

CHAPTER III

PERFORMANCE APPRAISALS

AUDIT REVIEWS

Agriculture Department

3.1 Working of Agriculture Department

Highlights

A review on the working of the Agriculture Department brought to light significant weaknesses in programme management, resource application and monitoring of key areas. Level of yield/production per hectare attained at the end of VIII five year plan i.e. in 1996-97, could not be maintained for various crops. Yield per hectare declined under rice, jawar, kharif pulses and cotton. Certified seeds were not used in large areas. Diversification of areas for sowing commercial crops, which were more remunerative for farmers, was not done as area under these crops declined. People's involvement in water management and soil conservation programmes was lacking as self help groups/watershed management committees were not formed for maintenance of completed works. Adequate coverage of scheduled castes, small/marginal farmers was not ensured for providing benefits under various Centrally sponsored schemes. Under Centrally sponsored schemes, huge funds remained unutilised. Control mechanism such as internal audit, monitoring of implementation of schemes/programmes were non-functional. Some of the important highlights are given below:

Area sown under commercial crops (cotton, rabi oil seeds and sunflower) declined during 2000-03 as compared to the coverage achieved at the end of VIII Five Year Plan (FYP) i.e. in 1996-97. Shortfalls in coverage of targeted area under maize, kharif pulses and gram during 2000-03 ranged between 14 and 68 per cent. Targets for production and per hectare yield for cotton (except in 2000-01), rice, jawar, kharif pulses, rabi pulses and rabi oil seeds were not achieved during 2000-03. Level of per hectare yield for jawar, kharif pulses and cotton attained at the end of VIII FYP in 1996-97 could not be maintained during 2000-03.

(Paragraph 3.1. 6)

Eight hundred forty nine works completed at a cost of Rs 1.67 crore by ASCO Panchkula and Naraingarh during 2000-02 were not handed over to Watershed Management Committees for their maintenance though very clearly provided in the scheme.

(Paragraph 3.1.14)

Certified seeds were not provided to 82 to 96 per cent of the sown area under wheat, paddy and gram crops during 2000-03.

(Paragraph 3.1.19)

There was a shortfall between 21 and 58 per cent in achievement of targets under seed treatment, crop pest control (except Kharif) and vegetable pest control during 2000-03.

(Paragraph 3.1.29)

The department failed to popularise crop diversification from cereal crops to commercial crops as areas sown under these crops declined from 14.83 lakh hectares, in 1996-97 to 13.26 lakh hectares, in 2002-03.

(Paragraph 3.1.34)

Out of Rs 48.94 lakh released by the Director, Agriculture to the State Land Use Board during 2000-02, Rs 32.40 lakh remained unutilised.

(Paragraph 3.1.37)

Under five Centrally sponsored schemes, Rs 99.78 lakh remained unutilised at the end of March 2003 due to late release of funds by State Government.

(Paragraph 3.1.39)

In the districts test checked, 10 officials were posted at places where the posts were not sanctioned, but their salaries were drawn against vacant posts in other offices.

(Paragraph 3.1.45)

Introduction

3.1.1 The department of Agriculture of the Government of Haryana is the administrative department for implementing the agricultural policies of the State. Agriculture being the mainstay of 75 per cent population, continues to occupy highest priority in the development plan of the State. For the ninth five year plan (1997-02), out of an approved outlay of Rs 11,600 crore for various sectors, Agriculture sector was allocated Rs 700.78 crore (6.04 per cent). As 96 per cent of the cultivable area was already under cultivation, additional area was to be brought under cultivation through reclamation of saline/alkaline land. The change in the agricultural profile of the State from the base level of 1966-67 has been substantial. While the total cultivable area, net area sown and net irrigated area has increased marginally, the production of foodgrains, oil seeds, and sugarcane have increased manifold. Production of foodgrains has grown up from 25.92 lakh tonnes in 1966-67 to 133.01 lakh tonnes in 2001-02 while the production of oil seeds has increased from 0.92 lakh tonnes in 1966-67 to 8.07 lakh tonnes in 2001-02. Similarly, production of sugarcane increased from 51 lakh tonnes in

1966-67 to 93.30 lakh tonnes in 2001-02. About 33 *per cent* of the total income of the State comes from agriculture including live stock.

The State is one of the largest contributors of foodgrains to the central pool as it contributed about 45 to 64 lakh tonnes of wheat and 14 to 16 lakh tonnes of paddy every year during 2000-03. But a closer look at the agricultural production performance would show that production of major agricultural crops have reached a point of saturation during last few years. There was a major fall in the production of cotton in the State because of attack of *Heliothis* insect (American Sundi) on the crop. The agricultural policy of the State has recognised this and has been moving in the direction of improving the quality of the soil, diversifying the cropping pattern, controlling quality and ensuring optimal utilisation of the inputs for even better end. From 2002-03, major stress was towards diversification from cereal to high value cash crops like cotton, sugarcane, oilseed, pulses, etc.

Organizational set up

3.1.2 The Commissioner and Secretary is the administrative head of the department at Government level and is responsible for implementation of the Government's policies relating to programmes/schemes of the Agriculture Department. The Director is the Head of the Department and also the controlling officer. He is assisted by five Additional Directors, seven Joint Directors and an Additional Cane Commissioner at Headquarter located at Panchkula. In the field, there are four Joint Directors i.e. for cotton project at Sirsa, for soil and water testing at Karnal, for Hisar Zone at Hisar and for Karnal Zone at Karnal. Besides, there are 18 Deputy Directors at district level i.e. one in each district except in Panchkula district.

Audit coverage

3.1.3 Records relating to the implementation of agriculture policies and working of the department for the period 2000-03 were test checked during November 2002 to March 2003 in the offices of the Director, Agriculture, Haryana at Panchkula and six¹ districts (out of 19) covering 42 Drawing and Disbursing Officers (DDOs), out of 192 DDOs in the department.

Audit objectives, methodology and performance indicators

3.1.4 For reviewing the working of Agriculture Department, the technique of integrated audit has been adopted. This technique seeks to integrate and interpret disaggregated information along policy and functional lines. The following integral parameters have been adopted:

¹ Ambala, Hisar, Karnal, Narnaul, Panchkula and Sirsa.

- Moving from policies to decision making process, to functions, to output and to outcome;
- Relating financial, physical and human resources to the policy goals intended and achievements thereof.

The departments of Government do not prescribe performance indicators for self-appraisal. Invariably, schemes, programmes and activities get evaluated in disaggregated manner by either the planning bodies or funding agencies depending on the emerging priorities at a particular time. Audit adopted the following Performance Indicators for evaluating the working of Agriculture Department of the Government of Haryana:

- Soil conservation and reclamation of soil,
- Water management,
- Mechanisation of cultivation,
- Achievements in the production and popularisation of certified seeds,
- Distribution of fertilizers,
- Achievements in pest surveillance and pest management,
- Crop diversification,
- Improvement in marketing facilities,
- Improvement in warehousing facilities; and
- Agriculture credit facilities.

Interface with other departments/organizations

3.1.5 In regard to implementation of agricultural schemes/activities, setting of physical targets, etc., Agriculture Department had co-ordination and interface with the following corporations/departments:

Haryana Land Reclamation and Development Corporation	For reclamation of soil, sale of fertilizer/ gypsum and water management (sprinkler sets).
Haryana Agro Industries Corporation	For mechanisation of cultivation, sale of fertilizers, sprinkler irrigation sets, etc.
Haryana Seeds Development Corporation	For production, processing and marketing of certified seeds of different crops.
Haryana State Agricultural Marketing Board	To provide improved and easily accessible marketing facilities.
Haryana Warehousing Corporation	To provide scientific storage facilities to farmers.

Co-operation Department

To provide agriculture credit facilities to farmers.

Programme management

3.1.6 The department prepared annual production programme at the beginning of each year indicating, *inter-alia*, targets for area to be sown under *kharif*, *rabi* and commercial crops and production /yield to be achieved for each crop, the details of which were as follows:

Area sown

Area targeted and sown under various crops at the end of VIII FYP i.e. in 1996-97 and during 2000-03 (IX FYP) was as under:

Sr. No.	Crops	Area sown at the end of eighth Five Year Plan i.e. 1996-97	2000-01		2001-02		2002-03	
			Target	Achievement	Target	Achievement	Target	Achievement
	Kharif Crops		(Area in 000 hectare)					
(i)	Rice	831	1,100	1,054	950	1,027	950	906
(ii)	<i>Bajra</i>	571	550	608	600	586	620	515
(iii)	Maize	26	25	15	40	18	50	16
(iv)	<i>Jawar</i>	129	120	109	120	104	120	113
(v)	Pulses	60	30	22	60	33	70	60
	Commercial Crops							
(vi)	Cotton	653	600	555	600	630	610	519
(vii)	Sugarcane	162	150	143	150	162	170	190
(Viii)	<i>Rabi</i> Oilseed	613	600	409	600	535	600	602
(ix)	Sunflower	55	70	6	-	6	-	15
	Rabi Crops							
(x)	Wheat	2,017	2,300	2,355	2,300	2,300	2,300	2,250 (T)
(xi)	Gram	345	360	125	300	145	300	102 (T)
(xii)	Pulses	12	20	8	10	10	10	16 (T)

T: Tentative figures

Inspite of change in the agricultural process and cropping pattern, there has been shortfalls from 55 to 68 *per cent* for maize, from 14 to 45 *per cent* for *kharif* pulses and from 52 to 66 *per cent* for gram during 2000-03 in area coverage.

As evident from the table above, area under cotton, *rabi* oilseeds (commercial crops), sunflower, *bajra* and *jawar* declined during 2000-03 as compared to the area at the end of VIII FYP as the emphasis was given mainly on rice and wheat crops for which area increased in 2002-03 in comparison to 1996-97.

Department failed to motivate the farmers to shift from traditional food grains crops to commercial crops, which were more remunerative and income generating.

Production and yield

Production and per hectare yield achieved at the end of VIII FYP in 1996-97

and during 2000-03 for main crops were as under:

P- Production in 000 tonnes (cotton in 000 bales)

Y- Yield in kg. per hectare

Sr. No.	Crop	Achievement at the end of eighth Five Year Plan i.e. 1996-97	2000-01		2001-02		2002-03	
			Target	Achievement	Target	Achievement	Target	Achievement (Tentative)
	Kharif crops		(Area in 000 hectare)					
(i)	Rice	(P) 2,463 (Y) 2,964	3,080 2,800	2,695 2,557	2,750 2,895	2,724 2,652	2,800 2,947	2,468 2,727
(ii)	Jawar	(P) 29 (Y) 222	30 250	23 209	30 250	22 209	35 292	22 195
(iii)	Pulses	(P) 58 (Y) 972	30 1,000	13 591	60 1,000	17 515	70 1,000	30 500
(iv)	Cotton	(P) 1,507 (Y) 392	1,300 368	1,383 424	1,350 382	722 195	1,450 404	1,038 340
(v)	Sugarcane	(P) 902 (Y) 5,568	900 6,000	817 5,713	900 6,000	933 5,761	1,000 5,882	1,100 5,790
	Rabi Crops							
(vi)	Wheat	(P) 7,826 (Y) 3,880	9,600 4,174	9,669 4,106	9,600 4,174	9,437 4,103	9,800 4,261	9,500(T) Awaited
(vii)	Gram	(P) 276 (Y) 799	350 972	80 640	350 1,167	124 854	360 1,200	100 (T) Awaited
(viii)	Other rabi pulses	(P) 11 (Y) 917	20 1,000	7 636	10 1,000	9 900	10 1,000	14 (T) Awaited
(ix)	Rabi Oilseeds	(P) 894 (Y) 1,458	900 1,500	560 1,369	825 1,500	796 1,488	850 1,416	850 (T) Awaited

T: Tentative figures.

