



Group were not ascertainable since the related reports were not produced to Audit. Delhi School of Social Work clearly stated that it was a census study and data collection was done through door to door interviews by investigators and from published and unpublished reports and records collected from different agencies, including Delhi Scheduled Castes Financial and Development Corporation.

- (ii) Bureau of Economics & Statistics covered only 2 blocks viz., Nazafgarh and Kanjhawla in Delhi. It selected 50 villages out of a total of 103 villages in these two blocks to identify the scavenger households. Interestingly, out of 7,988 scavengers identified in this survey, 4,816 were stated to be not employed anywhere. Subsequently, this survey was found to have been exaggerated as it included safai karamcharis and children below 6 months of age.
- (iii) Whereas Bureau of Economics & Statistics had identified 7,988 scavengers in the two blocks surveyed, the Delhi School of Social Work, which had also conducted a survey in these blocks, had reported a population of only 608 scavengers.

**Results of the survey were highly inconsistent and figures were grossly inflated**

The results of the surveys were consequently highly inconsistent. The Corporation merely added the four sets of figures and reported that there were 17,420 scavengers in Delhi. This was done without analysing the reports received from the four agencies or examining the methodology adopted and area covered by them. The Corporation also failed to prepare the profile of each scavenger and his dependents alongwith details of their training requirements and alternative employment schemes with relevant details of the subsidy, loan, etc. that will be necessary, as envisaged in the scheme.

The Corporation commissioned another survey in 1997 after a lapse of five years through the University, Department of Social Work, which identified 7,961 scavengers in all the nine districts of Delhi. This was treated as a fair and final assessment by the Corporation.

The Ministry of Social Justice and Empowerment requested the Ministry of Urban Development and Poverty Alleviation in June 2001 to advise the State Governments to conduct a survey in July 2001 for collection of detailed data on the number of dry latrines in existence and the number of scavengers and their dependents involved in manual cleaning of dry latrines. The fresh survey was however, not undertaken by the Corporation on the ground that this was not necessary because there were no more scavengers in Delhi as disclosed in an assessment made in March 2000. The position in regard to dry latrines in Delhi has separately been discussed in paragraph 3.2.9.

### 3.2.6 Training

The Scheme provides for the training of scavengers and their dependents in suitably identified trades keeping in view their aptitude, local requirements and environment.

**Targets of imparting training to scavengers lacked a rational basis and appeared to have been determined in an adhoc manner**

In terms of the scheme the training programmes in respect of all identified scavengers and their dependents had to be completed by the year 1995-96. The number of scavengers identified for being imparted training based on the surveys undertaken during September 1992 – May 1993 and 1997 was not specified. Consequently, specific targets were not prescribed for the purpose. However, 400 scavengers in all were imparted training during 1993-97 (1993-94 : 13, 1994-95 : 121; 1995-96 : 44; and 1996-97 : 222).

During the subsequent five-year period from 1997-98 to 2001-02, a uniform target of training 200 scavengers each year was fixed, the basis of which was not clear. As against 1,000 scavengers proposed to be trained, only 671 were actually trained during the period. Year-wise details in this regard are contained in the following table:

**Table 3.2.3: Training: Targets and achievements (1997-98 to 2001-02)**

Year	Target	Number	Shortfall
1997-98	200	215	-
1998-99	200	203	-
99-2000	200	253	-
2000-01	200	NIL	200(100)
2001-02	200	NIL	200(100)
<b>Total</b>	<b>1,000</b>	<b>671</b>	

*Note: Figures in parentheses represent percentages.*

Consequently, 671 of the 7,961 scavengers identified by the Department of Social Work in 1997, representing 8.42 per cent of the population, were trained since 1997-98.

Audit scrutiny further revealed the following:

(a) While, the Corporation had informed the Government of India in March 2000 that there were no scavengers in Delhi, it nevertheless fixed targets of training 200 scavengers in each of the years 2000-2001 and 2001-2002. Though none was imparted training in these two years, this would appear to indicate that the targets had no rational basis and were determined in what can be termed only as an *adhoc* manner.

(b) Training was imparted to 238 persons, in batches during 1997-98 (158), 1998-99 (20) and 1999-2000 (60). While none of those provided training during the latest two years had, in fact been identified as scavengers,

**Contrary to the scheme objectives, training was imparted to persons other than those identified as scavengers**

only 13 imparted training during 1997-98 actually belonged to this category. The training efforts in these three years did not consequently serve the intended objective.

