

Chapter 5: Municipal Corporation of Delhi

Reviews

5.1 Provision of Basic Facilities in Primary Schools

This review focuses on the performance of the Municipal Corporation of Delhi in regard to the implementation of various schemes involving capital expenditure on expansion of primary education, welfare of children and the provision of basic infrastructure facilities in the schools. The review revealed that the Corporation could achieve only partially its objective of opening new schools and enrolment of additional children. Text books were provided to the students after considerable delays. While no uniforms were supplied in some years, winter jerseys were supplied at the end of the winter season. The Corporation also failed to provide adequate classrooms, replace tented accommodation with pucca or semi-pucca accommodation and provide other basic amenities like water, electricity and lavatory/ toilet facilities notwithstanding availability of funds. As against the requirement of 3,908 new classrooms, the Corporation could take up construction of only 1,849 classrooms during the last five years ending March 2002. At the same time in 41 schools, 354 rooms were constructed in excess of requirement. Audit also noticed instances of time overruns in completion of five school buildings. There was a delay ranging from 17 to 41 months resulting in cost overrun of Rs. 3.44 crore.

Highlights

Between 1997-98 and 2001-02 the Municipal Corporation failed to utilise funds totalling Rs. 56.60 crore meant for expansion of primary schools and welfare schemes.

The Corporation also failed to provide uniforms to the students during 1998-99 and 2001-02.

Planning for the construction of class rooms was neither realistic nor systematic. As against the requirement of 3,908 new classrooms, construction of only 729 classrooms was completed up to March 2002. While there was a shortage of rooms in some schools, 354 rooms were found to be in excess of requirement in 41 other schools.

There was a cost overrun of Rs. 3.44 crore besides time overrun of 41 months in five cases of construction of schools.

The Corporation incurred aggregate expenditure of Rs. 86.37 lakh on watch and ward arrangements and rent in respect of 25 buildings housing schools which were not functional for periods ranging from 2 to 34 years. This included rent of Rs. 23.63 lakh paid in respect of six buildings, five of the rented buildings having been declared dangerous, their continued renting lacked justification.

Number of schools were deficient in basic amenities such as toilets, drinking water, electricity, proper seating arrangements etc.

5.1.1 Introduction

Under the Delhi Municipal Corporation Act, 1957, primary education is an obligatory function of the Municipal Corporation. The Corporation provides educational facilities up to the primary classes for children in the age group of 5 to 11 years. The National Policy on Education emphasises that the thrust in elementary education should be on (i) universal enrolment and retention of children up to 14 years of age; and (ii) substantial improvement in the quality of education. With a view to achieving these objectives, the Corporation implements various schemes, involving capital expenditure, including those relating to the expansion of primary education, provision of various amenities in schools, welfare of children, etc.

5.1.2 Organisational set up

The Director, Primary Education, is responsible for the overall planning and implementation of various schemes undertaken by the Corporation in the Education Sector. He is assisted by an Additional Director, Deputy Education Officers and Assistant Education Officers. Construction activities are

entrusted to the Corporation's Engineering Wing headed by the Engineer-in-Chief, who is assisted by Chief Engineers, Superintending Engineers and Executive Engineers. The Director, Primary Education, and the Engineer-in-Chief work in close co-ordination under the overall control of the Commissioner, who is the Chief Executive Officer of the Corporation.

5.1.3 Scope of Audit

Records relating to the schemes were test-checked in the Directorate of Education, Engineering Wing and 10 of its 47 divisions and 156 schools with a view to assessing how effectively these schemes were planned, implemented and executed by the Corporation during the period from 1997-98 to 2001-02.

5.1.4 Financial Management

The Department of Urban Development, Government of NCT Delhi, releases lump sum grants-in-aid to the Corporation for implementation of various schemes in the education sector. In addition, the Government of India also provides grants-in-aid to the Corporation under the Basic Minimum Services Scheme for replacement of tented accommodation by pucca or semi-pucca accommodation. Details of the scheme-wise and year-wise allocation of funds, receipts of grant-in-aid for capital works and expenditure there against were as follows:

Table 5.1.1: Expansion of Primary Education and Welfare Schemes

(Rupees in crore)

Sl. No.	Name of the scheme	1997-98	1998-99	1999-00	2000-01	2001-02	Total
1.	Expansion of Primary Education						
	Original allocation	9.35	13.67	18.46	25.30	34.50	101.28
	Revised allocation	9.35	11.20	18.75	23.85	12.60	75.75
	Expenditure	8.80	2.09	6.06	18.81	7.50	43.26
	Savings w.r.t. revised allocation	(-)0.55	(-)9.11	(-)12.69	(-)5.04	(-)5.10	(-)32.49
2.	Welfare Schemes						
	Original allocation	11.00	15.22	11.06	19.50	23.68	80.46
	Revised allocation	7.80	18.28	11.40	29.48	9.48	76.44
	Expenditure	4.70	4.19	11.19	24.41	7.84	52.33
	Savings w.r.t. revised allocation	(-)3.10	(-)14.09	(-)0.21	(-)5.07	(-)1.64	(-)24.11

Table 5.1.2: Grants-in-aid for capital works -Education Sector

(Rupees in crore)

Year	Grants received	Expenditure	Savings (-)
1997-98	22.00	25.95	(+) 3.95
1998-99	30.00	28.57	(-)1.43
1999-00	33.50	25.70	(-) 7.80
2000-01	58.08	57.26	(-) 0.82
2001-02	57.60	46.09*	(-) 11.51

* Provisional

Table 5.1.3: Basic Minimum Services Scheme

(Rupees in crore)

Year	Opening Balance	Grants received		Expenditure	Closing Balance
		Received	Total		
1997-98	-	8.00	8.00	1.95	6.05
1998-99	6.05	8.00	14.05	5.85	8.20
1999-00	6.00*	8.00	14.00	4.52	9.48
2000-01	9.48	3.40	12.88	5.81	7.07
2001-02	7.07	3.40	10.47	8.21@	2.26

* Surrendered Rs. 2.20 crore to Government of NCT Delhi

@ Provisional

Audit scrutiny revealed the following:

(a) The savings under the scheme for Expansion of primary education were attributable to the failure of the Corporation to enrol the targeted number of children as well as to open the targeted number of new schools. The savings under Welfare Schemes were on account of failure to supply uniforms to the school children.