Yield per hectare declined under rice, jawar, kharif pulses and cotton

The above table reveals that targets for production as well as per hectare yield were not achieved for any crop in any year during 2000-03 (except for production/yield of cotton and production of wheat in 2000-01 and of sugarcane in 2001-02).

Production of rice and wheat decreased from 26.95 lakh tonnes in 2000-01 to 24.68 lakh tonnes in 2002-03 and from 96.69 lakh tonnes in 2000-01 to 95 lakh tonnes in 2002-03 respectively primarily due to draught like conditions prevailing in the State. In case of rice, the production decreased because of decrease in the net sown area. Though the department incurred Rs 4.63 crore towards subsidy to farmers on certified seeds of wheat during 2000-02, yet the level of production could not be improved.

Per hectare yield of jawar, kharif pulses and cotton decreased during 2000-03 and level of per hectare yield attained at the end of VIII FYP in 1996-97 could not be maintained during 2000-03. Targets for production as well as yield for cotton (except in 2000-01), rice, jawar, kharif pulses, other rabi pulses and rabi oilseeds were not achieved during 2000-03.

Net area under irrigation

3.1.7 At the time of formation of the State in 1966-67, net area irrigated through various sources (canals, tubewells, etc.) of irrigation was 12.93 lakh hectares (37.8 per cent of the net area sown), which increased to 29.58 lakh hectares (83.9 per cent) in 2000-01. However, it again declined to 29.44 lakh hectares (82.9 per cent) in 2001-02. The decrease was mainly due to less irrigation through canal waters.

Macro Management Agriculture Mode for financial assistance

Work plan for 2000-01 not prepared and for 2001-03 not got approved from GOI

3.1.8. Macro Management Agriculture Mode (MMM) of finance was introduced from 2000-01 and 27 on going plan schemes in the State were merged with it. GOI directed State Governments to prepare detailed work plan for each financial year to include such schemes which justified Central assistance.

Detailed work plan indicating schemes to be implemented during 2000-01 was not prepared, though Rs 8.01 crore were drawn against GOI's release of Rs 9.16 crore during the year. Work plans for 2001-03 were prepared, but specific approval of GOI had not been obtained so far (March 2003).

Performance evaluation

Soil conservation and reclamation of soil

3.1.9 A major part of the area in the State was seriously inflicted with soil alkalinity. Survey conducted in 1994-95 indicated that out of the total 2.31 lakh hectare area affected with alkali soil in the State, 0.82 lakh had been reclaimed upto March 2003. Reclamation of alkaline soils was an integral part of crop production system. Gypsum was an important chemical catalyst for the reclamation for alkaline soils.

The programme aimed at, *inter alia*, reclaiming alkaline soil and improving soil health.

Reclamation of alkaline soil

3.1.10 The scheme provides for payment of subsidy on the purchase of gypsum and *dhaincha* seed to the farmers identified by the department for reclamation of alkaline soil to small/marginal farmers and SC farmers (20 per cent). Expenditure of Rs 11.06 crore was incurred during 2000-03. Against the target of reclaiming 33,952 hectares area through the use of 2.52 lakh metric tonnes (mts) gypsum during 2000-03, 42,625 hectares was reclaimed with the use of 2.90 lakh mts gypsum.

Identification of farmers not done in advance

Extent of coverage of small/marginal and SC farmers not on record

A scrutiny of records of Directorate and DSCO, Karnal revealed that survey for identification of farmers having alkaline land was not made before the distribution of gypsum and *dhaincha* seed. Further, neither the requisite percentage of target groups i.e. small/marginal and SC farmers was ensured nor the required certificate to the effect that the assistance had not been availed of by the farmers during last seven years under any other scheme was obtained from the farmers.

The details of distribution of *dhaincha* seed during 2001-02, for which Rs 18.83 lakh were released by Director, Agriculture to HLRDC, were not on record. Impact of the scheme towards reclamation of alkaline land in the State could not be assessed in Audit as the physical verification reports for utilisation for gypsum from DSCOs were not being received by the Director.

Reclamation of saline/waterlogged soils

3.1.11 About 70,000 hectares area was critically water logged in Haryana and this problem was on the increase. Under operational pilot project, under implementation since 1994 in Haryana, an area of 1,236 hectares, in Gohana area was provided with sub-surface drainage system while work for similar drainage system in Kalayat region in about 500 hectares was in progress for reclamation of soils.

However, Rs 1.20 crore provided during 2001-03 under MMM scheme for purchase of collector pipes, lateral pipes, filter and socks, etc. for construction of sub-surface drainage in Kalayat region over about 400 hectares were not utilised. It was thus evident that the efforts towards reclamation of saline/waterlogged soils were not adequate as large areas were yet to be reclaimed.

Improvement in soil health

3.1.12 With a view to improve soil health through promotion of green manuring, setting up of bio-fertilizer testing laboratories, issue of soil health cards to farmers, awareness programmes for organic farming, the work plans of MMM scheme had a provision of Rs 56 lakh and Rs 20 lakh for 'Integrated Nutrient Managements (INM)' and 'Promotion of organic farming systems' respectively during 2001-03. These schemes were, however, not taken up for implementation by the department except that Rs 4.89 lakh were spent under INM for use of bio-fertilizer.

Non-implementation of these schemes deprived the farmers of financial/technical assistance for increasing green manuring and organic farming. The Director stated (May 2003) that the funds for the scheme organic farming could not be utilised as the Government sanction for the scheme was received late and the consultant for conducting a techno-economic feasibility study for promoting organic farms could not be engaged for want of GOI's approval. Reply was not tenable as the matter for engaging the consultant should have been taken up well in time especially when the outlay was already approved by Government of India through annual work plans.

Water management

Improved Onfarm Water Management

3.1.13 The scheme 'Improved Onfarm Water Management' aimed at addressing the problem of over exploitation of underground water. The scheme provided for subsidy on purchase of sprinkler sets in undulated tracts in southern Haryana and for laying underground water conveyance system in flat topographic (paddy-wheat growing) areas to save water through change of irrigation system. During 2000-02, the Director incurred an expenditure of Rs 3.09 crore (2000-01: Rs 2.27 crore and 2001-02: Rs 0.82 crore) under the scheme.

Blocking of Central funds with HLRDC and HAU

ASCO (Ghaggar) Panchkula drew Rs 1.01 crore on the last day of the financial year i.e. 31 March 2002 and paid irregularly the entire amount in advance to Haryana Land Reclamation and Development Corporation (HLRDC) on the same day only to avoid lapse of budget grant as HLRDC was not in any way involved in purchase/distribution of sprinkler sets and laying of underground pipe lines. The department made the HLRDC a sort of treasurer to utilise the funds in subsequent years, which was in contravention of Financial Rules. While Rs 7.44 lakh had been spent in the State, no expenditure had been incurred in any of the districts test checked so far (March 2003).

In another case, the Director, Agriculture released Rs 27.50 lakh to HAU, Hisar during 2001-02, for the purchase of five Laser Land Levelers, which had not been purchased so far (March 2003). The Director stated (June 2003) that the purchase of Laser Land Levelers was under process.

Integrated Watershed management in catchment areas of flood prone river Ghaggar

3.1.14 The scheme aimed at prevention of land degradation, reducing run off from the catchment area of flood prone river Ghaggar was in operation in three⁷ districts.

The ASCO (Ghaggar), Panchkula and Naraingarh spent Rs 1.33 crore and Rs 33.90 lakh during 2000-02 on 729 and 120 completed works such as farm ponds, percolation tanks, earthen bandhs, etc. respectively on 3,671 hectares of land, but neither the 'Corpus' (one *per cent* by GOI and one *per cent* by State Government) for their maintenance was established nor completed works handed over to the Watershed Management Committees/Self Help Groups for their upkeep as required in the guidelines, as these bodies had not been constituted so far (March 2003). Further, area and the extent to which land degradation was prevented was not assessed by the department.

⁷ Districts Ambala, Panchkula and Yamunanagar.

Distribution of sprinkler sets

3.1.15 To reduce water loss by way of evaporation/percolation, sprinkler irrigation is envisaged under various schemes for crops like mustard, pulses, wheat, etc. in undulating tracts of coarse textured soils in southern Haryana. During 1997-02, against the target of providing subsidy for 21,880 sprinkler sets in the State, subsidy of Rs 12.82 crore for 17,137 sets (78 *per cent*) was paid under OPP, NPDP, ICDP-Wheat, ICDP-Cotton and MMM schemes.

In four of the six districts test checked, it was noticed that subsidy of Rs 25.29 lakh for 352 sprinkler sets was paid during 2000-02 by the concerned DDAs. However, copies of field maps, *jamabandi*, etc. were not furnished by the farmers with the applications and there was no indication of land holding by individual farmers, their category (SC or general) to ensure that the benefit reached the small/marginal and SC farmers as per scheme requirements.

As stipulated in the programme, undertakings for not selling/transferring sprinkler sets for at least seven years were also not obtained from beneficiary farmers by any DDA. Further, subsidies were released based on *proforma* invoices of the supplier firms instead of on the basis of approved technical estimates, as was required. In the absence of requisite documents, the subsidy paid to the farmers could not be termed as regular.

Mechanisation of cultivation

3.1.16 Agricultural mechanisation is significant for effective and timely completion of farming operations to benefit the farmers in saving time, reducing cost of cultivation and increasing productivity. To achieve these objectives, a centrally sponsored scheme "Promotion of Agriculture Mechanisation" launched under MMM from 2000-01, provided for subsidy on farm implements like Zero-till Seed-cum-fertilizer Drill, sugarcane cutter/planter, rice transplanter, etc. at 30 *per cent* of the cost of the machine upto a maximum of Rs 3,000 per machine. Audit observed that no physical targets were fixed under the scheme. However, subsidy of Rs 31.14 lakh was disbursed to 1,038 farmers during 2000-02 in the State.

Irregular payment of subsidy

Further, the Director, Agriculture drew Rs 30 lakh in October 2001 and paid the entire amount as advance to Haryana Agro Industries Corporation (HAIC) as subsidy. Of this HAIC paid, Rs 29.40 lakh as subsidy to 98 farmers during 2001-03 for purchase of tractors, though the payment of subsidy on purchase of tractors was not provided in the scheme and was thus, irregular.

Popularisation of use of certified seeds

3.1.17 The programme for popularisation of use of certified seeds aimed at enhancing productivity of different crops through quick spread of certified seeds of newly released varieties. Haryana Seeds Development Corporation

(HSDC), constituted in 1974, was primarily responsible for providing quality seeds of various agricultural crops for sale to farmers.

Shortfall in production of certified seeds

3.1.18 Targets fixed for production of certified seeds of main crops viz. wheat, gram, paddy, mustard and cotton and actual production during 2000-03 were as under:

Crop	Year	Target for production	Actual production	Percentage achievement
(In thousand quintals)				
Wheat	2001-01	167.50	95.54	57
	2001-02	191.88	161.49	84
	2002-03	210.00	177.00	84
Paddy	2000-01	17.50	13.08	75
	2002-02	13.70	8.88	65
	2002-03	14.90	10.82	73
Cotton	2000-01	7.35	4.45	61
	2002-02	5.37	1.39	26
	2002-03	4.50	2.56	57
Gram	2000-01	3.05	1.30	43
	2002-02	4.00	1.31	33
	2002-03	6.10	2.00	33
Mustard	2000-01	2.80	1.38	49
	2002-02	1.30	1.04	80
	2002-03	3.00	2.25	75

As evident from the above table, the shortfalls in achievement of targets for production of certified seeds ranged between 16 and 74 *per cent* for various crops. Though the targets for paddy and cotton fixed in 2000-01 were reduced in subsequent years, yet these were not achieved. HSDC attributed the lowering of targets to marketing problems stating that even the reduced production could not be sold. The Agriculture Department and HSDC, thus, failed to popularise the use of certified seeds among farmers.