(c) Those trained in the 1997-98 and 1999-2000, batches were also paid stipend amounting to Rs.5.94 lakh under the scheme based on the norms applicable to Training of Rural Youth for Self Employment (TRYSEM). No stipend was, however, paid to trainees of the 1998-99 batch on the ground that they were not scavengers. That the Corporation itself had recognized this fact only serves to underscore the conclusion that the training objective was not pursued with the required seriousness.

(d) An evaluation undertaken by the University, Department of Social Work in June 2001 revealed that none of the 131 trainees trained in 1997-98 was pursuing the trade in which the training was imparted. Further, of these, six continued to work as scavengers as against eight that were pursuing this profession prior to their training.

**Training imparted did not result in mobilisation in more dignified vocations**

The evaluation also revealed that only one of these 131 trainees had made any effort to obtain a loan, while two others made efforts to secure jobs. Very few others had made efforts to be self-employed. In fact, as many as 114 of these trainees were not even aware of how to select an alternative vocation and no information in this regard or counselling appeared to have been provided. This was attributable to their ignorance about the objectives of the training and its nexus with their rehabilitation.

In the circumstances, even such limited training efforts as were made would appear to have been only in vain.

(e) No special curriculum of training was also developed by the Corporation, because the profile of the beneficiaries was not prepared during the surveys. Consequently, such training as was imparted did not take into account the aptitude of the trainees, as envisaged.

### **3.2.7 Rehabilitation of Scavengers**

Rehabilitation of scavengers in various trades and occupations was to be done by providing them subsidy, margin money and bank loans. The average cost of rehabilitation of one scavenger was determined as Rs. 20,000 which was to be partly met by subsidy of Rs. 10,000 and margin money loan of Rs. 1,470 from the Government of India. Of the balance Rs. 7,000 were to be provided by nationalized banks in the form of loan and Rs. 1,530 as margin money loan by Government of NCT of Delhi.

Certain points noticed in test check of the records are mentioned in the succeeding paragraphs.

(a) Whereas the number of scavengers had been determined as 17,420 and 7,961 respectively based on the surveys undertaken between September 1992 and May 1993 and during 1997, only 2,216 scavengers were reported to have been rehabilitated during 1992-97 (1992-93: 505; 1993-94: 48; 1994-95: 423; 1995-96: 759; and 1996-97: 481). Considering, however, the fact that the results of the first survey themselves were available only after May 1993, the reliability of the number of scavengers stated to have been rehabilitated during 1992-93 could be open to question.

While 11,200 scavengers were targetted to be rehabilitated during the subsequent period from 1997-98 to 2001-02 (which itself would appear to have been inflated in the context of the deficiencies in the identification exercises mentioned earlier in this review and the view expressed by the Corporation in March 2000 that there were no more scavengers in Delhi), only as few as 1,988 scavengers (17.75 per cent) were reported to have been rehabilitated during this period. Year-wise details in this regard are presented in the following table:

**Table 3.2.4: Rehabilitation of Scavengers: Targets and achievements (1997-2002)**

**Targets prescribed for rehabilitation of scavengers, which themselves appeared to be inflated were not achieved**

Year	Target	Number rehabilitated	Shortfall with reference to target
1997-98	3000	575	2,425 (80.83)
1998-99	2200	375	1,825 (82.95)
1999-00	2000	862	1,138 (56.90)
2000-01	2000	153	1,847 (92.35)
2001-02	2000	23	1,977 (98.85)
<b>Total</b>	<b>11,200</b>	<b>1,988</b>	<b>9,212 (82.25)</b>

*Note: Figures within parentheses represent percentages.*

**Only 2,681 of the 8,112 beneficiaries recommended were provided financial assistance**

(b) According to a status report submitted by the Corporation in December 2001, its Joint Standing Loan Screening Committee had recommended extension of financial assistance to 8,112 scavengers during the period from 1992-93 to 2000-01 and had released in advance, funds adequate to cover only 4,181 beneficiaries to the banks for disbursement up to September 2000. However, according to a report of the State Level Bankers Committee, only 2,681 beneficiaries had been provided assistance under the scheme up to the end of 2000-01.