(b) The Corporation failed to utilise the grants despite the fact that the Government of NCT Delhi had permitted the carry-forward of the unspent balances of the previous years to the subsequent years. Non-utilisation of grants was attributable to delays in implementation of works, absence of control mechanisms, administrative inefficiency and other lapses, which have been discussed in the subsequent paragraphs.

The Corporation failed to utilise the grants under Basic Minimum Services Scheme

(c) Diversion of funds

Test-check of the records of 10 divisions revealed that funds amounting to Rs. 54.03 lakh were either diverted or misutilised by five of the divisions as indicated below:

The Corporation spent Rs. 27.73 lakh on works not related to school buildings

(i) Four divisions (Division V and XXVIII and Divisions Rohini I and II) spent Rs. 27.73 lakh between 1996-97 and 1999-00 on works which were not related to school buildings such as provision of PVC panelling in office rooms, laying of ceramic tiles, construction of a road and stone masonry wall, provision of a gate to a dispensary, etc.

(ii) Between 1997-98 and 2000-01, Division VIII utilised Rs. 26.30 lakh for payment of salary and wages of its staff out of the funds earmarked for construction of schools.

(d) Provision for special repairs

Expenditure on repairs and maintenance during 1997-98 and 1998-99 was in excess of prescribed norm

A provision of 20 per cent of the total plan outlay was made for special repairs in the Ninth Five-Year Plan 1997-2002. The Corporation had not maintained separate accounts of expenditure on these works till March 2001. On this being pointed out in audit, the Corporation started maintaining separate accounts from the year 2001-02. In February 1999, the Corporation, had reported to the Government of NCT Delhi that 55 per cent and 48 per cent of the total expenditure for the years 1997-98 and 1998-99 respectively was incurred on special repairs. However, separate accounts of special repairs not having been maintained, the authenticity of these figures could not be verified in audit.

5.1.5 Implementation of Schemes

(a) Expansion of Primary Education

As against a target of 230 new schools to be opened and 1.3 lakh children to be enrolled during 1997-2002, the Corporation opened only 92 schools and enrolled 0.91 lakh children, representing shortfalls of 60 per cent and 30 per cent respectively.

The Corporation failed to achieve the targets despite availability of funds as mentioned earlier. The Government of NCT Delhi did not monitor the physical progress and achievements of the Scheme nor did the Corporation review the targets for each year in the light of the performance in the previous years.

(b) Welfare Schemes

The Corporation provides free text books and uniforms to the students as a welfare measure. It also provides scholarships to meritorious students.

(i) Physical targets and achievements

Year-wise details of the physical targets in respect of welfare schemes and achievements thereagainst during the period under review are tabulated below:

Table 5.1.4: Welfare Schemes: Physical Targets and Achievements

Particulars of scheme	1997-98		1998-99		1999-00		2000-01		2001-02	
	T#	A##	T#	A##	T#	A##	T#	A##	T#	A##
Free distribution of text books (number of students in lakh)	8.02	8.02	8.07	8.07	8.29	8.20	8.47	8.47	8.87	8.87
Supply of Uniforms (Number of students in lakh)										
(a) Cloth for skirt/koti/shirt/half pant	4.46	1.72*	-	-	-	-	8.50	8.50	8.70	-
(b) Jerseys	-	-	4.00	nil	4.00	3.90	5.13	5.14	6.10	nil
Number of students provided merit scholarships	14000	5430	14000	5699	11500	6299	12000	6598	7000	6592

T# : Targets, A## : Achievements, * Cloth was supplied only to boys for half pants

The Corporation failed to provide uniforms to the children on regular basis

The Corporation failed to procure cloth for skirts, shirts and kotis during 1997-98, while no cloth was provided for any of the uniforms in 1998-99, 1999-00 and 2001-02. Similarly, no jerseys were procured in 1998-99 and 2001-02. This was attributable to delays in framing proposals, procedural infirmities and non-finalisation of tenders. Thus, despite availability of funds, students belonging to the weaker section were denied the intended benefits.

The Corporation attributed the shortfall in providing merit scholarships to the poor performance of the students in the examination conducted for the purpose. The reasons for their poor performance were, however, not analysed by the Corporation with a view to initiating corrective measures.

(ii) Impelementaiton of welfare schemes

Certain points noticed in the implementation of various welfare schemes are mentioned in the following paragraphs.

(a) Delay in supply of uniforms

The Standing Committee of the Corporation directed the Commissioner in 1997-98 to provide jerseys in lieu of cloth before the onset of the winter season. However, abnormal delays in initiating the necessary action or in finalising the tenders for the purchase of winter jerseys during the period from 1999-00 to 2001-02 resulted in their belated procurement. Consequently they could be issued to the children only when the winter season was almost about to end defeating the very purpose.

(b) Excess expenditure on purchase of jerseys

In September 2000, the Director, Primary Education, invited tenders for the purchase of 5.13 lakh jerseys of sizes 70 cm, 75 cm and 80 cm. Based on the technical bids, 19 tenders were received. The Purchase Board and the Technical Committee short listed seven firms. The Board recommended the purchase of jerseys of 70 cm size in favour of the first and second lowest tenderers. However, instead of negotiating the purchase of 75 cm and 80 cm jerseys with all the seven shortlisted firms, the Corporation held negotiations only with five firms ignoring the first two lowest tenderers. The negotiated rates of Rs. 75.75 and Rs. 78.75 for 75 cm and 80 cm jerseys respectively were higher than the lowest quoted rates by Rs. 1.75 per piece.

As a result the Corporation not only violated the purchase procedures but also incurred avoidable excess expenditure of Rs. 5.37 lakh on the purchase of 3.07 lakh jerseys of 75 cm and 80 cm sizes.

(c) Delay in distribution of free text books

Free text books were required to be provided under the scheme to all the children immediately at the beginning of each academic year in April. However, the books were issued only after considerable delays to students of 66 schools during 2001-02 as indicated below:

The Corporation failed to provide free text books to the students in time

- ◆ Only 0.9 per cent of the 2.92 lakh books required to be issued were actually provided by 15 April 2001.
- ◆ 43 per cent of the books were provided after delays ranging from 15 to 30 days.
- ◆ 30 per cent of the books were provided after 30 to 90 days.
- ◆ The extent of delay ranged from 90 to 105 days in respect of 25.79 per cent of the books.