In-adequate coverage of area under certified seeds

3.1.19 Area sown under main crops and area covered with the use of certified seeds during 2000-03 were as under:

Area in 000 hectare

Sr. No.	Crop	2000-01		2001-02		2002-03	
		Total area sown	Area where certified seed used and its percentage	Total area sown	Area where certified seed used and its percentage	Total area sown	Area where certified seed used and its percentage
(i)	Wheat	2,355	335 (14)	2,300	416 (18)	2,250 (T)	406 (18)
(ii)	Paddy	1,054	148 (14)	1,027	116 (11)	906	128 (14)
(iii)	Gram	125	6 (5)	145	6 (4)	102 (T)	12 (12)
(iv)	Cotton	555	274 (49)	630	292 (46)	519	259 (50)

T: Tentative figures

Certified seeds were not sown in large areas

Of the total sown area, 82 to 96 *per cent* area under wheat, paddy and gram crops was not covered with good quality certified seeds while for cotton, farmers were not provided with certified seeds for 50 to 54 *per cent* of the area sown during 2000-03. Inadequate coverage of cropped area with certified seeds was one of the factors for decline of per hectare yield as discussed in paragraph 3.1.6.

Coverage of SC and small/marginal farmers

3.1.20 Subsidy on certified seeds of paddy, bajra, barley and wheat was provided under MMM while for oil, pulses and cotton seeds, subsidy was provided under respective schemes i.e. OPP, NPDP and ICDP- cotton.

Coverage of SC and small/marginal farmers not ensured

As per GOI's guidelines, for grant of subsidy on purchase of certified seeds, preference was to be given to small and marginal farmers and at least 16.5 to 20 *per cent* of the financial benefit was to flow to SC farmers. A scrutiny of subsidy claims for certified seeds worth Rs 3.59 crore paid to Haryana Seeds Development Corporation (HSDC) during 2000-02 by JDA (Cotton), Sirsa, DDA, Hisar and DDA, Karnal disclosed that there was no indication about land holdings with individual beneficiary farmers and about the category of farmers i.e SC/general/small/marginal.

The JDA(Cotton) Sirsa stated (February 2003) that SC farmers did not have enough cultivable land to fulfill the target of 20 *per cent*; and as regards indication of land holdings by farmers, instructions would be issued to the concerned agencies. DDAs Hisar and Karnal stated (June 2003) that the coverage of small/marginal and SC farmers was not ensured by HSDC.

Irregular payment of subsidy

Subsidy released irregularly on more than 10 years old variety seeds

3.1.21 As per GOI's instructions, seed varieties which were more than 10 year old did not qualify for subsidy. DDA, Hisar irregularly released subsidy of Rs.16.30 lakh to HSDC during 2000-02 for C-235 variety of gram seed released in February 1976.

Seed village programme

Irregular payment of incentive on certified seeds

3.1.22 Under component 'Seed Village Programme' under NPDP aimed at production of good quality seed locally to overcome the shortage of certified seeds of pulses, DDA, Hisar paid Rs.16.49 lakh to HSDC during 2000-02 towards incentive. It was, however, noticed that selection of area, villages to constitute 'Seed Village' was not made and the land used for growing seed not kept for 5-10 years as envisaged in the scheme guidelines. The DDA, Hisar while admitting the lapse stated (July 2003) that HSDC was responsible for not following GOI guidelines as they were handling this activity; and the Director was being requested to instruct HSDC to follow GOI guidelines.

Seed minikit programme

3.1.23 Under seed minikit programme, minikits containing certified seeds of new varieties on different crops were supplied by GOI free of cost to the

department for onward distribution to farmers with the objective to popularise the lately released varieties for quicker adoption by farmers.

Distribution of minikits without following the prescribed guidelines

As laid down in OPP and NPDP schemes, identification of farmers for distribution of minikits was to be done well in advance of the sowing season to cover small and marginal farmers (50 per cent) and at least 20 per cent of SC farmers. In three of the six districts test checked, it was noticed that 1.11 lakh seed minikits for main crops (wheat, paddy, mustard, gram and sunflower) were distributed during 2000-03 to farmers without their identification in advance of sowing season and without any record about beneficiary farmer's land holdings/castes, etc. In absence of supporting records, Audit could not verify whether the benefits reached the targeted beneficiaries.

Oilseed Production Programme

3.1.24 The Centrally sponsored, Oil Seed Production Programme aimed at increasing the production of oilseeds i.e. rape seed, mustard, soybeans and sunflower by adopting improved agronomic practices by the farmers. Test-check of records revealed:

Production of foundation/certified seeds

Shortfall in achievement of targets for production of certified seeds

3.1.25 During 2000-02, Rs nine lakh were allotted for providing incentive to farmers/ agencies for production of 2,000 qtls. foundation seeds and Rs 40 lakh for providing incentives for production of 8,000 qtls. certified seeds of oil crops in farmer's fields in the State against which merely 20 qtls (one per cent) foundation seed (at a cost of Rs 0.10 lakh) and 4,506 qtls. (56 per cent) of certified seeds (at a cost of Rs 6.78 lakh) were produced. Shortfalls in the production of foundation and certified seeds indicated that department failed to motivate the farmers/agencies for adopting improved agronomic practices by providing incentive inspite of availability of funds. The Director, Agriculture while admitting the poor performance under this component stated (July 2003) that seed component was being implemented by HSDC.

Subsidy on certified seeds of oil crops and farm implements

3.1.26 The programme earmarked Rs 22 lakh as subsidy for distribution of certified seeds of groundnut and soyabean and Rs four lakh as subsidy for purchase of manual/bullock drawn farm implements during 2002-03, but no expenditure was incurred on these components.

Agriculture land in illegal possession

3.1.27 Two Hundred sixty one acre seven marla agriculture land of Agriculture Station, Hansi was on lease (patta) with 34 labourers/farmers (tenants) since the formation of Haryana State in 1966 for which *pattanama* was executed with them upto 1987-88. According to *pattanama*, the tenants were to give one-third of the agriculture produce to the department. However, since 1988-89, no *pattanama* was executed and no share of produce was given to the department but the land was still in illegal possession of these farmers. The department failed to take timely action for getting the land vacated and hence, sustained revenue loss. The revenue loss during 2002-03 alone worked out to Rs 15.66 lakh at the rate of Rs 6,000 per acre.

The department had been auctioning 73 acre 3 kanal 9 marla land (in four districts) every year to farmers without specific directions for its use and had no plans for monitoring of agricultural activities in future also.

Use of fertilizers

3.1.28 Fertilizer is an important input for maximising agricultural production. In Haryana, there were 7,385 fertilizer sale points as of March 2003, run by Haryana Agro Industries Corporation, HLRDC and private dealers, etc. The targets fixed for distribution of following types of fertilizer by Agriculture Department under *kharif* and *rabi* crops were not achieved to the extent indicated below during 2002-03:

Type of fertilizer	Kharif crops		Rabi crops	
	Targets	Achievements	Targets	Achievements
(In lakh MT)				
Urea	17.00	14.98	25.90	25.86
DAP	4.80	4.05	9.45	9.63
CAN	0.39	0.30	0.47	0.24
SSP	0.85	0.49	0.89	0.68

Insect/pest management and insect/pest surveillance

Plant protection measures

3.1.29 Plant protection is an important factor for influencing crop production. The department provides necessary advice to the farmers for taking various measures for controlling insect-pests and diseases in their crops. Targets and achievements under various components of pest management during 2000-03 were as under:

Component	Crop	Target	Achievement	Percentage achievements
(000, hectares)				
Seed treatment	<i>Kharif</i>	6,150	4,876	79
	<i>Rabi</i>	3,520	1,660	47
Crop pest control	<i>Kharif</i>	5,700	5,208	91
	<i>Rabi</i>	3,840	1,776	46
Vegetable pest control	<i>Kharif</i>	2,550	1,328	52
	<i>Rabi</i>	1,600	676	42
Pest surveillance	<i>Kharif</i>	1,050	1,046	100
	<i>Rabi</i>	790	613	78

Shortfalls were significant for crop pest control in *rabi* (54 per cent), vegetable pest control in *kharif/rabi* (48 to 58 per cent) and pest surveillance in *rabi* (22 per cent).

Quality Control of insecticides/pesticides

3.1.30 Agriculture Department is responsible to ensure the sale of quality agriculture inputs to farmers through inspection of manufacturing/sale units of insecticides, fertilizers and sale-agencies of certified seeds of various crops. Following shortcomings were noticed:

Insecticides/pesticides

Absence of mechanism and criteria for drawing samples

3.1.31 The department had 5,514 to 5,937 insecticides/pesticides selling units in the State during 2000-03 (upto January 2003). Annual targets for collection of samples during 2000-03 ranged between 2,100 and 2,251 i.e. 38 to 39 *per cent* of the total selling units. The department did not have system to ensure that the samples were drawn at least once in a given time frame from all the units. The department stated (June 2003) that targets for collection of samples were fixed considering the annual analysing capacity of 1,100 samples each of the two laboratories at Karnal and Sirsa. There was thus, a need to strengthen the laboratories.

Quality standards of insecticides/pesticides sold in the market did not improve as the percentage of misbranded samples (to total samples drawn) was nine *per cent* in 2000-01 and remained the same in 2002-03 also.

In the districts test checked, it was noticed that the entire stock of the batch of insecticides/pesticides, from which the samples were drawn by inspectors, was sold by the concerned units by the time laboratory test reports were available. Thus no stock was seized to stop sale in the market. Government should consider the desirability of reducing the time limit of 60 days for test reports by laboratories to stop the sale of misbranded insecticides/pesticides.

Non-maintenance of records of inspections

3.1.32 In six districts test checked, it was noticed that the concerned quality control inspectors (QCIs) did not maintain a record/register of inspections of insecticides selling/manufacturing units and seed selling units during 2000-03 though these were required to be maintained under Insecticides Rules, 1971 and Seed Rules, 1968. In the absence of such records, frequency of inspection of individual units vis-à-vis prescribed under the rules was not verifiable. Details of units having remained un-inspected during 2000-03 were not maintained and no programme was formulated to cover such units in subsequent years.

Intensive cotton development programme

3.1.33 Main objective of the scheme was to enhance cotton production through technology transfer, supply of quality seeds, demonstration for IPM activities and timely supply of inputs (bio agents) to the farmers.

Shortfall in achievement of targets

Against the target of supply of bio agent for 12,000 hectares area of cotton crop during 2000-02 and demonstration of integrated pest management (IPM) over 50 hectares in 2001-02, actual achievement was 5,825 hectares (49 *per cent*) and 40 hectares (80 *per cent*) respectively.

Crop diversification

3.1.34 Traditional foodgrain crops like wheat and paddy had dominance in Haryana. The Agriculture Department, however, gave emphasis on diversification in agriculture to divert area from traditional cereal crops (wheat and paddy) to high value cash crops viz. cotton, sugarcane, oilseeds, etc. so that the farmers could get more remunerative prices. The department, however, failed to popularise the diversification in agriculture among farmers as the area sown under commercial crops declined from 14.83 lakh hectares in 1996-97 to 13.26 lakh hectares in 2002-03.

Marketing facilities

3.1.35 Haryana State Agricultural Marketing Board (HSAMB) had a net work of markets comprising 58 principal yards and 60 sub-yards at the time of its formation in 1969 which increased to 106 principal yards and 177 sub-yards in 2002-03 spread over the State. Total storage capacity of foodgrains in the State increased from 28.85 lakh tonnes in 1999-2000 to 52.06 lakh tonnes in 2002-03.