Clarifying the reasons for the variation in the number of beneficiaries, Corporation stated (May 2002) that, after detailed deliberations, the Joint Standing Loan Screening Committee attached certain terms and conditions and stipulations to the loan proposals; and that loans were consequently released by the banks only to those who complied with these terms and conditions. The Corporation added that the bank managers were the ultimate sanctioning authorities for all purposes.

No data available in respect of female scavengers financed under the Scheme

(c) The Scheme envisaged priority being given to the rehabilitation of women in consideration of the fact that they continued to be engaged in scavenging even after the men of the family shifted to more dignified professions. Of the 7,961 scavengers identified during 1997, 5,087 (64 *per cent*) were women. The Corporation was, however, not aware of the number of female scavengers rehabilitated under the scheme in the absence of separate data in this regard.

Follow up action to ensure continuance in relevant trades not taken since 1997

(d) No follow-up action was taken since 1997 to ensure that all those scavengers rehabilitated had actually taken up their relevant trades and not reverted to their original profession of scavenging. However, the Evaluation Unit of the Planning Department, Government of NCT Delhi had reported in 1997 that about 65 *per cent* of the 94 beneficiaries surveyed by it had been rehabilitated in other occupations, while 18 *per cent* continued to pursue their earlier occupation of scavenging.

### 3.2.8 *Financial Management*

#### (a) *Utilisation Certificates*

The Utilisation Certificates submitted by the Corporation to the Government of India did not agree with the expenditure booked by the Corporation in its accounts whereas a total amount of Rs. 498.46 lakh was reported to have been utilized during 1992-01, the unaudited accounts of the Corporation relating to this period reflected expenditure aggregating to Rs. 418.86 lakh only.

Utilisation certificates varied from expenditure disclosed in accounts

The Corporation stated (March 2002) that the Utilisation Certificates for the years 1992-93, 1995-96, 1998-99 and 1999-2000 had been prepared on the basis of sanctioned amounts and were not based on actual disbursements, which resulted in the expenditure reported to the Government of India being inflated. The Corporation added that undisbursed subsidy and margin money amounting to Rs. 33.28 lakh had been refunded by various banks in 2000-01, of which a sum of Rs. 18.35 lakh was disbursed as subsidy and margin money to the banks and no expenditure was reflected in the Utilisation Certificate for the year because the amount refunded was more than that disbursed.

#### (b) *Retention of unspent balances in fixed deposits*

Interest earned on unspent balances kept in Fixed Deposits was neither credited to the Scheme nor refunded to Government

The unspent balances with the Corporation, which ranged between Rs. 2.90 crore and Rs. 4.70 crore during the period from 1992-93 to 2001-02 were retained in fixed deposits with nationalised banks earning interest at rates between nine to eleven *per cent* per annum. The interest earned on these deposits was neither credited to the Scheme nor refunded to Government. The Corporation informed Audit in February 2002 that year-wise details of the interest earned from deposits of the unspent grants were not available because it had not maintained separately details of the grants received by it for

different schemes that were kept in fixed deposits. However, computed on an average rate of 10 *per cent* per annum, the interest so retained by the Corporation is estimated to be of the order of magnitude of Rs. 3.56 crore.

(c) ***Monitoring of utilisation of funds***

**Monitoring of utilisation of funds released to banks was ineffective**

The Corporation had released Rs. 3.40 crore to various banks for disbursement of subsidy and margin money to the beneficiaries. However, details of the subsidy and loan actually disbursed by the banks and the number of beneficiaries involved were not available with it. Instead of ascertaining these details and reconciling them with the releases, the Corporation treated the entire amount released as final expenditure in its accounts. The obvious conclusion that emerges is that monitoring by the Corporation of the utilisation of the funds released to the banks was ineffective, if not non-existent.

(d) ***Recovery of loans disbursed by the Corporation***

**Adequate measures not taken to recover outstanding loans and interest**

The Corporation disbursed loans aggregating to Rs. 35.91 lakh to 454 beneficiaries during 1992-93. These were to be recovered in 36 instalments. However, principal of Rs. 27.18 lakh alongwith interest thereon were outstanding against these beneficiaries as of November 2002. There was no evidence to establish that adequate measures were taken to recover loans that had fallen into arrears.

**3.2.9 *Conversion of dry latrines***

**Rs. 3 crore released by Government to the Municipal Corporation for conversion of dry latrines into waterborne ones remained almost entirely unutilised since 1994-95 and the scheme failed to take off**

Scavengers could be rehabilitated successfully only when dry latrines were converted into waterborne ones so as to ensure that either they themselves do not continue in their old profession or new entrants do not replace them.