Further, text books were not issued to students in four schools even till September 2001, when the first term was sheduled to end.

The delays in supply of text books to the children defeated the objective of the scheme to improve the quality of education.

5.1.6 Replacement of accommodation in tents

One of the objectives of the Basic Minimum Services Scheme was to replace tented accommodation with pucca or semi-pucca accommodation. While formulating its annual plans, the Corporation took into consideration classes functioning in tents and the requirement of additional rooms on account of opening of about 20 new schools every year and the replacement of classrooms declared dangerous.

As of October 2001, 1,820 schools of the Corporation were functioning at 1,265 sites/locations. Of these, 51 schools were functioning only in tents, while classes had to be conducted partially in tents at 71 other sites/ locations.

Results of audit scrutiny of records are mentioned below:

Despite sufficient funds, there was increase in the number of schools/classes functioning only in tents

(a) Though the objective of the scheme was to replace the tents in which schools were functioning or classes were conducted with pucca or semi-pucca accommodation, and adequate funds were also made available for the purpose, there was no perceptible improvement in the situation. On the contrary, accommodation provided in tents either for entire schools or for some of the classes increased during the period from 1997-98 to 2000-01. Relevant details are tabulated below:

Table 5.1.5: Schools/classes functioning in tents

Year	Number of sites/locations at which accommodation had been provided in tents	Number of schools functioning entirely in tents	Number of classes conducted partially in tents	Number of classes in those schools provided only tents for their functioning
1997-98	137	*	1008	*
1998-99	133	30	1010	376
1999-00	141	37	1154	452
2000-01	145	47	1264	630
2001-02	122	51	988	542

* Figures for the year 1997-98 not available

The Corporation failed to provide suitable accommodation to the students

(b) In February 1999, two independent teams headed by the Additional Commissioner (Education) and the Director, Primary Education, inspected sites in which either entire school or classes were functioning in tents.

Of the 826 tents and 1,676 kanats provided at the 118 sites inspected by them, 162 tents and 267 kanats were found to be in an unsatisfactory condition. Further, shortage of 49 tents and 302 kanats was also detected at 34 sites. At 14 sites, 54 tents were also found to be only of single-ply though the agreements with the contractors concerned provided for the provision of double-ply tents. Besides, 28 tents and 78 kanats at 6 sites were provided only for periods ranging from two to six months instead of the entire academic year.

5.1.7 Capital works

(a) Physical targets and achievements

The Director, Primary Education is required to assess the requirements of classrooms, boundary walls and lavatory blocks to be constructed and project them to the Engineering Wing for execution. There was, however, no co-relation between these projections and the targets fixed in this regard by Engineer-in-Chief, which were invariably lower than the projected requirements. Even such lower targets were not achieved as will be evident from the data tabulated below:

Table 5.1.6: Capital Works : Physical Targets and Achievements

Year	Nature of facility	Projections made by Director, Primary Education, in Annual Plans	Target fixed by Engineer-in-Chief	Achievement	Percentage shortfall in achievement
1997-98	R	1,518	800	185	77
	L/TB	540	300	94	69
	BW	55	30	15	50
1998-99	R	3,385	800	426	47
	L/TB	263	400	78	80
	BW	187	30	6	80
1999-00	R	4,095	900	340	62
	L/TB	249	300	16	95
	BW	266	30	4	87
2000-01	R	2,240	950	425	55
	L/TB	1,320	310	76	75
	BW	145	145	18	88
2001-02	R	2,635	910	844	7
	L/TB	1,430	1,140	53	95
	BW	120	55	20	64
Total	R		4,360	2,220	49
	L/TB		2,450	317	87
	BW		290	63	78

R: Classrooms; L/TB: Lavatory and Toilet blocks; BW: Boundary walls

The Chief Engineer stated (April 2001) that the shortfall in achievements was attributable to the works being in progress and that these would be completed in the subsequent years. He added that, 20 per cent of the funds were also to be spent on maintenance as provided for in the Ninth Five Year Plan.

Achievement for construction of rooms fell short by 49 per cent

However, the completion of on-going works in the subsequent years is a regular phenomenon and the Department was also aware of the requirements for repairs and maintenance. Besides, as brought out earlier, expenditure on repairs and maintenance also exceeded the prescribed norm. On the contrary, audit scrutiny revealed that the shortfalls were attributable to diversion of funds, cost overruns, etc., some instances of which have been mentioned subsequently.

Against shortages of 3,908 rooms Engineer-in-Chief could provide only 729 rooms

Further, as against the requirement of 7,500 classrooms, 2,000 water closets and urinals and 200 boundary walls projected in the Ninth Five Year Plan, shortages of 3,908 classrooms, 243 lavatory/ toilet blocks and 56 boundary walls were actually reported during 1997-02. However, the Engineering Wing could only take up construction of 1,849 classrooms, 54 lavatory/ toilet blocks and 22 boundary walls. Of these only 729 classrooms, nine lavatory/ toilet blocks and nine boundary walls were actually completed as of March 2002.

(b) Construction of classrooms in excess of requirements

41 Schools had 354 classrooms in excess of their requirement

Planning for the construction of classrooms would not appear to have been realistic or systematic. While there was a shortage of classrooms in some schools, 41 schools located in the Rohini, Najafgarh, City and South Zones had 354 rooms in excess of their actual requirements as of March 2002. Of these, schools in 13 locations having 139 classrooms in excess of their requirements were constructed during the past 12 years. Expenditure incurred on construction of these classrooms served no purpose and would appear to lack adequate justification.