During 2001-03, the Agriculture Department released Rs 81 lakh under MMM scheme (Rs 50 lakh in 2001-02 and Rs 31 lakh in 2002-03) to HSAMB for construction of covered sheds in five¹ *mandis* and for strengthening of existing facilities for the farmers/labourers. It was noticed during audit that the Board did not construct any shed so far (August 2003) and the entire amount was lying in their bank account.

Agriculture credit facilities

3.1.36 Farmers from weaker sections of society form cooperative societies, which are registered under Cooperative Societies Act by the Department of Co-operation. Farmers' societies as well as individual farmers obtain agriculture loan from Haryana State Co-operative Agriculture and Rural Development Bank (HSCARDB). During 1999-2002, HSCARDB provided

¹ Ateli, Babian, Bilaspur, Dhamtan Sahib and Gharaunda.

credit to the extent indicated below:

Year	Target	Achievements	Percentage achievement
(Rupees in crore)			
1999-2000	307.68	231.48	75
2000-01	315.54	262.42	83
2001-02	346.50	299.91	87

Besides, the Agriculture Department facilitated credit facilities to farmers for purchase of agricultural inputs, equipments, implements, etc. Under MMM scheme, the Agriculture Department released Rs 3.60 crore to Registrar Co-operative Societies, Haryana (Rs 2.18 crore) and Haryana Co-operative Bank (Rs 1.42 crore) during 2000-03 for providing credit facilities to farmers directly and through Weaker Section Societies by way of converting short term loans into medium term loans due to natural calamities (drought and flood). The Director, however, did not maintain any record about the actual number of Societies/farmers benefited against these releases and thus, the monitoring of progress under this activity was lacking.

Strengthening of State Land use Board

Funds released
without requirement

3.1.37 The scheme aimed at strengthening the Land Use Board (the Board) by involving it in preparation of land use data bank, utilisation of fallow/waste lands and creating awareness among farmers for adoption of suitable land use. The Director, Agriculture released Rs 48.94 lakh to the Board during 2000-02 under MMM, against which only Rs 16.54 lakh had been spent on staff salary/other expenses, mapping and management of fallow land and for preparation of perspective plans upto February 2003. However, the required perspective plans for land use in the State, mapping of current-fallow/waste land, etc. had not been finalised as yet.

Perspective plans for
land use not
prepared

Instead of refunding the unspent amount of Rs 32.40 lakh to GOI, the Board kept Rs 15 lakh under fixed deposit while the balance was lying in their bank account.

Resource application

Financial management

Financial outlay and expenditure

Shortfall in
utilisation of funds

3.1.38 Budget provisions and expenditure under various schemes during

2000-03 were as under:

Year	Budget provision						Expenditure (as per Appropriation Accounts)		
	Original			Final grant			Plan	Non-plan	Total
	Plan	Non-plan	Total	Plan	Non-plan	Total			
(Rupees in crore)									
2000-01	62.83	115.20	178.03	52.26	111.94	164.20	51.67	112.92	164.59
2001-02	66.70	124.50	191.20	66.86	124.28	191.14	66.45	124.23	190.68
2002-03	78.35	135.88	214.23	58.57	134.37	192.94	57.17	133.96	191.13
Total	207.88 (36)	375.58 (64)	583.46	177.69 (32)	370.59 (68)	548.28	175.29 (32)	371.11 (68)	546.40

The figures in brackets indicate the percentage.

Less utilisation of Central assistance

Rs 99.78 lakh remained unspent under five centrally sponsored schemes

3.1.39 Actual release of Central assistance under the following five Centrally sponsored schemes during 2000-03 was not utilised to the extent indicated below:

Sr. No.	Name of scheme	Unspent balance as of 1 April 2000	Releases by GOI during 2000-03	Total funds available	Expenditure incurred during 2000-03	Unspent balance
(Rupees in lakh)						
1	ICDP ² (Cotton) MM-II	122.68	245.50	368.18	335.90	32.28
2.	NPDP ³	57.55	59.00	116.55	104.34	12.21
3.	OPP ⁴	190.12	483.00	673.12	660.33	12.79
4.	MDP ⁵	16.55	-	16.55	3.86	12.69
5.	MMM ⁶	-	4,283.11	4,283.11	4,253.30	29.81
	Total	386.90	5,070.61	5,457.51	5,357.73	99.78

Under Macro Management Agriculture Mode for financial assistance (MMM) scheme, the Director drew Rs 8.01 crore in the last week of March 2001 and reported (May 2001) to GOI as having utilised these funds during 2000-01 itself though the funds were carried over to 2001-02.

Reasons for short utilisation of Central assistance were attributed mainly to delay or non-release of funds by the State Government and non-implementation of certain schemes as discussed under paragraphs 3.1.9 to 3.1.36.

Rush of expenditure in March

3.1.40 Heavy rush of expenditure in the month of March under Centrally sponsored schemes ICDP (Cotton), NPDP, OPP, ICDP (Wheat) and MMM

² Intensive Cotton Development Project (Mini-Mission-II).

³ National Pulses Development Project.

⁴ Oil Seeds Production Programme.

⁵ Maize Development Programme.

⁶ Macro Management of Agriculture Mode.

was noticed in the five (out of six) districts test checked as detailed below:

DDO	No. of Scheme	Year								
		2000-01			2001-02			2002-03		
		(Rs in lakh)								
		Expenditure	Expenditure in March	Percentage	Expenditure	Expenditure in March	Percentage	Expenditure	Expenditure in March	Percentage
DDA, Sirsa	4	17.62	15.91	90	38.92	33.96	87	23.38	15.14	65
JDA (Cotton), Sirsa	1	46.76	20.09	43	63.54	44.61	70	-	-	-
DDA, Karnal	3	31.61	21.77	69	294.63	125.83	43	365.89	184.60	50
DDA, Ambala	2	15.61	13.71	88	4.28	2.58	60	1.77	1.22	69
ASCO, Mahendergarh	2	54.19	54.19	100	41.54	41.54	100	10.96	9.57	87
DDA, Hisar	5	394.10	290.39	74	250.34	164.84	66	262.81	248.60	95

Expenditure incurred in March ranged between 43 and 100 per cent

Substantial funds drawn at the fag end of financial years, which remained unspent in the year of their drawal and were carried over to subsequent financial years in contravention of financial rules, adversely affected the implementation of programmes/schemes.

Grants-in-aid

Non-monitoring of research and education activities by Director of Agriculture

3.1.41 State Government released grants-in-aid of Rs 209.40 crore during 2000-03 to Haryana Agriculture University (HAU), Hisar broadly for agricultural research and education. While sanctioning the grant, the State Government prescribed the condition that the grant was to be utilised for approved objects, but the specific objectives were not indicated in the sanction. The Director of Agriculture, without monitoring the progress towards agricultural research work done by HAU and verification of the purpose for which the grants were specifically utilized, accepted UCs for Rs 134.95 crore for the period 2000-02. The HAU also did not maintain specific grant-wise expenditure.

Expenditure control

3.1.42 The Director did not maintain expenditure control register to monitor the progress of expenditure under each major, minor, sub-head of accounts. Expenditure figures received monthly from various DDOs in the field were compiled on loose sheets of paper, which did not give consolidated picture of progressive flow of expenditure and thus weakened the mechanism for monitoring of financial progress.

Personnel management

Manpower profile

3.1.43 Codal provisions provide that the department should follow sound system for determination of manpower requirement, their regulations and their efficient and effective utilization. A periodical review should be conducted to

compute manpower needs and to watch whether the sanctioned manpower is utilised for the purpose it was sanctioned.

Details of posts sanctioned and filled during 2000-03 in various cadres of department were as under:

Sr. No.	Cadre	No. of posts sanctioned	Men in position April 2002	Vacant posts as of April 2002
(i)	Class-I posts including Director, Addl. Directors and Joint Directors	74	60	14
(ii)	Class-II posts	380	238	142
(iii)	ADOs	1,375	1,097	278
(iv)	Tracers	119	91	28
(v)	Agriculture Inspectors/Surveyors	734	537	197
(vi)	Sectional Officers (GWC)	22	10	12
(vii)	Technical Assistants (GWC)	17	6	11
(viii)	Junior Scientific Assistants	133	115	18
(ix)	Drivers	196	101	95
(x)	Others	3,466	3,083	383
	Total	6,516	5,338	1,178

Audit observed that the activities such as production and distribution of certified seeds, procurement and distribution of fertilizer and agricultural equipments were transferred to HSDC, HAIC and HLRDC long back, but employees sanctioned for these functions were continuing with the department. In view of the reduced work load there was a need to review the sanctioned strength, especially in the cadres of Agriculture Inspectors and *Beldars*.

Unjustifiable expenditure on staff salary

3.1.44 Emphasis under “Bee-Keeping” scheme was on farmers training, demonstration of bee-rearing and subsidy on purchase of bee-keeping appliances. The department had two bee-keeping Centres at Yamunanagar and Karnal.

The scheme did not have any budget provision for imparting training and giving subsidy on bee-keeping appliances during 2000-03. HAIC released Rs 0.40 lakh to the department in 2002-03, against which two groups of 23 and 27 farmers were provided training by Yamunanagar and Karnal Centres respectively. Against target of selling 660 bee-colonies to farmers, only 89 (13 *per cent*) were sold during 2000-03 (upto December 2002), which fetched only Rs 4.30 lakh. Thus, Rs 38.65 lakh spent on salary of staff during 2000-03 (upto December 2002) were not justifiable.

In reply to audit observation, the Director stated (March 2003) that training to 1,522 small/marginal farmers had been imparted upto 2002-03 and achievement of targets for development of bee colonies and their sale depended upon availability of flora and proper weather conditions. Reply was not tenable as these were known factors and there was no record to prove that 1,522 farmers were imparted training during 2000-03.

Improper deployment/adjustment of staff

3.1.45 In the districts test checked, in four offices, salaries of 10 officials were drawn by these offices under the orders of the Director, Agriculture though these officials were posted in other offices, where no sanctioned posts existed. Such adjustments without sanctioned posts tantamounted to extending undue favour to the concerned officials. Rs 27.93 lakh were spent towards payment of salaries to the officials between June 1997 to November 2002.

Disproportionate expenditure on staff salaries compared to benefits extended to farmers

3.1.46 Under the scheme, “boring operations and development of tubewells”, staff were to provide services for boring and developing tubewells in farmers fields. In the office of AAE, Hisar, the department rendered tubewell boring/installation services worth Rs 1.66 lakh during 2000-03 by way of hiring out machinery to farmers while Rs 51.45 lakh were spent on salaries of staff deployed for the purpose.

Salary without work

3.1.47 The State Government converted plan scheme for soil conservation on watershed basis in sub-mountainous areas, into non-plan scheme from 2002-03 and accorded sanction to the continuation of existing posts without any provision of funds for soil conservation works. In July 2002, the Director Agriculture sent a proposal to the Government for sanctioning fund for soil conservation works, which was not accepted. The staff remained idle during 2002-03 and expenditure of Rs 24.20 lakh incurred on their salary was wasteful. The Director stated (March 2003) that the staff was engaged in implementation of NWDPPRA and ‘Improved On Farm Water Management’ schemes. Reply was not tenable as separate staff was deployed for NWDPPRA.

Training

3.1.48 State Agricultural Training Institute (SATI) at Jind, organised courses of one to three weeks duration for in service training to its field functionaries in various disciplines, i.e. field demonstrations, practicals, agricultural activities, etc. During 2000-03, 21 to 26 courses were organised and against the target of 1,740 employees, 1,265 (73 per cent) were imparted training. The Principal, ATI Jind attributed (April 2003) the shortfall to deployment of staff for *panchayat*/municipal elections in 2000-01 and existence of large number of vacancies in the cadres of agriculture inspectors, extension workers, etc. The reply was not tenable as the vacancy position in these cadres was already in the knowledge of the department and was required to be taken into account while fixing targets.