A scheme for the conversion of dry latrines was introduced in 1994-95 by the Government of India, Ministries of Urban Development and Rural Development. Under this scheme an assistance of Rs. 3,500 was to be provided as subsidy for the purpose and the remaining cost, if any, was to be borne by the beneficiaries. The benefit under the scheme was to be extended to an individual only once.

The implementation of this scheme was entrusted to the Municipal Corporation of Delhi and an amount of Rs. 3.00 crore was released by the Department of Welfare of Scheduled Caste/Scheduled Tribe/ Other Backward Classes to the Corporation for the conversion of 17,000 dry latrines.

Though 52,600 dry latrines were targeted to be converted during 1997-2002 (1997-98: 11,000; 1998-99: 11,000; 1999-2000: 6,000; 2000-01: 11,400; and 2001-02: 13,200), none was converted because the Corporation expressed its

inability to undertake the task. Consequently, but for expenditure aggregating to Rs. 1.08 lakh incurred during 1999-00 (Rs.0.37 lakh) and 2000-01 (Rs. 0.71 lakh), the funds provided remained almost entirely unutilised. The scheme also failed to take off.

**1.39 lakh dry latrines still exist in Delhi**

According to the Annual Plan document of the Government of NCT Delhi, for the year 2001-02 there were 1.39 lakh dry latrines in Delhi, most of them being in East Delhi. The survey conducted in 1997 had also brought out that 2,967 of the 7,961 scavengers identified (37 *per cent*) were located in East Delhi. Given the large number of dry latrines stated to be still in existence, it can be reasonably concluded that the practice of manual scavenging must be in vogue. In the circumstances, the view expressed by the Delhi Scheduled Castes Financial and Development Corporation in March 2000 that there were no more scavengers in Delhi would not appear to have an adequate factual basis. In fact, the State Level Monitoring committee referred to in the subsequent paragraph decided in February 2002 to commission a fresh survey of dry latrines in the Trans Yamuna Area.

### **3.2.10 Monitoring and Evaluation**

A State Level Monitoring Committee under the Chairmanship of the Chief Secretary was constituted in January 1993 with the objective of monitoring the implementation of the National Scheme. The Committee was expected to meet at least once in three months.

During the period from 1997-98 to 2000-01 the shortfall in convening the meetings of the Committee ranged between 25 *per cent* and 75 *per cent*. The Department attributed the shortfall to the pre-occupation of the Chairman and non-submission of Action Taken Report by the implementing agency. Closer and periodical monitoring of the scheme might perhaps yielded better results.

### **3.2.11 Conclusion**

The Scheme aimed at identification and training of scavengers with the ultimate objective of their rehabilitation in other dignified occupations.

Surveys undertaken for formulation of time-bound programme for the successful implementation of the scheme suffered from infirmities and their results were consequently inconsistent and unreliable. It is therefore not possible to conclude with any degree of confidence that an accurate assessment of the number of scavengers was made. Given the widespread and continued existence of dry latrines in the city, particularly in East Delhi, the claim of the implementing agency that there are no more scavengers in Delhi would be difficult to sustain.

Given the poor utilisation of funds, the limited success of the training and rehabilitation efforts, inadequate extension of financial assistance and other deficiencies highlighted in the review, the conclusions that the socially relevant scheme was not implemented with the seriousness that it rightly deserved and that such limited efforts as were made were also without focus and direction are fairly inescapable. That a scheme for the conversion of dry latrines into water-borne ones, which would have eliminated the practice of manual scavenging, was not implemented at all by the Municipal Corporation despite availability of funds only serves to reinforce these conclusions.

The audit findings were referred to the Government in June 2002; their reply was awaited as of December 2002.