(c) Infructuous expenditure on vacant school buildings

Expenditure of Rs. 86.37 lakh was incurred on watch and ward arrangements and rent in respect of 25 buildings in which schools were not functioning for periods ranging from two to 34 years

As of March 2002, 25 buildings including seven rented ones, in which schools were functioning earlier, had not been utilised for the intended purpose for periods ranging from 2 to 34 years. These buildings were vacant for various reasons, such as insufficient space, poor enrolment of students, merger with other schools, the schools having been shifted to new buildings, the building housing the schools having been declared dangerous, etc. Nevertheless, expenditure aggregating to Rs. 86.37 lakh was incurred during 1997-02 on watch and ward arrangements (Rs. 62.74 lakh) and rent in respect six of the seven buildings (Rs. 23.63 lakh) information in respect of which was made available. Apart from the infructuous expenditure on watch and ward arrangements and rent, five of the seven rented buildings having been declared dangerous, their continued renting is open to question.

(d) Execution of capital works

Points noticed in the course of test-check of records relating to the construction of school buildings are mentioned in the following paragraph.

Time overruns in completion of buildings for five schools ranged from 17 to 41 months, the cost overruns aggregating to Rs. 3.44 crore

Construction of buildings for schools at Rani Bagh, Sheikh Sarai and Sri Nagar and for two schools at Tigri (Tigri-I and Tigri-II) was entrusted to contractors between November 1993 and November 1995. Though these were stipulated to be completed between May 1995 and June 1997, they were completed only between May 1997 and May 2000, the time overruns ranging from 17 to 41 months. In the process, the completion cost of these buildings also increased in relation to their contractual cost, the resultant cost overrun aggregating to Rs. 3.44 crore. Relevant details in this regard are tabulated below:

Table 5.1.7: Time and cost overruns

(Rupees in crore)

Name of the work	Estimated cost	Contractual cost	Stipulated date of completion	Completion cost	Month of completion	Cost overrun	Extent of delay in month
Construction of school building at Tigri-I	0.66	0.63	May 1995	1.28	May 1997	0.65	24
Tigri-II	0.78	0.76	August 1995	1.53	June 1998	0.77	34
Rani Bagh (Boys)	1.00	0.98	May 1997	1.42	October 1998	0.44	17
Sri Nagar (Boys)	0.69	0.70	June 1997	1.19	November 1998	0.49	17
Sheikh Sarai II	0.87	0.71	December 1996	1.80	May 2000	1.09	41
Total						3.44	

5.1.8 Deficiencies in provision of basic amenities

Number of schools were deficient in basic amenities

In addition to providing safe structures for housing schools and an adequate number of classrooms, the Corporation was also responsible for the provision of basic amenities such as water supply, electricity, toilet facilities, appropriate seating arrangement, etc. Data in regard to the status of provision of these amenities in respect of 1,265 schools furnished by the Deputy and Assistant Education Officers of the Zones concerned in April 2002 and data collected by Audit in the course of test-check of the records of 156 schools in

98 sites, however, revealed a number of deficiencies as indicated in the following table:

Table 5.1.8: Deficiencies in provision of basic amenities

Sl. No.	Particulars	Information made available by Zones	Position in respect of 156 schools based on test-check by Audit
1.	No. of schools without toilet/lavatory blocks	6	Not applicable in respect of schools covered by test-check
2.	No. of schools in which toilets were less than requirements	122 lavatories in 119 schools	177 lavatory/toilet blocks in 58 schools
3.	Schools without water or in which septic tanks were choked	285 schools, 505 lavatory/toilet block	Not applicable
4.	Schools in which lavatory/toilet blocks had been declared unsafe	33 schools, 33 lavatory/toilet block	Nil
5.	No of schools in which electricity had been disconnected due to non payment of bills	21	two schools since 1991-92 due to non payment of bills. In addition, nine schools had no electricity
6.	No. of schools provided electricity connection unauthorisedly	None	Connections in six of the nine schools were unauthorised on account of non-payment of bills. Reasons for not obtaining authorised connections for the remaining three schools were not furnished to Audit.
7.	No of schools in which electricity wiring was defective	246	Not applicable
8.	No. of schools in which fans were not working	3,355 fans in 407 schools	1,321 fans in 95 of these schools were non-functional for periods ranging from six months to four years.
9.	No. of schools to which the students had to bring their own water	83	Not applicable
10.	No. of schools without proper seating arrangements for students	None	2,558 children in six of the schools had either to bring their own tat <i>patties</i> or sit on floors
11.	Shortages of chairs and tables	None	1,226 chairs and tables in 78 schools

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

5.2 Functioning of the Slum and JJ Department

The Slum and JJ Department under the Municipal Corporation of Delhi, responsible for implementation of various schemes and programmes to provide minimum basic civic amenities and resettlement of squatter families located on project land required by the land-owning agencies, failed to provide the intended amenities and relocate the jhuggi dwellers due to its lax attitude. Priority criteria for shifting of clusters were not prescribed. No foolproof system existed in the department to verify the genuineness of ration cards, a pre-requisite for allotment of plots. The plots allotted to jhuggi dwellers changed hands in many cases. Licence fee due from dwellers of resettlement colonies was not recovered due to poor pursuance leading to accumulation of substantial arrears. The department needs to review its activities to streamline the procedures for effective implementation of schemes to ensure that the intended benefits reach the Slum and JJ dwellers.

Highlights

The Number of JJ clusters increased from 929 in 1990 to 1,100 in 2001, inspite of the adoption of a three-pronged strategy for relocation of existing JJ clusters.

Out of Rs. 141 crore received from land-owning agencies for relocation of JJ clusters, Rs. 70 crore were kept in fixed deposits and interest amounting to Rs.13.12 crore earned on these deposits was utilized for meeting non-plan expenditure.

Appropriate priorities and criteria for shifting the clusters were not fixed resulting in the land-owning agencies not being given vacant possession of their encroached upon land even after having deposited the relocation charges. As against the growth of 30,000 jhuggis annually, targets were fixed for development of 18,125 sites and service plots for relocation of jhuggis on an average and achievement was development of 4,817 sites and service plots only during 1997-02.

No foolproof system was devised to verify the genuineness of ration cards resulting in allotment of plots on the basis of fake or bogus ration cards. Plots allotted to slum dwellers were sold or changed hands in about 75 per cent of the cases. This resulted in a continual cycle of encroachment on public land, relocation of the jhuggi clusters and resale of allotted plots.

Failure to issue demand notices in 90 per cent of the cases resulted in accumulation of arrears of licence fee aggregating to Rs. 10.80 crore due from persons living in resettlement colonies which indicated slackness on the part of the department in effecting recoveries.