Internal audit

3.1.49 The Directorate had one Audit Branch comprising of an Accounts Officer, two Section Officers and supporting ministerial staff. The branch conducted internal audit of four units only during 2000-03. The staff of audit branch was not assigned with any other accounting or budgeting work.

Monitoring and evaluation

3.1.50 The field offices of the department sent monthly financial/physical progress reports under various schemes to the Directorate which were not consolidated monthly to ascertain overall status of implementation of individual schemes for the State as a whole. As per GOI's instruction (November 2000) State Government was to constitute an inter-departmental co-ordination committee to monitor the implementation of schemes under MMM. The Committee was constituted only in February 2003 and was yet to hold its meeting. The Director paid (March 2002) Rs five lakh to HLRDC for conducting evaluation study of scheme; report of which was not furnished so far (February 2003).

These points were referred to the Financial Commissioner and Principal Secretary to Government, Haryana, Agriculture Department (May 2003); reply had not been received (September 2003).

Medical and Health Department

3.2 Implementation of the Drugs and Cosmetics Act

Highlights

Medical and Health Department was responsible for enforcing the implementation of the provisions of the Drugs and Cosmetics Act and Rules framed thereunder, to ensure availability of standard and safe drugs and cosmetics, at fair and affordable prices to the consumers and to see that the drugs were promoted through projection of factual information. The department, however, did not have adequate manpower to effectively enforce the regulatory functions. There was shortfall of 59 per cent in inspections of drug units to check compliance of provisions of the Act. In large number of cases, the firms continued their business without getting their licences renewed. Testing facilities for Ayurveda and Unani drugs and certain vaccines under Allopathic system were neither available with the State Drug Laboratory nor any alternative arrangements were made by Regulatory Authority and sub-standard drugs of these types, manufactured or sold, if any, remained undetected. Collection of drug samples for quality control was arbitrary as sample was not collected from large number of units for several years. Sub-standard and spurious drugs were in sale in the market and were supplied even to the Government hospitals. Punitive action against the defaulting units was not taken properly and promptly. The department thus, failed to achieve the objectives enshrined in the Act. Important points noticed in audit were as under:

Shortage of Drug Inspectors (68 per cent), as compared to the norms recommended by the Task Forces of the Central Council of Health and Family Welfare, led to a shortfall in inspection of Allopathic/Homeopathic drug selling units by 59 per cent during 1998-2003. For inspection of 230 to 366 Ayurvedic/Unani drug manufacturing units in the State, shortfall was 37 per cent during 1998-2003.

(Paragraph 3.2.11,3.2.24 and 3.2.25)

Testing facilities for large number of Allopathic drugs, articles, all Homeopathic, Ayurvedic and Unani medicines were neither available with the State Drug Laboratory nor any alternative arrangements for testing these items were made.

(Paragraph 3.2.14)

Seventy four *per cent* of the drug samples were tested after the prescribed period of 45 days from the date of collection of samples. The delay ranged between one and half month and one and half year. Licences of 25 out of 38 Blood Banks in the State were not renewed for the last two to seven years although they were in operation.

(Paragraph 3.2.15 and 3.2.17)

25 out of 64 drugs manufacturing units in the state have not been inspected and their samples were not tested during the period 1998-2003.

(Paragraph 3.2.18)

Prosecution cases increased from 324 in 1997-98 to 522 in 2002-03. The department did not take up the case for setting up special designated courts with the Government for their speedy disposal.

(Paragraph 3.2.28)

Records of complaint cases, of the violation of the provisions of the Act, were not maintained properly. Details made available disclosed that 227 cases were pending as of March 2003. Test-check disclosed that appropriate speedy action was not taken against the defaulters.

(Paragraph 3.2.29)

Adequate in-service training to staff was not imparted under Ayurveda/laboratory staff during 1998-2003.

(Paragraph 3.2.30)

Introduction

3.2.1 Government of India (GOI) enacted the Drugs and Cosmetics Act, 1940 (the Act) and framed Drugs and Cosmetics Rules 1945 to regulate the import into, manufacture, distribution and sale of drugs and cosmetics in the country and also to ensure availability of standard quality drugs and cosmetics to consumers, which otherwise pose a serious problem to public health. For keeping the prices of drugs under control, GOI also issued Drug (price control) order, 1995. The objectives of the legislation were to:

- ensure availability of standard and safe drugs and cosmetics;
- ensure availability of drugs at fair and affordable prices to the consumers and
- ensure that drugs are promoted through projection of factual information.

To achieve these objectives, the State Regularity Authority viz. State Drug Controller was entrusted with the functions of granting and renewal of

licences for manufacture, distribution and sale of drugs, carrying out inspections, testing of samples, vigilance and surveillance over the manufacturers/traders; and taking consequential legal/administrative action against the defaulters.

Regulatory machinery

3.2.2 The State Drug Controller (under the administrative control of the Director General, Health Services) and the Director, Ayurveda were the regulatory and licensing authorities for Allopathic/Homeopathic and Ayurvedic/Unani drugs respectively. The State Drug Controller was assisted by a Deputy State Drug Controller and three Assistant State Drug Controllers at State level. There were seven Senior Drug Inspectors at zonal level and 23 Drug Inspectors at District level.

Director, Ayurveda was assisted by an Assistant Director at State level and four Ayurvedic Medical Officers in the field.

A State drugs laboratory, headed by a Government Analyst, was functioning at Chandigarh since 1976 for testing the samples of Allopathic/Homeopathic medicines and cosmetics (except vaccine and sera).

Regulatory procedure

3.2.3 The licences for manufacture of drugs other than Ayurvedic and Unani drugs and their wholesale trade were granted and renewed by the State Drugs Controller while for the retail sale, by the Senior Drug Inspectors at zonal level. Licences for manufacture of ayurvedic drugs were granted and renewed by the Director, Ayurveda. Licences unless suspended or cancelled, were valid upto 31 December of the year following the year of their issue/renewal. However, licences issued and renewed after August 2001 were valid for five years from the date of their grant/ renewal. If a licensee failed to apply for renewal of licence within a period of six months after the date of its expiry, the same would be deemed to be invalid thereafter.

Drug Inspectors were responsible for inspection of the premises of allopathic and homeopathic drug manufacturing and sale units at least twice a year (once a year from September 2001). To ensure the quality of drugs/cosmetics, the samples were collected by inspectors from the manufacturing/selling units and sent to State Drug Laboratory for testing purposes.

If any person willfully prevents the inspector from discharging his duties or any serious offences are detected/suspected on the basis of sample testing or inspections, search and seizure, cases are filed against offenders in the courts of Chief Judicial Magistrates of the area for suitable penalty/punishment.

Audit coverage

3.2.4 Records relating to implementation of Act for the period 1998-2003 in the offices of the Director General Health Services, State Drug Controller, Government Analyst Haryana at Chandigarh and 10² out of 19 districts were test checked. Audit findings are discussed in the succeeding paragraphs.

Deployment of resources

Financial outlay and expenditure

3.2.5 Details of budget provision, expenditure and revenue receipts under Allopathic and Homeopathic systems for the period 1998-2003 were as under:

Year	Budget provision			Expenditure			Revenue receipts	
	(Rupees in lakh)							
	State	Central	Total	State	Central	Total	Budget Estimates	Receipts
1998-99	147.28	-	147.28	119.52	-	119.52	15.00	16.16
1999-2000	138.85	12.50	151.35	138.82	12.50	151.32	15.00	15.51
2000-01	140.86	12.50	153.36	140.80	12.48	153.28	20.00	20.00
2001-02	141.41	-	141.41	141.08	-	141.08	22.00	22.22
2002-03	151.84	-	151.84	146.32	-	146.32	23.00	23.00
Total	720.24	25.00	745.24	686.54	24.98	711.52	95.00	96.89

Note: No funds were provided for the implementation of the Act under Ayurveda and Unani systems of medicines.

Expenditure of Rs 7.12 crore comprised of plan expenditure of Rs 0.39 crore (seven *per cent*) of which Rs 0.25 crore was Central grant as indicated in the table above.

Scrutiny of records revealed that:

95 per cent of the expenditure was on establishment

3.2.6 Of the total expenditure of Rs 7.12 crore during 1998-2003, Rs 6.74 crore (95 *per cent*) were spent on establishment, three *per cent* on other contingent expenditure and merely two *per cent* spent on infrastructure.

Diversion of funds

3.2.7 Further, the expenditure included Rs 47.53 lakh spent by the Chemical Examiner, Karnal and Public Analyst, Haryana during 1998-2003 towards salary of staff sanctioned under state non-plan scheme but not deployed for the activities connected with the implementation of Drugs and Cosmetics Act.

Central assistance neither utilised nor refunded to GOI

3.2.8 GOI, Ministry of Health and Family Welfare released grant of Rs 12.50 lakh in October 1999 for strengthening of Haryana State Drug Laboratory. Since the funds could not be utilised during 1999-2000, GOI

² Ambala, Bhiwani, Hisar, Faridabad, Karnal, Narnaul, Panchkula, Panipat, Rohtak and Sonapat.

revalidated (August 2000) the sanction for utilisation of funds during 2000-01. Out of this, Rs 5.32 lakh were drawn by the Government Analyst, Haryana, Chandigarh in March 2001 for purchase of laboratory equipment (four electronic single pan balances) but balance Rs 7.18 lakh were neither utilised nor refunded to GOI (March 2003).

3.2.9 An expenditure of Rs 24.98 lakh was booked during 1999-2000 and 2000-01 against Central grant in the books of the Accountant General (A&E), Haryana through Transfer Entries (TEs) proposed by the department. As details of these TEs were not available in the offices of Director General, Health Services, Haryana, authority of expenditure and the basis of preparing these TEs could not be verified. Matter was also referred to the State Government to which reply had not been furnished (July 2003).

Procedure for reconciliation of receipts with treasury not followed

3.2.10 Fees for issue/renewal of licences were deposited in the government treasury by licencees directly. The Financial rules required that the departmental authorities should maintain a daily collection register. At the end of each month, credits, as entered, were to be reconciled with the treasury and certificate to this effect obtained from the Treasury Officer. Daily collection registers were not maintained and reconciliation of receipts with treasury records not done, which was fraught with the risk of serious financial irregularities, if not getting detected in time. SDC, Haryana stated (July 2003) that proper procedure for reconciliation of receipts had now been adopted.

Manpower

State Drug Controller, Haryana

3.2.11 As laid down in the Drugs and Cosmetic Act, Drug Inspectors were responsible for inspection of premises of manufacturers and sellers, drawing samples of drugs and cosmetics to determine their standards, etc.

Against the requirement of 50 Drug Inspectors, 16 were in position

As per recommendations of the task force of the Central Council of Health and Family Welfare, there was a requirement of 50 drug inspectors. However, as on 31 March 2003, there were only 23 sanctioned post of inspectors, against which 16 inspectors were in position. Thus there was shortage of 34 inspectors in comparison to the norms recommended by the task force, which resulted in delayed action against defaulting units, lesser number of inspections, delayed attending of complaint cases, etc., as discussed in paragraph 3.2.20 to 3.2.26. As the State Government had imposed (April 1999) complete ban on fresh recruitments, vacancies were not filled. Shortage of drug inspections adversely affected the implementation of the 'Act'.

Director, Ayurveda

Lack of staff resulted in deficiencies in drug control activities

3.2.12 There was no separate staff for implementation of Drug Control Act under Director, Ayurveda. Central Council of Health and Family Welfare of Indian Systems of Medicine passed a resolution in January 1997 for strengthening of Drug Control Cell in the Directorate of Ayurveda by establishing an independent drug control branch. Director, Ayurveda,

however, failed to send any proposal to the State Government for sanction of the posts of inspectors/doctors.