## Paragraphs

### Land and Building Department

#### 3.3 Irregularities in land acquisition

**Mistakes in determination of compensation, incorrect calculation of interest, etc. resulted in excess payment aggregating to Rs. 263.40 lakh being made by Land Acquisition Collectors. Besides, slow progress in completion of land acquisition proceedings led to retention of substantial amounts outside Government account.**

The Land and Building Department acquires land on behalf of all Government agencies in Delhi under the “Large Scale Acquisition, Development and Disposal of Land in Delhi” scheme, introduced in 1961. Departments send demands for acquisition to the Land Acquisition Collector concerned for identification of the land, following which a notification under the Land Acquisition Act is issued. In terms of the instructions of the Ministry of Finance (Department of Economic Affairs), all receipts on account of the cost of acquisition and compensation are to be initially credited to a Personal Ledger Account of the Housing Commissioner, Delhi Administration, opened in the books of the Reserve Bank of India, expenses on land acquisition being met by utilising funds available in this account. The Land and Building Department remits the funds required for paying compensation to land owners from the Personal Ledger Account to a current account operated by nine Land Acquisition Collectors.

Certain deficiencies and shortcomings noticed in the course of test-check in audit of the land acquisition records in the Land and Building Department and of the Land Acquisition Collectors for the period from 1996-97 to 2001-02 are mentioned in the following paragraphs.

(a) Section 17 of the Land Acquisition Act, 1894, provides that in cases of urgency, the Collector may, on expiry of fifteen days from the publication of a notice under Section 9(1) of the Act to the persons interested, take possession of any land needed for public purpose. Test-check of the records relating to 92 land acquisition cases revealed that the Land Acquisition Collectors had invoked this enabling provision of the Act in 55 of these cases. However, the

department failed to take possession of the lands in 27 of these cases even up to the date of declaration of the awards, which was done only after periods ranging from 368 to 739 days reckoned from the issue of notification under Section 6 of the Act.

In the remaining 28 cases, possession of the lands was taken by the department 16 to 693 days after issue of notifications under Section 6, as analysed in the following table:

Extent of delay	No. of cases
Up to 50 days	17
50 to 100 days	4
250 to 300 days	3
301 to 400 days	1
More than 500 days	3

In the circumstances, the purpose of invoking the enabling provision on grounds of urgency would appear to have been defeated apart from adversely affecting the projects for which the lands were to be acquired.

(b) According to Section 23 (2) of the Land Acquisition Act, 1894, while determining the amount of compensation, the market value of the land on the date of declaration/notification under Section 4 (1) is to be considered. Further, an additional amount calculated at 12 *per cent* and solatium at 30 *per cent* of the market value of the land are also payable on the compensation so determined. Test-check revealed that the Land Acquisition Collectors of the West and North East Districts had wrongly calculated the additional amount and *solatium* under Section 23 (2) in five cases on the total cost of the properties, which also included the cost of structures on the lands, instead of adopting only the market value of the lands. This resulted in excess payment of Rs. 248 lakh to the land owners.

(c) The compensation payable to one of the claimants in respect of land acquired in Bawana village worked out to Rs. 1.72 lakh only, in terms of the relevant award. However, the Department incorrectly paid Rs. 17.12 lakh to the claimant in July 1997 resulting in an overpayment of Rs. 15.40 lakh. A notice was issued to the claimant only in March 1999, 19 months after the date of payment, followed by a show cause notice in June 1999. The claimant had not however, refunded the excess amount received by him as of March 2002. The Department had also not fixed any responsibility for this error.

(d) On account of the slow progress in completion of land acquisition proceedings, the balances in the Personal Ledger Account had increased from Rs.84.74 crore in 1996-97 to Rs. 367.88 crore in 1999-2000. After this was pointed out by Audit, the Department transferred a sum of Rs.258.70 crore to the Current Account operated by the Land Acquisition Collectors during

2000-01. This resulted in an increase in the balance in the Current Account from a mere Rs. 20.83 crore in 1997-98 to Rs. 294.39 crore in 2001-02. The transfer of funds, which was obviously in excess of the requirements of the Land Acquisition Collectors, appeared to have been resorted to only with the objective of reducing the balance in the Personal Ledger Account. The injudicious action resulted in large sums being retained outside the Government account.

(e) The decision to entrust the operation of a single current account to as many as nine Land Acquisition Collectors would not appear to have been appropriate because they were not aware of the balance available individually to each of them in the current account. There was also no check on the payments made by them. Test-check of records relating to the North East and South West districts revealed that the Land Acquisition Collectors had not reconciled their accounts with the bank and the entries made in the Cash Book, counterfoils of cheque books and bank statements did not tally.

These cases were reported to the Government in July 2002; their reply was awaited as of December 2002.