The Department failed to provide the intended minimum basic amenities like Jan Suvidha Complexes, potable water, Basti Vikas Kendras, Community Toilet/Bathrooms etc., to beneficiaries due to its lax attitude and achievement of targets ranged between 29 per cent and 42 per cent only.

5.2.1 Introduction

The Slum and JJ Department under the Municipal Corporation of Delhi operates under the frame work of the Slum Areas (Improvement & Clearance) Act, 1956. It is responsible for implementation of various schemes and programmes for the improvement of slums including the provision of minimum basic civic amenities to jhuggi dwellers and notified slum dwellers, resettlement of squatter families located on project lands required by the land-owning agencies, *in situ* upgradation of jhuggi clusters, etc. These schemes are primarily financed from plan resources made available by the Government of NCT of Delhi. Besides, Central assistance is also provided to the Department under the “Centrally Assisted Slum Development Programme” to accelerate the provision of basic amenities, community infrastructure and social amenities and to facilitate the environmental improvement of urban slums.

5.2.2 Organisational set up

The Department is under the overall charge of the Commissioner of the Corporation. The Additional Commissioner is responsible for implementation of various schemes. He is assisted by Deputy Commissioners, Directors, Joint Directors and other officers of the Engineering wing. The schemes are implemented by the Department in seven zones and sixteen divisions.

5.2.3 Scope of audit

Audit conducted a test-check of records maintained in the Headquarters of the Department, six of the 16 divisions and three zonal offices for the period from 1997-98 to 2001-02 with a view to assessing the effectiveness and impact of implementation of various schemes undertaken for improvement of slums.

5.2.4 Financial profile

The Government of NCT of Delhi releases grants-in-aid quarterly to the Department under Plan heads for implementation of various schemes. During the period from 1997-98 to 2001-02, the Department took up the execution of 15 schemes including the Centrally Assisted Slum Development Programme. The actual expenditure on these schemes was Rs. 212.79 crore as against the allotment of Rs. 205.44 crore. This included expenditure of Rs. 110.07 crore incurred against receipts of Rs. 109.10 crore for the Centrally Assisted Programme. Relevant details are tabulated below:

Table 5.2.1: Funds allocation and expenditure

(Rupees in lakh)			
Year	Receipts	Expenditure	(+) Excess (-) Saving
1997-98	3587.87	4042.09	(+) 454.22
1998-99	4129.34	4403.94	(+) 274.60
1999-00	4097.78	3793.74	(-) 304.04
2000-01	4763.25	5043.46	(+) 280.21
2001-02	3966.24	3995.59	(+) 29.35
Total	20544.48(a)	21278.82(b)	(+) 734.34

(a) Includes receipts of Rs. 10,909.61 lakh for the Central Programme.

(b) Expenditure on Central Programme: Rs. 11,006.55 lakh.

5.2.5 Scheme Implementation

A three-pronged strategy was adopted by the Government of NCT of Delhi with effect from 1990-91 and the objective was that no fresh encroachment would be permitted on public land and past encroachments, which had been in existence prior to 31 January 1990, would not be removed without providing alternatives. The strategy envisaged the following:

- (a) Relocation of JJ Clusters, where the land-owning agencies were in a position to implement their projects on the encroached land, would be done on receipt of requests from them and their contribution towards the resettlement cost.

- (b) *In-situ* upgradation of JJ Clusters and informal shelters in the case of those encroached land pockets in respect of which the land-owning agencies issue No Objection Certificate to the Department for utilisation of the land.
- (c) Extension of minimum basic civic amenities for community use under the scheme of environmental improvement in JJ Clusters, irrespective of the status of the encroached land till their coverage under one of the aforesaid two strategies.

Though the three-pronged strategy emphasized that no fresh encroachment should be permitted after 31 January 1990, the number of JJ dwellers had been increasing as can be seen from the following table:

Table 5.2.2: Number of JJ Clusters and jhuggis

Year	JJ Cluster	Jhuggi holds (in lakh)	No. of persons living jhuggis (in lakh)
1990*	929	2.60	-
1994*	1080	4.80	24
2001**	1100	6.00	30

* Based on survey of the department

** Based on estimates by the department

5.2.6 Relocation of JJ Clusters

The Department failed to maintain agency-wise accounts of money due and deposited by land-owning agencies

The strategy envisaged the resettlement of JJ dwellers by allotting plots of 18 or 12.5 square meter area to each squatter family. All squatter families in possession of ration cards as on January 1990 were eligible for resettlement. An amount of Rs. 44,000 is provided for relocation of a jhuggi dweller, which includes Rs. 29,000 from the land-owning agencies, Rs. 10,000 from Plan funds and Rs. 5,000 as contribution from beneficiaries.

The norm of Rs. 44,000 per plot, fixed in 1994, covers the cost of acquisition of land and development of plots. The norm was yet to be revised while the cost of acquisition of land and development of plots has increased manifold. Though the Department takes up the work of relocation/resettlement of JJ clusters on behalf of other land-owning agencies, it does not maintain individual agency-wise accounts. In their absence, the Department could not account for the relocation charges due from and those deposited by the land-owning agencies. Thus, while the cost of acquisition of land and development of plots continued to increase, the Department continued to meet the extra cost utilising non-plan funds. Certain points noticed in audit are mentioned in the following paragraphs.

(a) Receipt of relocation charges

Scrutiny of the register maintained by the Department revealed that relocation charges of Rs. 14161.64 lakh were received from different land-owning agencies during the years 1996-97 to 2001-02 as shown below:

Table 5.2.3: Relocation charges received from land-owning agencies

(Rupees in lakh)

Year	Amount
1996-97	1188.03
1997-98	2694.41
1998-99	330.20
1999-00	1130.01
2000-01	6659.71
2001-02	2159.28
Total	14161.64

Interest earned on deposits was diverted to non-plan expenditure of the department

- (i) Of the deposits totalling Rs. 141.62 crore received from the land-owning agencies, the Department invested Rs. 70 crore in Fixed Deposit Receipts in various banks for 91 days. The Department did not furnish details of utilisation of the balance amount of Rs. 71.62 crore.
- (ii) The amount invested in Fixed Deposit Receipts from time to time in the years 1996-97 to 2000-01 earned interest of Rs. 13.12 crore. This was treated as revenue receipt and utilized for non-plan expenditure.