Due to lack of staff, proper scrutiny of records relating to grant, renewal and cancellation of licences and inspection of manufacturing premises suffered. On being pointed out in audit, the Director, Ayurveda accepted (November 2002) the deficiencies in performing the drug control functions.

Manufacturing and selling units

3.2.13 As of 31 March 2003, there were 445 manufacturing, 8,051 selling units for Allopathic drugs and cosmetics and 366 manufacturing units for Ayurveda and Unani medicines in the State. Though the State Drug Controller, Haryana was the licensing authority for drug manufacturing, yet the records/registers maintained in his office were not updated as a result of which details of 409 manufacturing (out of total of 445) units was only available and supplied.

No survey was conducted by the department during 1998-2003 for detecting manufacturing and selling units operating in the State without valid licences.

Testing infrastructure

3.2.14 The State had only one Drug Testing Laboratory at Chandigarh which was set up in the year 1976 for testing samples of drugs and cosmetics with the objective to determine their quality standards. Of the 15 sanctioned posts of laboratory technical staff, three to five posts remained vacant during 1998-2003, due to ban on recruitment imposed by the Government.

Testing facilities for certain drugs/devices did not exist

Testing facilities for determining the standards and quality of Sera vaccines, toxins, antigens, anti-toxins, oral polio vaccine, anti-sera for veterinary use, intra-uterine devices, Homoeopathic and Ayurvedic medicines were neither available at State Drug Laboratory nor any other alternative arrangement was made by the department.

The laboratory maintained a register indicating the details of drug/cosmetic samples received from the inspectors; and also recorded test results of such samples. Test results were communicated to the inspectors in the prescribed form. At the beginning of 1998-99, 993 samples were pending in the laboratory for testing, 13,910 samples were received during 1998-2003. Out of which 13,938 samples were tested and 14 samples rejected leaving a balance of 951 samples untested. Out of 13,938 samples tested at the laboratory during the above period, 59 were found spurious and 853 sub-standard.

Further scrutiny revealed the following:

Testing samples of medicines and drugs – time taken for reporting and the adverse impact on reporting delays

3.2.15 Against the target of 15,780 sample collection during 1998-2003, 13,910 samples (88 *per cent*) were collected and sent to Haryana Government Analyst for testing.

Abnormal delay in testing of samples

A test-check of records of laboratory revealed that of 13,938 samples tested at the laboratory during 1998-2003, 10,295 (74 *per cent*) were tested after the prescribed period of 'within 45 days' and the delay ranged between 45 and 562 days. The department attributed (January 2003) the delay to shortage of manpower. Since, only three to five posts of laboratory technical staff were vacant (out of 15 sanctioned), delays were not proportionately commensurate with the shortage of manpower.

As stated by Government Analyst, Haryana, capacity of the laboratory for sample testing was not fixed due to variation in time required for testing different samples.

Samples for blood not collected/ tested

3.2.16 To guard against spread of AIDS diseases, testing of units of blood stored in blood banks was necessary but no sample of blood units was collected for testing at the State Laboratory.

3.2.17 Thirty eight blood banks in the State were granted licences as on 31 March 2003. Out of these, licences of 25 blood banks were not renewed for the last two to seven years although these were in operation. In reply (June 2003) the SDC, Haryana stated that licences in most of the cases were not renewed due to non-conducting of inspection by joint inspection committee of Central/State inspectors and blood bank experts.

Arbitrary sampling

3.2.18 Of the 69 manufacturing units (64 drugs and five cosmetics) in three³ districts, no sample was collected from 28 units (25 drugs and three cosmetics) during 1998-2003. Further, no sample was collected from any of the six blood banks in existence in these districts. As a result, drug/cosmetics manufactured and blood stocked by the concerned units remained untested. On the other hand, samples from 29 individual units were collected repeatedly i.e. two to six times during 1998-2003.

³ Ambala, Panchkula and Yamunanagar.

Regulatory captures

Standing of the law

3.2.19 Under the Drugs and Cosmetics Act, and rules thereunder, there were no legal provisions for issue of licences to sellers of Ayurvedic and Unani drugs and such selling units being unlicensed, were also not covered under departmental inspections. As a result, there was no control of the department over these units for ensuring sale of standard and quality drugs.

Issue and renewal of licences

Continuation of business without getting the licences renewed

3.2.20 Test-check of records of State Drug Controller and in districts test checked revealed that 104 drug selling units did not apply for renewal of their licences within the prescribed period of six months and thus their licences were deemed to have expired, but these firms continued their business unauthorizedly and the department did not initiate any action against them.

Inordinate delay in renewal of licences

3.2.21 The rules did not lay down any time limit for issue and renewal of licences after the receipt of applications. The department also had neither fixed any time limit nor devised any system to keep watch over the receipt and disposal of applications for issue/renewal of licences in a time bound manner. Scrutiny of records of 448 cases in the districts test checked revealed that there was delay of one to eight years in 95 cases in renewal of licences.

State Drug Controller attributed (July 2003) the delay to shortage of manpower. The reply was not justifiable as against the sanctioned posts of 14 District Drug Inspectors in districts test checked, only four were vacant. This important function should have been given due priority.

3.2.22 The District Drug Inspector, Hisar proposed (March 2002) the cancellation of licence of a firm of Hansi because the drugs were being sold by them without the supervision of a qualified person, but no action was taken by the Senior Drug Inspector, Hisar for cancellation of licence (January 2003).

Irregular grant of manufacturing licences under Ayurveda

Licences issued without consulting the approved expert

3.2.23 As laid down in Drugs and Cosmetic Rules, a licence to manufacture for sale of any ayurvedic or unani drugs was required to be issued by the Licensing Authority after consulting the expert appointed for the purpose by the State Government. No such expert was appointed/approved by the State Government. However, the Director, Ayurveda, Haryana constituted a committee of three officers to scrutinise the formulations presented by the firms before issuing manufacturing licences. Since no expert was associated with the process, the licences issued by the Director for manufacture of Ayurveda medicines were in violation of the provisions of the Drugs and Cosmetics Rules.

Director, Ayurveda stated (June 2003) that he himself being a qualified person, there was no need of getting further approval or appointment of such

expert from the Government. The reply was not in line with the mandatory requirement under the Act.

Adequacy of inspection

3.2.24 The department had not devised any system to ensure that all the sale units were inspected as per prescribed frequency of at least once/twice a year.

Year-wise position of inspections of Allopathic/Homeopathic drug selling units was as under:

Shortfall in conducting of inspections

Year	Selling units	Inspections required	Inspections conducted	Shortfall	Percentage of shortfall
1998-99	6,200	12,400	3,277	9,123	74
1999-2000	6,100	12,200	4,524	7,676	63
2000-01	6,200	12,400	4,401	7,999	65
2001-02	7,862	7,862	4,555	3,307	42
2002-03	8,051	8,051	4,716	3,335	41
Total		52,913	21,473	31,440	59

There was a shortfall of 59 *per cent* in conducting the inspection of selling units as a result of which large number of selling units continued their business without valid licences as discussed in paragraph 3.2.20 to 3.2.22. The State Drug Controller attributed (February 2003) the shortfall to shortage of inspecting officers. Reply was not convincing since the shortfall was proportionately of alarming magnitude even if the shortage of staff is taken into account.

In the districts test checked, 522 inspections were carried out against the requirement of 2,064 (for 358 Allopathic units) resulting in shortfall of 1,542 inspections (75 *per cent*). State Drug Controller, Haryana attributed (July 2003) the shortfall to manpower constraints, non-provision of facilities of vehicles and the number of licenced units being high. The contention was not convincing as shortage in these districts was negligible.

3.2.25 Under Ayurvedic and Unani systems of medicine, against requirement of 2,978 inspections of 230 to 366 manufacturing units in the State, 1,887 inspections were carried out during 1998-2003, resulting in shortfall of 37 *per cent*.

Ayurvedic and Unani drug selling units were not being inspected

There was neither any provision for periodical inspection of Ayurvedic and Unani drugs selling units in the Act/Rules nor any inspection was conducted by the department. In the absence of any quality control over sales and distribution of Ayurvedic and Unani medicines, possibility of passing on spurious/fake drugs to the consumers could not be ruled out.

Follow-up action on samples found sub-standard or spurious; effectiveness thereof

3.2.26 In the districts test checked, 78 cases of spurious (34) and sub-standard (44) drugs were test checked. It was noticed that out of 34 spurious

drug cases, court cases were launched against the offenders in 30 cases, which were pending in various courts. Remaining four cases were under process for launching the cases in courts. Out of 44 substandard cases, 26 cases related to manufacturers from other States for which matter was reported to the concerned State Drugs Controllers for taking suitable action against the offenders, but no follow up action was taken by the SDC, Haryana. Further, details of supply of these sub-standard drugs in Haryana were not obtained from the SDCs of the other concerned States to initiate action for recalling the sub-standard drugs from the market. As regards manufacturers of Haryana, licences were suspended in 16 cases and cancelled in two cases, but no action was taken to recall sub-standard drugs from the market.

Instances of specific drugs procured by various civil hospitals which were found sub-standard on testing in Government Laboratory were as under:

Sr. No	Sample collecting authority	Sample collected from	Name of drug	Total quantity	Quantity withdrawn	Balance quantity
1	District Drug Inspector (DDI), Ambala (August 2002)*	Civil Surgeon, Ambala	Prochloroperazine 5 mg tablet (Batch: AT-1,526)	4.04 lakh	0.31 lakh	3.73 lakh
2	Senior Drug Inspector (SDI), Panchkula (April 2002)*	Civil Surgeon, Panchkula	CPD bags	25,000 bags	-	24,603 bags (397 bags used)
3	DDI, Ambala (October 2002)*	PMO, Ambala and Karnal	Triful perazime 5 mg (Batch: AT-01,529)	10,000 9,400 tablets	3,400 -	6,600 9,400
4	DDI, Ambala (November 2002)*	Civil Surgeon, Ambala	Biscodyle tablet 5 mg (Batch: PT-77)	7.6 lakh	-	7.6 lakh

* Month/year of sample collection.

As evident from the above table, negligible quantity of sub-standard drugs was withdrawn/replaced while for the bulk of quantities, there was nothing on record of SDC, Haryana as to whether these were withdrawn or not. Circulation of sub-standard drugs posed a serious problem to public health.

3.2.27 Lists of spurious drugs were not circulated to the trade associations, Government and semi-government hospitals, ESI dispensaries/hospitals, recognized consumer associations, etc. to avoid their use. Publicity in leading daily newspapers and over electronic media regarding such spurious drugs and their manufacturers was also not given to make people aware of spurious/adulterated drugs. While admitting the failure, the SDC, Haryana stated (May 2003) that the compliance would be done in future.

Statistics of prosecutions vis-à-vis cases filed

3.2.28 When a drug was found spurious, adulterated or grossly sub-standard, prosecution was to be launched against the concerned firm. Details of prosecution launched, cases decided and pending in courts during 1998-2003

Increasing trend in prosecution cases

were as under:

Year	Pending cases at the beginning of the year	Prosecution launched	Total	Decided	Pending
1998-99	324	90	414	17	397
1999-2000	397	45	442	22	420
2000-01	420	54	474	28	446
2001-02	446	28	474	18	456
2002-03	456	91	547	25	522
		308		110	

Poor progress in prosecution

Out of 522 pending cases, 228 were more than five years old. Though the prosecution cases were on the increase, the department did not take up the matter with the Government for considering setting up special/designated courts for their speedy disposal. SDC, Haryana replied (July 2003) that an average of 25 cases per district were under trial in the State, which did not suggest necessity of setting up of special/designated courts. The fact remains that a large number of pending cases pertained to very old period and department should devise appropriate system for their speedy disposal in case setting up of special/designated courts is not necessitated.