## Medical and Public Health Department

### 3.4 Deficiencies in procurement of vital equipment

**On account of deficiencies in procurement of an essential accessory and failure to position trained personnel, investments of Rs. 51.35 lakh on vital medical equipment proved to be largely unfruitful to the detriment of the interests of patients.**

The Deen Dayal Upadhyay Hospital is a major hospital of the Government of NCT of Delhi catering to a number of patients from West Delhi. Scrutiny in audit of cases of procurement and installation of vital medical equipment by the hospital revealed the following instances of non-realization of the intended objectives.

#### (A) *Mobile C-Arm Imaging System*

The Mobile C-Arm Imaging System is used by hospitals for diagnostic and therapeutic applications in Intensive Coronary Care Units. In order to ensure its mobility and full use, the system requires a Radiolucent C-Arm Table with wheels and multiple position control. The Hospital procured in September

2000 the Imaging System through the Directorate General of Supplies and Disposals at a total cost of Rs. 38.50 lakh. However, action was not initiated simultaneously to procure the C-Arm Table because the hospital was not aware of the fact that the table would not be a part of the system ordered. In the result, the system could not be commissioned soon after its procurement.

Efforts were made only in July 2001 to utilize the system in conjunction with another table procured for endoscopy. However, soon thereafter, defects were noticed in two of the components (X-Ray Generator and Inverter) in October 2001 because of damage to the high voltage cables caused by rats. On rectification of the defects, the system was made operational in May 2002, utilising a make-shift table. Optimal utilization of the system could not, however, be ensured in the absence of the C-Arm Table, action for the procurement of which was stated to have been initiated in July 2001.

**(B) Refrigerated Blood Bank Centrifuge**

The hospital runs a blood bank for whole body transfusion, which also serves as a regional blood transfusion centre for West Delhi. The blood bank did not, however, have facilities for preparation of blood components required by patients suffering from serious blood disorders, such as dengue, thalassemia, anemia, etc.

In April 1999, the Ministry of Health and Family Welfare had prescribed that every blood bank should have a Technical Supervisor possessing a degree in Medical Laboratory Technology with six months experience or a Diploma in the Technology with one year's experience for the preparation of blood components.

Without fulfilling the above requirement, the hospital imported a "Refrigerated Blood Bank Centrifuge", along with accessories from Germany in October 2001 at a total cost of Rs. 12.85 lakh. The equipment could not, however, be commissioned because the Drug Controller, Delhi, did not issue the necessary licence to the hospital on the ground that qualified staff in terms of the requirements notified by the Ministry of Health and Family Welfare were not available. Consequently, patients were being referred to the Indian Red Cross Society. No action had been initiated for appointment of the technical supervisor as of September 2002, to enable utilization of the equipment.

Failure to (a) ensure concurrent procurement of the Radiolucent C-Arm Table with the Imaging System, which should have been possible by a proper assessment of the system requirements and better coordination with the Directorate General of Supplies and Disposals; and (b) ensure the positioning, in advance, of qualified personnel to facilitate the commissioning of the Centrifuge necessitated ad-hoc interim arrangements for the former affecting

its optimal utilization and resulted in non-commissioning of the latter even after nearly two years. Consequently, notwithstanding investments of Rs. 51.35 lakh, patients were deprived of essential diagnostic and curative facilities.

These cases were referred to the Government in September 2002; their reply was awaited as of December 2002.

### **3.5 Extension of undue benefit due to non-revision of user charges**

**Failure of the Deen Dayal Upadhyay Hospital to review and revise water supply charges recoverable from occupants of its staff quarters resulted in acceptance of an avoidable recurring liability and consumption of water by the occupants being subsidized to the detriment of its financial interest.**

The Delhi Jal Board has provided three connections to Deen Dayal Upadhyay Hospital for supply of water to the hospital premises and its staff quarters and had installed bulk meters for recording water consumption and raising of demands for water charges. One of these three meters was meant exclusively for recording consumption in the 369 staff quarters.

While the hospital paid water charges to the Jal Board on behalf of occupants of the staff quarters based on the consumption recorded in bulk meter, it, however, recovered these from the pay and allowances of the occupants at flat rates, varying from Rs. 9 to 20 per month depending on the type of quarter, fixed in 1989-90.