(b) Land acquisition for relocation of clusters

Advances for land acquisition were made without proper reconciliation

It was noticed that funds allotted under the Plan head for acquisition of land as well as contributions from the land-owning agencies were deposited with various agencies for allotment of land. The Department paid a sum of Rs. 7980.01 lakh to different agencies like Land and Building Department, Delhi Development Authority, Jaunpur Gram Sabha and acquired land measuring 513.1912 acres from them during the years 1997-98 to 2001-02. Details of the payments made and land acquired by the Department from these

agencies are as follows:

Table 5.2.4: Acquisition of land and payments therefor

Year	Agency	Areas of land acquired (in acre)	Payment made (Rupees in lakh)
1997-98	DDA	32.163	-
	Gram Sabha	-	373.21
	Land and Building Department	-	1887.75
1998-99	DDA	34.43	-
	Land and Building Department	40.16	1630.00
1999-00	DDA	89.4925	-
	Land and Building Department	29.1250	400.00
2000-01	DDA	63.5607	1372.65
	Land and Building Department	12.01	1116.40
2001-02	Land and Building Department	244.413	1200.00
	Total	545.3542	7980.01

However, the Department had not reconciled the accounts of the lands acquired and the payments made to different agencies from whom the land was acquired.

(c) Targets for relocation of JJ clusters

Targets fixed for development of sites/ service plots for relocation of jhuggis were unrealistic

No survey was conducted after 1994 to ascertain the actual number of JJ Clusters and people living therein. However, according to the estimates of the Department, there were 1,100 JJ Clusters in the year 2001 with a population of 30 lakh. The annual rate of growth of jhuggis was 0.30 lakh. The basis for this estimate was not available on record. The Government of NCT of Delhi also released funds regularly to the Department only on the basis of the rough estimates without insisting on a detailed survey being carried out. Consequently, targets were fixed without ascertaining the real magnitude of the problem, the following table contains details of targets for development of sites and service plots for relocation of jhuggis and

achievements thereagainst:

Table 5.2.5: Sites and service plots: Targets and Achievements

Sl. No.	Year	Target	Achievement
1.	1997-98	22,000	2,504
2.	1998-99	16,500	1,201
3.	1999-00	4,000	4,218
4.	2000-01	30,000	11,345
	Total	72,500	19,268

The targets fixed by the Department were unrealistic because they were not based on the number of jhuggis existing or their growth pattern, or determined with reference to the requests received from the land-owning agencies and the money deposited by them. Further, the achievements against the targets so fixed were also poor partly because there was no scientific basis underlying the targets.

(d) Absence of Prioritisation

The Department did not determine priorities for relocation of JJ Clusters based either on the relocation charges deposited by a particular land-owning agency or the period for which a particular cluster was in existence.

The Department did not fix priorities for relocation of JJ Clusters

Audit scrutiny revealed that while clusters in some cases were shifted without receiving the relocation charges from the land-owning agencies, no action was taken in certain other cases despite the receipt of relocation charges. Some instances are cited below:

- (i) Jhuggis of Rajiv Gandhi Camp, C.G.O. Complex, were shifted in the year 2000 without recovering the charges amounting to Rs. 3.14 crore in advance from the Land and Development Office. The relocation charges were yet to be received as of August 2002.
- (ii) Similarly, eight JJ Clusters in Mansarover Garden and the Tilak Vihar area were relocated on the request of the General Wing of the Corporation during 2001-02 without recovering in advance the relocation charges of Rs. 1.5 crore.

- (iii) DDA had paid an amount of Rs. 1123.45 lakh during the years 1995-96 to 2001-02 towards relocation of ten JJ Clusters on their land. Of these, only four clusters were shifted during 1999-02. The remaining six clusters for which DDA had paid an amount of Rs. 520.54 lakh during 1995-02 were yet to be shifted.
- (iv) The Forest Department paid a sum of Rs.10.70 crore to the Department for the shifting of jhuggis from Bhatti Wildlife sanctuary in September 1996. The Department had not, however, shifted the jhuggis, as of December 2002.

(e) *Allotment of plots on bogus ration cards*

No foolproof system existed in the department to verify the genuineness of ration cards

According to the terms and conditions, governing allotment of plots, these would be formally allotted after verification of ration cards issued in 1990 as proof of residence of the jhuggi dweller. The relocation on the basis of ration cards was being done by the Department without verification of the genuineness of the documents prior to September 2001. On receipt of a complaint that plots were being allotted on the basis of fake/ bogus ration cards, the Department forwarded 53 cases to the Food and Supply Officer, Minto Road, for ascertaining the genuineness of the documents. Of these, 29 ration cards were reported to be fake/bogus. This sample verification thus proved unjustified allotment in more than 50 *per cent* of the cases that were referred. The relocation made in 59,622 cases during 1990-91 to 2001-02 was made without proper verification of documents relating to the jhuggi dweller. The Department also admitted in February 2002 that there was no system for cross verification of documents prior to 2001.

As a result of these cases having come to notice in September 2001, the Department adopted a practice of forwarding the joint survey lists containing the particulars of ration cards to the respective Food and Supply Officers for verification of the genuineness of the claimants for relocation. In about 50 *per cent* of these cases, their genuineness could not be verified by the Food and Supply Officers.

It will therefore be necessary for the Department to strengthen the system of verification and devise a foolproof mechanism for the purpose.

(f) *Illegal sale of plots*

As per the terms and conditions of allotment of plots, sale and purchase of the plots is illegal and the allottee has no ownership right on the plot. Allotment of the plot would be cancelled automatically if it is found to be used by any person other than the allottee or his/her family. The Department did not, however conduct any survey on a regular basis to detect such cases nor did any mechanism exist to curb/control the illegal sale of such plots. As per the

plan documents for the year 1997-98, a survey conducted by the Department in Jahangirpuri JJ Resettlement Colony revealed that the plots were not occupied by the original allottees in 50 *per cent* of the 20,000 cases. The purpose of relocation was defeated, violating the provisions of the scheme.