Out of 110 court cases decided during April 1998 to March 2003, 44 cases (40 *per cent*) ended in acquittal. A scrutiny of 23 acquittal cases revealed that acquittals were due to launching of cases before issue of notification by the Government empowering the Chief Judicial Magistrates to try such cases, launching of cases after the expiry date of the drugs, declaration of the drug as standard by Central Drug Laboratory, Kolkata, change of statements by witnesses and launching of cases after the prescribed period of three years, etc. Thus, the department failed to defend their cases properly. Acquittals by default in large number reduced the fear of punishment in the minds of offenders.

Establishment of intelligence-cum-legal cells

3.2.29 The State Government did not set up any intelligence and legal Cell to tackle the problem of manufacture/sale of spurious and mis-branded drugs upto July 2002. In August 2002, the Cell, comprising one Assistant Drug Controller was set up which conducted 10 raids upto March 2003. During these raids, 40 units were checked and 221 samples were seized. Permission for launching prosecution was granted only in two cases and licence of only one unit was cancelled. No such Cell was set up for Ayurvedic and Unani systems.

Cases of spurious/sub-standard drugs/cosmetics, coming to notice of the department, were to be dealt with and investigated properly for taking departmental/legal action against the offenders.

Records of complaint cases not maintained properly

There was, however, no system in the office of the State Drug Controller for recording in a register such complaints, their disposal and pendency, indicating delay in taking follow up action. Details made available for the State disclosed that 227 complaints were pending as of March 2003. Of the 55 complaints test checked in eight districts, 10 were pending for one to four years. SDC, Haryana attributed (July 2003) non-disposal of complaint cases to non-availability of vehicles for making enquiries.

To collect information relating to offences under the Act, no system of co-ordination with other organisations like airport customs, vigilance and investigating authorities existed in the department.

Training

Training to staff not imparted

3.2.30 Implementation of regulatory functions under the Act required well trained staff but it was noticed that in-service training was not imparted to the drug inspectors under Ayurveda during 2001-02 and 2002-03 while during 1998-99 and 2000-01, against the target of imparting training to two Drug Inspectors each year, training was imparted to only one inspector in each year. No training was imparted to laboratory technicians during 1998-2003. Under Allopathic system, two districts drug inspectors were given training for five days during 1998-99 and two senior drug inspectors for 11 days during 2002-03. No training was given during 1999-2002. Director Ayurveda replied (June 2003) that inspectors would be given training in coming years. As regards training to laboratory staff, Government Analyst, Haryana stated that training could not be imparted due to shortage of staff.

Monitoring

3.2.31 Enforcement of various regulatory functions required close monitoring to ensure that the objectives of Drugs and Cosmetics Act/rules were achieved efficiently.

The Drug Inspectors in the field submitted monthly/yearly reports to the State Drug Controller indicating the progress in regard to achievements of targets. The reports were simply compiled at the Directorate Office. Remedial steps were, however, not taken to improve the performance and achievements.

Registers/records of drug manufacturing and sale units inspected during a particular year, giving details as to whether licencees had got their licences renewed on time, were not maintained.

In a meeting of Inspectors held on 3 May 2002 at Panchkula under the Chairmanship of Minister of State for Health and Medical Education to monitor the working of the Drug Inspectors, it was decided that such meeting of inspectorate staff were to be held at least twice a year. However, no such meeting was held thereafter despite lapse of almost a year.

Meetings and interaction jointly with the Industry Associations could be helpful to disseminate information on manufacture and sale of spurious drugs and persons involved in it. The department did not fix any periodicity for organising such conferences/symposia at State level. However, the department decided (January 2001) to hold such meetings at district level at least once in three months. Four State level meetings at Chandigarh (January and May 2001) and at Panchkula (October 2001 and January 2002) and one district level meeting at Faridabad (January 2002) were held during 1998-2003. No meeting was held after January 2002. This aspect was thus not given adequate attention.

Conclusion

3.2.32 Acute shortage of drug inspectors and laboratory technicians with the State Drug Controller and Government Analyst resulted in shortfall in inspection of Allopathic/Homeopathic drug selling units and sub-standard drugs were in circulation in the market. Renewal of licences for manufacturing/sale units were delayed in a number of cases. State Drug laboratory lacked testing facilities for a number of Allopathic drugs/substances while for Homeopathy, Ayurvedic and Unani drugs, there was no facility at all.

These points were referred to the Commissioner and Secretary to Government, Haryana, Medical and Health Department (May 2003); reply had not been received (September 2003).

Social Justice and Empowerment Department

3.3 Welfare of Handicapped

Highlights

Survey conducted in 1998 identified 2.21 lakh handicapped persons in the State. Of which, 1.37 lakh were orthopaedically handicapped. Audit exercise was focused mainly to assess the success of the policies and programmes of State Government towards rehabilitation of large number of orthopaedically handicapped persons and the preventive measures taken to guard against recurrence of such disabilities. The department did not follow any systematic approach to cover all the handicapped persons. Implementation of Welfare of Handicapped programme was largely ineffective as barely 22 per cent of the total disabled were benefited during 1998-2003. Targets for various schemes were fixed without any basis. Of 10,618 persons registered with special employment exchange for disabled, only 236 persons could be provided employment. National programme for rehabilitation of persons with disabilities was not implemented properly as only Rs 30 lakh were released to the programme implementing agencies, out of Rs 2.57 crore released by Government of India. Large number of orthopaedically handicapped persons were yet to be benefited under the programme for whom no specific action plan was formulated. Only 11 to 37 per cent of the capacity of the Training Centre for adult blind was utilised.

No specific time bound action plan was formulated to cover/rehabilitate large number of orthopaedically handicapped persons under the programme. Out of 2.21 lakh disabled persons identified in 1998, only 21-22 per cent were benefited under various schemes during 1998-2003. Heavy shortfalls in achievements were noticed mainly under the schemes, 'unemployment allowance', 'Prosthetic aid to handicapped' and their rehabilitation.

(Paragraph 3.3.6)

Out of 10,618 persons registered with special employment exchange for handicapped during 1998-2003, only 236 (two per cent) were provided employment.

(Paragraph 3.3.7)

Under National Programme for Rehabilitation of Persons with disabilities, only Rs 30 lakh were released to the District Red Cross Societies out of Rs 2.57 crore received from Government of India during 1999-2002 and balance of Rs 2.27 crore was lying unutilised in saving bank account of the Director. Similarly, District Disability Rehabilitation Centre at Sonipat had not been set up so far (March 2003) despite release of Rs five lakh for the purpose to the Red Cross society, Sonipat in 2001-02.

(Paragraph 3.3.8 and 3.3.9)

Computerised Braille press installed at a cost of Rs 6.98 lakh in 1993-94 at the Institute for blind at Panipat was lying idle as computer instructor had not been provided so far (March 2003).

(Paragraph 3.3.12)

Only 11 to 37 per cent handicapped persons were enrolled at the Training Centre for adult blind at Sonipat during 1998-2003. Per person training cost increased from Rs 35,297 in 1998-99 to Rs 93,364 in 2002-03.

(Paragraph 3.3.14)

Meetings of State Co-ordination Committee and State Executive Committee for monitoring the implementation of the schemes were not held at prescribed intervals.

(Paragraph 3.3.18)

Introduction

3.3.1 Welfare of handicapped, the complex social issue involving coordination of curative, promotional and rehabilitational activities, directed at different forms of handicapped and multitude of welfare measures. There is neither a single legislative channel nor a single focal department for co-ordination even though the subject falls in the scope of social security. Further, the definition of handicapped for the purpose of coverage is so widely dispersed over such a large area of disability that no single focus emerges automatically from the efforts undertaken by different agencies entrusted with the delivery of the programme objectives.

The Government of India enacted the 'Persons With Disability (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995' (Act) which aimed at identification of handicapped, information sharing, generation of public awareness, accessibility of facilities, education, training/employment, prevention of disability, etc. In order to address these areas of concern, the major activities carried out in Haryana State includes:

- Identification of persons with disabilities;

- Providing the institutional framework for management and rehabilitation of specific disabilities;
- Implementation of 'National Programme for Rehabilitation of Persons with Disabilities' (NPRPD); and
- Creating awareness in the public through mass media in order to change their attitude towards disabilities and providing for preventive measures where ever required.

The programme for the welfare of handicapped comprised of 13 schemes mainly for running training centres for adult blind, schools for providing education to boys/girls, establishment of rehabilitation centres, grants-in-aid to non-government organisations, etc. and aimed at developing the skills of handicapped persons in different crafts to make them self sufficient, providing employment and rehabilitation services, etc.

Organisational set up

3.3.2 In Haryana State, Financial Commissioner and Principal Secretary to Government of Haryana, Social Justice and Empowerment (SJE) Department is responsible for implementation of State Government's policies and programmes relating to the welfare of handicapped. Director, SJE, was in over all charge of the programme. At district level, the programme was implemented by District Social Welfare Officers, District Rehabilitation Centre, Bhiwani and other voluntary organisations such as District Red Cross Societies, Institutes for hearing and speech handicapped persons, etc.

Audit coverage

3.3.3 Records relating to implementation of the programme for the period 1998-2003 were test checked during January to June 2003 in the Directorate of Social Justice and Empowerment, Haryana and seven district offices⁴ (out of 19 districts) and Districts Rehabilitation Centre, Bhiwani from all the four Commissionerates together with two Institutions⁵ which constituted 61 *per cent* of the total expenditure under the programme.

Budget provision and expenditure

3.3.4 The department implemented 13 State funded schemes for which provisions were made through annual budgets. Besides, GOI released grants-

⁴ Ambala, Faridabad, Jind, Karnal, Panipat, Panchkula and Sonipat.

⁵ Training Centre for Blind Adults, Sonipat and Government Institute for Blind (including Braille Library), Panipat.

in-aid under four cent *per cent* centrally sponsored schemes directly to the non-government organisations.

The budget provision and expenditure under the schemes funded by State Government during 1998-2003 were as under:

Year	Budget provision	Expenditure	(-) Saving
	(Rupees in crore)		(+) Excess
1998-99	3.13	3.01	(-) 0.12
1999-2000	3.17	3.63	(+) 0.46
2000-01	3.71	3.04	(-) 0.67
2001-02	3.94	3.27	(-) 0.67
2002-03	3.50	3.31	(-) 0.19
Total	17.45	16.26	(-) 1.19

Funds remaining unutilised shows department's half hearted approach in implementing the welfare schemes like providing posthetic aid, unemployment allowance to handicapped and their rehabilitation.

Identification of persons with disabilities

Absence of mechanism to detect early disability

3.3.5 Section 25 of the Act provided for prevention and early detection of disabilities. As per GOI's guidelines, all children were required to be screened at least once a year for identifying 'at risk cases', people were to be educated through village level workers, schools, radio, television, etc. It was, however, noticed that the Health Department implemented polio immunisation programme to prevent polio but the SJE Department did not devise any system/mechanism for early detection of disability. The survey to identify the disabled was conducted during 1998.

To carry out a survey for identifying handicapped persons, the State co-ordination committee constituted (December 1997) committees comprising health workers, *anganwari* workers, teachers and gram *sachivs/patwaris* in rural areas and workers of municipal committees in urban areas. The Committees conducted the survey during 1998 and identified 2.21 lakh disabled persons in the State.