Audit scrutiny revealed that the Delhi Jal Board had revised the applicable water tariff in July 1998, the extent of increase being as high as 337 per cent. No action was, however, taken by the hospital to revise the user charges recoverable from the occupants of the staff quarters so as to ensure that these corresponded to the tariff of the Jal Board. Consequently, whereas the hospital paid Rs. 31.53 lakh to Jal Board on behalf of the occupants during July, 1998 to March, 2002, it recovered only Rs. 1.83 lakh from them during this period. This resulted in the hospital accepting an avoidable additional liability of Rs. 29.70 lakh, which should normally have been borne by the occupants themselves.

On this being pointed out in audit, the hospital authorities stated (September 2002) that the water charges were fixed by the then Medical Superintendent and were similar to the rates fixed by the Land and Building

Department for recovery from the occupants of the General Pool accommodation provided by the Delhi Government to its employees.

Notwithstanding the fact that the user charges fixed as far back as in 1989-90 were based on those fixed in respect of the General Pool accommodation, review by the hospital of the expenditure incurred on water charges and of the recoveries effected on this account would have revealed the wide variations. Prudence also dictated a periodical review of user charges. Revision of these charges either in consultation with the Land and Building Department or on its own initiative (as was in fact done by the Medical Superintendent on the earlier occasion) would have enabled the hospital to ensure that the user charges corresponded to the revised tariff of the Jal Board and safeguarded its financial interest. In the alternative, individual water meters could have been got installed in the staff quarters, consumption charges being paid by the occupants directly to the Jal Board. Failure to do so resulted in avoidable recurring additional liability on this account and in the occupants of the staff quarters being subsidized to the detriment of the hospital's financial interests.

The matter was referred to the Government in August 2002; their reply was awaited as of December 2002.

### **3.6 Avoidable additional liabilities attributable to load violation and low power factor**

**Failure of three Delhi hospitals to take timely and effective remedial measures to ensure adherence to the stipulations of Delhi Vidyut Board resulted in avoidable and recurring additional liabilities on account of energy charges aggregating to Rs. 977.50 lakh.**

The Delhi Vidyut Board levies load violation charges and misuse charges at 30 *per cent* and 50 *per cent* of the tariff respectively if the consumption of electricity exceeds the contracted demand.

Scrutiny in audit of the electricity bills paid by the Medical Superintendents, Lok Nayak, Deen Dayal Upadhyay and Sanjay Gandhi Memorial Hospitals revealed that they paid an amount of Rs. 590.87 lakh as load violation charges and Rs.165.95 lakh as misuse charges during varying periods between April 1995 and March 2002 for having consumed electrical energy in excess of the

sanctioned load. Relevant details are tabulated below:

(Rupees in lakh)

Sl. No.	Name of the hospital	Load violation charges		Electricity misuse charges	
		Period	Total	Period	Total
1.	<b>Lok Nayak Hospital</b>	9/96 to 2/02	502.73	9/96 to 9/97	132.34
2.	<b>Deen Dayal Upadhyay Hospital</b>	4/95 to 10/97	36.64	--	--
3.	<b>Sanjay Gandhi Memorial Hospital</b>	9/2000 to 3/2002	51.50	9/2000 to 5/2001	33.61
	<b>Total</b>		<b>590.87</b>		<b>165.95</b>

Payment of these additional charges could have been avoided had action been taken to review the power requirements and to appropriately enhance the contracted load.

Further, the Board also levies a surcharge at 20 *per cent* of the basic demand charges plus energy charges if the average power factor is below 0.85, which can be maintained by installing a shunt capacitor of requisite capacity.

On account of failure to maintain the prescribed power factor, the three hospitals also had to pay low power factor surcharge aggregating to Rs. 220.68 lakh between April 1995 and December 2001 as indicated below:

(Rupees in lakh)

Sl. No.	Name of the hospital	Low power factor surcharge	
		Period	Total
1.	<b>Lok Nayak Hospital</b>	9/96 to 11/00	65.72
2.	<b>Deen Dayal Upadhyay Hospital</b>	4/95 to 11/00	140.00
3.	<b>Sanjay Gandhi Memorial Hospital</b>	10/99 to 12/01	14.96
	<b>Total</b>		<b>220.68</b>

It was observed that, while the Sanjay Gandhi Memorial Hospital had not installed shunt capacitors even as of June 2002, the Lok Nayak and Deen Dayal Upadhyay Hospitals had, however, installed these in October 1997 and November 1999 respectively. Nevertheless, they continued to be liable for the payment of the surcharge upto November 2000. The reasons therefor were, however, not analysed with a view to taking appropriate remedial measures.