Plots allotted to slum dwellers were sold/ changed hands in about 75 per cent of the cases

The position of plots allotted to jhuggi dwellers in respect of one cluster was examined in February 1999 by the Department. It was found that over 75 *per cent* of the plots had been sold by the original allottees to property dealers which was illegal and would only encourage fresh encroachments. The Department needs to curb/control the illegal sale of relocated plots which ultimately leads to further encroachment and expenditure on resettlement. This also violates the spirit of the scheme of the resettlement of JJ dwellers.

(g) Outstanding licence fee

Poor recovery of licence fee from residents of resettlement colonies resulted in accumulation of arrears

The Department rehabilitated JJ dwellers at various resettlement colonies. The dwellers so rehabilitated were required to pay a monthly licence fee of Rs. 8. Licence fee due from about 2.5 lakh properties was pending recovery as of March 2002 due to laxity of the Department in not recovering the licence fee by issuing demand notices regularly.

Two zones reported that demand notices were not issued in about 90 *per cent* of the cases. One zone stated that demand notices were not issued in many cases and the remaining four zones did not furnish any specific information. However, the zones reported in May and December 2002 the following approximate demands as outstanding for the period from 1997-98 to 2001-02.

Table 5.2.6: Outstanding Licence fee

(Rupees in lakh)

Sl. No.	Name of zone	Amount
1.	Jawalapuri	257.35
2.	Jahangirpuri	91.22
3.	Seelampur	144.17
4.	Dakshinpuri	148.63
5.	West	174.47
6.	Kalyanpuri	85.59
7.	Shakurpur*	18.27
	Total	919.70

* figures pertain only to the year 2001-02

The following observations will be of relevance:

- (i) The outstanding balances reported by the zones did not accurately represent the magnitude of the outstanding amount as the total number of properties in each zone and the number of times a property changed

hands were not available with them. Further, demand and collection registers had not been updated for the last 10 to 15 years. Therefore, the authenticity/ correctness of balances could not be vouchsafed in audit.

- (ii) It was also observed that 5,535 of the 26,304 property files in the West zone and 2,349 of 17,286 files in Shakurpur zone were missing. Other zones did not furnish relevant information in this regard.
- (iii) Though each zone is provided the necessary staff including an Assistant Director and an Accountant, adequate action to initiate recovery of licence fee was not taken by the zonal authorities, resulting in large accumulation of arrears of licence fee.
- (iv) Since the Department has about 2.5 lakh properties in all the seven zones, it could earn a sum of Rs. 20.00 lakh every month as licence fee. However, it was able to recover only Rs. 2.00 lakh per month. Thus, the total outstanding amount for the years 1997-98 to 2001-02 is estimated to be Rs. 10.80 crore, presuming that no property has changed hands, thereby attracting a higher rate of licence fee as damages.

5.2.7 Extension of minimum basic amenities

The Department is required to provide basic amenities like potable water, Jan Suvidha Complexes, etc. to the Slum dwellers.

(a) Targets and achievements

Details of the targets and achievements relating to the provision of various amenities are tabulated below:

Table 5.2.7: Minimum basic amenities: Targets and Achievements

Year	Construction of pay & use Jan Suvidha Complexes		Construction of Basti Vikas Kendras	
	Target	Achievement	Target	Achievement
1997-98	1100	630	10	3
1998-99	800	350	5	4
1999-00	300	50	5	WIP*
2000-01	350	130	10	3
2001-02	200	N.A	4	N.A
Total	2750	1160	34	10
Percentage of achievements		42		29

* Work in progress

<p>Total budget provision for minimum basic amenities was utilised but beneficiaries were deprived of desired amenities</p>	<p>Over a period of four years, the Department utilized the entire funds of Rs. 19.49 crore on these activities. Achievements, however, ranged only from 29 per cent to 42 per cent. The reasons for such poor performance were not analysed.</p>
<p>Proper inspections were not prescribed for maintenance of works assigned to NGOs</p>	<p>(b) Execution of works relating basic amenities</p> <p>In order to provide basic civic amenities to JJ Dwellers, the Department assigned the work of construction of 169 Jansuvidha complexes to different Non-Government Organisations during the years 1994-95 to 2000-01. The Jansuvidha complexes were to be completed in five months in respect of toilets with 30 seats and in seven months in respect of those with 30 to 60 seats. Information made available by six of the 16 divisions revealed that there were delays in construction of these complexes in 78 cases ranging from 6 to 57 months. In 19 cases, the work could not be executed due to court cases and disputes over sites and the Department could not recover the advances of Rs. 19.41 lakh given to the organisations concerned for execution of these works.</p> <p>The construction and subsequent maintenance of these toilet complexes were assigned to Non-Government Organisations on certain terms and conditions such as completion of work as per the drawings and specifications, successful functioning of tube well, etc. However, no inspections/checks were prescribed to ensure proper functioning. The Additional Commissioner of the Department also observed that these complexes were not functioning properly in the absence of an effective control mechanism to oversee the maintenance of the complexes.</p>
<p>Basti Vikas Kendras were poorly managed</p>	<p>(c) Basti Vikas Kendras</p> <p>The Department provides multipurpose community facility complexes as well as Basti Vikas Kendras in JJ Clusters within upgraded slums, informal shelters and squatter resettlement areas. The multipurpose complexes are designed to bring about social cohesiveness in the community and to meet its requirement for organising social and cultural functions.</p> <p>Since the inception of the scheme, 126 Kendras were constructed in various JJ Clusters and upgraded slums. These units were allotted to Non-Government Organisations on provisional and temporary basis on a nominal annual licence fee of Rs. 100 payable to the Department for undertaking social activities. The annual maintenance of the building rests with the Department. However, the actual electricity and water consumption charges are to be borne entirely by the organisation concerned.</p>

Test-check of records relating to 33 of the 332 organisations that were allotted accommodation for socio-economic or health activities revealed that the annual licence fee was not paid by 25 organisations. In two cases, allotment was made without submission of the mandatory documents. No action to inquire into the reasons for non-adherence to the prescribed terms and conditions or to cancel the allotments was taken.