Failure of the three hospitals to take timely and effective remedial measures to ensure adherence to the terms and conditions governing the supply of electricity resulted in avoidable additional payment of energy charges aggregating to Rs. 977.50 lakh.

The matter was referred to the Government in July 2002; their reply was awaited as of December 2002.

## Transport Department

### 3.7 Construction of Bicycle Paths

**On account of the unconscionable delay in arriving at decisions on the results of a study commissioned in June 1996 for preparation of a bicycle map for Delhi to facilitate construction of segregated tracks for cyclists, the objectives sought to be achieved have remained unrealized notwithstanding investments aggregating to Rs. 49.50 lakh. In the meantime, there has also been a steady increase in the number of cyclists involved in fatal road accidents since 1998-99.**

Statistics on road accidents revealed that about 20 *per cent* of the victims of accidents caused by buses and heavy transport vehicles, which generally occupy the left lanes of roads, were commuters using slow-moving two-wheelers. Efficient management of traffic was also hampered on account of bicycles occupying the major portion of the left lanes of most roads. Various studies had pointed to the need to segregate the movement of bicycles from the main roads. The Delhi Master Plan therefore envisaged, as one of its objectives, the construction of fully or partially segregated Bicycle Paths on thoroughfares to cater to the significantly large number of commuters who use cycles. In June 1996, Government set up a Task Force on development of bicycle tracks and preparation of an action plan for the purpose.

After due deliberation, the Task Force came to the conclusion that an urgent study was necessary to develop a bicycle map for Delhi and recommended that this study be entrusted to the Foundation for Innovation and Technology Transfer of the Indian Institute of Technology. Accordingly, the Department entrusted the study to the Foundation in June 1996 at a cost of Rs. 49.50 lakh. Based on the study, the Project Team of the Foundation was to prepare, *inter alia*, a Geographical Information System (GIS) based comprehensive bicycle route master plan and detailed designs of various road sections and intersections and evolve a phased programme for implementation of the master plan. The Team was also required to identify some tracks that could be taken up for immediate implementation.

An advance payment of Rs. 41 lakh was made to the Foundation in March 1997. The remaining amount of Rs. 8.50 lakh was also released at the end of six months (Rs. 5 lakh) and on submission of the report (Rs. 3.50 lakh). The Foundation submitted its report titled "Road Designs for Improving Traffic Flow: A Bicycle Master Plan for Delhi" in August 1998. The report included, *inter alia*, detailed design solutions for construction of bicycle tracks in two



corridors (Nand Nagari to Wazirabad Bridge and Preet Vihar to Mandi House).

In October 1998, the Lieutenant Governor constituted an Implementation Committee to be chaired by the Commissioner (Transport) for consideration of the recommendations contained in the report. The Committee met only on three occasions in October and December 1998 and March 1999 and decided to obtain the comments of individual members. While the required comments were not received, the matter was also not pursued further to its logical conclusion. Consequently no decisions had been taken on the report of the Foundation as of May 2002, even after the lapse of nearly four years since its submission.

On this being pointed out in audit, the Department stated (May 2002) that the report was being evaluated by a committee of senior officers and technocrats prior to its implementation and that efforts were being made to arrive at decisions on taking up the two identified corridors as early as possible. Subsequently, the Commissioner (Transport) stated (July 2002) that action on such reports required coordination with public representatives, local authorities, the Police and other land and road owning agencies and that the Department had taken up this issue with the agencies concerned and their reports would be utilised in implementing the Bicycle Master Plan.

Audit scrutiny, however, revealed that the issue was revived by the Department only during 2002. It was also only after receipt of the audit observations that instructions were issued to the agencies concerned in August 2002 to initiate immediate action, wherever called for, for implementation of the Foundation's report.

In the absence of any action on the report after March 1999 and on account of the unconscionable delay in arriving at decisions thereon, the objectives sought to be achieved by entrusting the consultancy study to the Foundation have remained unrealized notwithstanding investments aggregating to Rs. 49.50 lakh. In the meantime, there has also been a steady increase in the number of cyclists involved in fatal road accidents since 1998-99 as would be evident from the data presented in the following table:

Year	Total number of fatalities in Road Accidents	Number of cyclists involved	Percentage
1997-1998	1850	166	9
1998-1999	2166	184	8.5
1999-2000	2002	202	10
2000-2001	1994	300	15