The Department had not evolved system and procedures in regard to the duration of allotments, periodical visits/inspections, etc. to ensure that the specified activities were properly undertaken for the intended beneficiaries.

(d) Extension of undue favour to Building Centres

The Department failed to recover outstanding advances amounting to Rs. 64.89 lakh

In order to accelerate the provision of basic amenities, the Department paid an advance of Rs. 120.80 lakh to five Building Centers during the period 1988-89 to 1991-92 in connection with the construction of prefab toilets, Jan Suvidha Complexes, Night Shelters, etc. Of these, two Centres at Nizamuddin and Shahdara were paid advances of Rs. 88.50 lakh and Rs. 10.00 lakh respectively. Even after the lapse of ten years, these Centres were not able to provide the required facilities. As of July 2002, advances of Rs. 56.89 lakh and Rs. 8.00 lakh respectively were outstanding against these two centres. Apart from the objective of providing basic amenities being defeated, the advances could not be recovered so far from the centres in the absence of formal agreements.

5.2.8 Centrally Assisted Slum Development Programme

Achievement of targets under the Centrally Assisted Programme were not realistic

Over and above the normal assistance, Government of India provided funds for slum development from the year 1997-98 onwards under this scheme. The components of the scheme included provision of basic amenities such as water supply, drainage, community latrines, community baths, etc. These overlapped with the existing schemes of the Department. The Department did not fix any targets for this programme during the initial year 1997-98. However, targets and achievements for the years 1998-99 to 2001-02 were as

follows:

Table 5.2.8: Targets and Achievements under Centrally Assisted Programme

Years	Community Bathrooms		Community Toilets		Brick flooring and Drains for slum dwellers		Basti Vikas Kendras		Shishu Vatika	
	T#	A##	T#	A##	T#	A##	T#	A##	T#	A##
1998-99	Nil	Nil	1900	1256	62500	100000	15	21	20	53
1999-00	Nil	676	1500	1984	50000	113096	19	20	30	59
2000-01	Nil	141	1200	875 196*	75000	51790	40	38	50	45
2001-02	Nil	150	1200	800 420*		Targets & achievements not shown in terms of facility to dwellers	40	33	40	23 **

T# : Targets, A## : Achievements

* In addition to the Community toilets, 196 and 420 Mobile Toilet Vans were also provided during 2000-01 and 2001-02 respectively.

** Of these, 11 vaticas were renovated.

It was observed that there was no correlation between the targets and achievements since the achievements registered under the respective main schemes were also included in this Programme. Separate accounts of each scheme under the programme were required to be maintained, which was not done.

5.2.9 Slum Katra Properties repair/renewal programme

The Department incurred an expenditure of Rs. 2.00 crore under the Plan allocation annually during the years 1997-98 to 2001-02 on repairs to Slum Katras/ Properties as detailed below:

Table 5.2.9: Expenditure on Slum Katras

Year	Expenditure incurred (Rupees in lakh)	No. of Katras
1997-98	198.58	284
1998-99	200.00	370
1999-00	202.20	210
2000-01	199.13	202
2001-02	197.37	65
Total	997.28	1131

Survey of Slum properties was inadequate

While the Department was incurring expenditure annually on repairs to and renewal of Katra buildings, the occupants were not paying even the meagre licence fee, ranging from Re. 1 to Rs. 20 per month as prescribed. On an average, licence fee of Rs. 8.00 lakh was due to be recovered each year but an

amount of only Rs. 43.65 lakh was recovered up to 1998-99. The balance of Rs. 82.20 lakh remained outstanding. The Department had informed the Chief Auditor of the Corporation in February 1999 that though efforts were made to recover the outstanding dues, 70 to 80 *per cent* of the properties in the Katras had changed hands and that the unauthorised occupants of these properties were not willing to deposit the dues of the original licencees till the receipts were issued in their names.

Records of the Department revealed that 2,750 slum properties were located in 17 wards of the city, comprising 10,202 licencees. The Department conducted a survey of 226 properties comprising 1,744 units in only one ward (No. XV). The position that emerged was as follows:

- (i) There were 1,287 unauthorised occupants.
- (ii) 675 occupants were using the properties for commercial purposes.
- (iii) Licence fee of Rs. 31.00 lakh up to April, 2002 was due for recovery in this ward alone.

No action had been initiated against the unauthorised occupants. It is also evident that if systematic surveys are carried out in all the wards, the problem may be of much larger magnitude. In the absence of details, it was not possible to ascertain the recurring loss of revenue from these properties or to assess the extent of misuse/ illegal occupation.

5.2.10 Unauthorised occupancy

Flats were under unauthorised occupation due to slackness in allotment

The records of the Department revealed that 1,016 flats which were constructed between the years 1974-75 and 1980 under the Slum Clearance Scheme had been occupied by trespassers during the last 18 years as detailed below:

Table 5.2.10: Flats under unauthorised occupancy

Sl. No.	Area	Year of construction	Flats under unauthorised occupancy	Period of unauthorised occupancy	Details of occupants
1	Jahangirpuri	1980	980	503 Flats since May 1987 477 Flats since 1984	Punjab Migrants Riot victims
2.	New Ranjit Nagar	1974-75	17	1982	Turkman Gate evictees
3.	Jahangirpuri/ Inderlok/ Ranjit Nagar	-	19		Details not furnished

Failure of the Department to allot these flats in time led to their being occupied unauthorisedly. Apart from the loss of revenue in terms of licence fee, genuine beneficiaries were also deprived of the accommodation.

5.2.11 Unfruitful expenditure on Enforcement Divisions

Enforcement Divisions failed to perform the assigned function

Enforcement Divisions in all the three Circles headed by an Executive Engineer were created in May 2000 and these started functioning since May 2001. They were exclusively responsible for protecting land, preventing unauthorised construction/encroachment and to keep a proper check on the assets of the Department.

Test-check of the records of Enforcement Divisions, Circles 1 and 2, revealed that no assets or properties were transferred to them and no work of encroachment removal or protection of land was ever undertaken by the divisions during the last one year. Therefore, the expenditure of Rs. 14.56 lakh (approx.) incurred by the Department on the pay and allowances of the newly created posts of two Executive Engineers and other staff proved unfruitful and the purpose for which the divisions were created remained unfulfilled.