Implementation of schemes

Lack of focus on orthopaedically handicapped

Shortfall in coverage of beneficiaries

3.3.6 Out of 2.21 lakh identified handicapped persons, 45,713 to 47,970 persons (21-22 *per cent*) were benefited during 1998-2003 under various schemes. The department fixed physical targets for the following six schemes executed through various Institutions. Physical targets and achievements

during 1998-2003 for these schemes were as under:

Sr. No.	Scheme	Targets	Achievements ⁶ and its percentage
		(Number of persons covered)	
1.	Scholarships to physically handicapped students	44,500	40,705 (91)
2.	Employment to blind	643	636 (99)
3.	Unemployment allowance	1,250	802 (64)
4.	Prosthetic aid	20,000	13,722 (69)
5.	State award to handicapped	50	34 (68)
6.	Grant-in-aid to voluntary organisations	1,75,000	1,79,500 (103)

The department did not fix targets by taking into account the requirement as per the magnitude and type of disabilities which resulted in shortfalls in achievements under several schemes indicated in the table above.

Out of 2.21 lakh disabled persons, 1.37 lakh persons were orthopaedically handicapped of which 0.68 lakh persons had more than 40 *per cent* disability. During 1998-2003, 0.25 lakh persons were benefited by providing them artificial limbs, wheel chairs, tricycles, surgical treatments, etc., but large number of orthopaedically handicapped persons still remained to be benefited. The State Government had no policy to address the disability. There was also no programme or specific action plan to cover these remaining handicapped in a given time frame except that Haryana Government had made rules namely Dangerous (Machinery) Operation Rules 1987 which prescribed guidelines for providing necessary safeguards to protect the operators of agricultural equipments/implements from accidents. The reasons as to why this area has not been specifically addressed were not on record.

Employment of persons with disabilities

3.3.7 As laid down in the Section 32 of the Act, the State Government/department were to identify posts which could be reserved for persons with disabilities. Further, according to section 33 *ibid*, three *per cent* reservation of posts in all Government departments was required to be done for the handicapped persons. The State Government had also issued notification in October 1997 in this regard. However, the department did not have any consolidated information for the total number of posts identified and filled for handicapped persons in Government departments.

The State had one special Employment Exchange at Chandigarh for providing employment to handicapped. 10,618 handicapped persons were registered with the Exchange during 1998-2003, out of which only 236 persons were provided employment. Since the department did not maintain any data regarding the number of posts identified against three *per cent* reservation, it was not verifiable in audit as to whether by providing employment to

⁶ Achievements include five years figure. Under Sr. No. 1, 3 and 6 of the table, the beneficiaries were repeated.

236 persons, the requirement of filling the prescribed percentage was met or not. The department stated (April 2003) that ban was imposed on fresh recruitment, which the State Government had now lifted and the concerned departments had been requested to fill up the backlog. The reply was not tenable, as the ban for recruitment of handicapped persons was lifted in December 1999 by the Government.

Rehabilitation of Persons with Disabilities

Huge funds remained unutilised due to non-implementation of scheme

3.3.8 The Scheme 'National Programme for Rehabilitation of Persons with Disabilities' (NPRPD) was introduced in 1999-2000 by Government of India (GOI) to create services delivery system at State/District/Block/Gram *Panchayat* levels, provide services to persons with disabilities and create awareness for prevention of disabilities with clear linkages at each level.

GOI released grant-in-aid of Rs 2.57 crore during 1999-2002. Though the scheme was introduced in 1999-2000 and GOI also started releasing funds from the same year, the Director, SJE had not formulated any action plan for implementation of the programme. The Director released Rs five lakh each to District Red Cross Society, Sirsa and Ambala in October 2001 and another Rs 20 lakh in March 2002 to Red Cross Society, Ambala for the implementation of the scheme. Utilisation certificates had not been furnished by the concerned Red Cross Societies so far (March 2003).

The balance amount of Rs 2.27 crore was lying unutilised in the saving bank accounts of the Director. The department failed to identify the prospective beneficiaries and to prepare action plan for the implementation of the scheme. Non-implementation of the scheme apart from blocking of funds, deprived the handicapped persons from deriving the benefits of the scheme.

3.3.9 Similarly, GOI identified (April 2001) Sonipat district in Haryana (out of total 107 identified in the country) and released Rs five lakh (Rs two lakh in April 2001 and Rs three lakh in October 2001) to Red Cross Society, Sonipat for setting up District Disability Rehabilitation Centre. Out of Rs five lakh, Rs 1.05 lakh were spent in May 2002 on purchase of machinery and equipment, which were still lying unused in the store; and balance Rs 3.95 lakh were lying unspent in the bank. District Disability Rehabilitation Centre had not been set up so far (March 2003).

District Rehabilitation Centre Scheme

3.3.10 Government of India launched the District Rehabilitation Centre (DRC) Scheme in 1985, to provide comprehensive rehabilitation services to the rural disabled right at their doorsteps. Haryana had only one DRC at Bhiwani, which was established in 1991. The services were rendered through camps organised at village level in the district for making people aware of the scheme and providing necessary treatment for blindness, accidents, deaf and dumb incidents causing disabilities. During 1998-2003, GOI released Rs 1.07 crore to this centre which were utilised.

A perusal of information relating to physical targets and achievements revealed that the number of handicapped persons treated at the Centre showed declining trend as indicated in the table given below:-

Sr. No.	Services	1998-99		1999-2000		2000-01		2001-02		2002-03	
		Regd.*	Treated	Regd.	Treated	Regd.	Treated	Regd.	Treated	Regd.	Treated
1.	Operations	292	292	181	181	36	36	32	32	3	3
2.	Fabrication of appliances	850	966	702	816	963	819	1,195	1,035	1,257	794
3.	Advance therapy (Physio, occupational and speech therapy)	4,111	4,111	3,145	3,145	2,536	2,536	3,064	3,064	3,221	3,221

* Regd.: Registered

Though the State had only one DRC for providing comprehensive rehabilitation services, yet its activities were confined to Bhiwani district only. The centre did not expand its activities i.e. organisation of camps outside the district to cover more disabled persons in the State.

Irregular purchase of aids and appliances

3.3.11 Red Cross Society, Jind received Rs 25.93 lakh during 1998-01 as grant-in-aid from GOI for the purchase of hearing aid and appliances under the scheme 'Assistance to Disabled Persons for Purchase/Fittings of Aids Appliances'.

As per GOI's instructions, appliances purchased were to be of ISI certification or manufactured/certified by Artificial Limb Manufacturing Corporation of India (ALIMCO), Kanpur. In contravention of these instructions, the Society purchased material/appliances worth Rs 15.66 lakh, which were neither ISI certified nor manufactured/certified by ALIMCO.

Infructuous expenditure

Computerised Braille press installed in 1993-94 lying unused

3.3.12 The State Government sanctioned Rs 10.21 lakh in October 1993 to the Institute for Blind, Panipat for purchase of computerised Braille press comprising equipment such as computer, CVT software and air conditioner (AC) for use in the Institute for preparing Braille books. The Government also sanctioned one post of computer instructor in May 1994.

The Computerised Braille press and AC were installed at the Institute during 1993-94 after spending Rs 6.98 lakh, but the computer instructor had not been provided upto March 2003 by the Directorate and the installed equipments were lying unutilised.

The Institute admitted (March 2003) that due to non-availability of trained operator/computer instructor, the system could not be operated successfully.

Non-utilisation of loan for self employment

3.3.13 National Handicapped Finance and Development Corporation (NHFDC), set up by the Ministry of Social Justice and Empowerment, GOI in January 1997 to promote economic development activities and self employment ventures for the benefit of persons with disability, channelised

funds through Haryana Backward Classes and Economically Weaker Sections Kalyan Nigam (Nigam) in Haryana.

The Nigam received Rs 7.27 crore as loan during 1998-2003 from NHFDC for the above purpose. Out of this, Rs 3.74 crore were disbursed as loans to 926 beneficiaries against the receipt of 2,487 applications and Rs 1.88 crore were refunded to NHFDC while the balance of Rs 1.64 crore were still lying with the Nigam (March 2003). The Managing Director of the Nigam stated (June 2003) that large number of applicants could not complete loan-formalities/documents and therefore, the funds had to be refunded to NHFDC. The reply was indicative of the fact that not only the procedure to complete formalities was cumbersome but the Nigam also failed to make adequate efforts to help/ensure completion of loan formalities by making the applicants aware of such requirements which led to deprival of scheme benefits to the disabled persons.

Performance of Institutes for disabled persons

Training Centre for adult blind

3.3.14 Section 26 of the Act provided for development of educational infrastructure for disabled persons. Training Centre for Adult Blind at Sonipat was set up with the objectives to provide education and training in caning, weaving, candle making, music, etc. to such blind adults who were not having adequate means for their sustenance to enable them to become self-sufficient. The sanctioned capacity was 100 persons. Year-wise details of beneficiaries and expenditure incurred on the school during 1998-2003 were as under:

Year	Expenditure (Rupees in lakh)	No. of trainees ⁷	Total staff	Ministerial staff	Teaching staff	Staff-trainee ratio
1998-99	13.06	37	12	10	2	1:3
99-2000	11.06	37	11	9	2	1:3
2000-01	10.21	11	11	9	2	1:1
2001-02	9.51	12	9	8	1	1:1
2002-03	10.27	11	9	8	1	1:1
Total	54.11					

Under utilisation of the capacity of Training Centre

As evident from above table, only 11 to 37 *per cent* of the capacity of the training centre was utilised during 1998-2003. The number of beneficiaries decreased from 37 in 1998-99 to 11 during 2000-03 and therefore, per person training cost increased from Rs 35,297 in 1998-99 to Rs 93,364 in 2002-03, which was on higher side. There was no teacher since April 2001 for training in the vocations of caning, weaving, candle making and music. The department in their reply (May, 2003) stated that the sufficient number of applications were not received to meet the targets. It was indicative of the fact that the department did not make efforts to publicise the facility available under the scheme to attract more trainees.

⁷ Depict total number of trainees in the Institute.

Government Institute for blind

Shortfall in achievement of targets in imparting education to the blind

3.3.15 To provide education to blind boys and girls, the State has a Government Institute at Panipat. The targets and achievements during 1998-2003 were as under:

Year	Targets	Achievements ⁸	Shortfall in percentage
(Students in numbers)			
1998-99	120	87	27
1999-2000	120	81	32
2000-01	120	107	11
2001-02	120	87	27
2002-03	120	87	27

For shortfall, the department in their reply (May 2003) stated that the applications for admissions in the centre were not received to the extent to meet the targets. The reply was not tenable as the department should have made more efforts to give due publicity for education facility available under the scheme.

Grants-in-aid

Short utilisation

Short utilisation of grant and non-contribution of matching share

3.3.16 State Government sanctioned grants-in-aid of Rs 10 lakh to Honorary General Secretary, Haryana Saket Council, Saket Hospital, Chandimandir in January 2000 on matching basis for purchase of machinery and equipments for physiotherapy unit for the welfare of orthopaedically handicapped. Of this grant, Rs 5.71 lakh had been utilised so far (March 2003) and balance of Rs 4.29 lakh was lying blocked in banks for the last three years.

Further, the grants-in-aid was released on matching basis but the Council had not contributed Rs 10 lakh towards its 50 per cent share so far (March 2003).

Non-maintenance of records

3.3.17 As per terms and conditions for grants-in-aid, separate accounts were to be maintained for each grant. Haryana Saket Council, Chandimandir did not maintain grant-wise separate account, although 21 grants totaling Rs 1.21 crore were released by the State Government to the Council during 1998-2003. In the absence of separate accounts for each grant, unspent balance, if any, under a particular grant could not be ascertained in audit.

Monitoring

3.3.18 State Co-ordination Committee (SCC) and State Executive Committee (SEC), formed under Section 13 (i) of the Act, were to meet after every six months and three months respectively for reviewing and coordinating the

⁸ Depict total number of students in the Institute.

activities of all the departments and other Government and non-government organisations dealing with the matters relating to disabled persons. However, against the requirement of 10 meetings of SCC and 20 of SEC, only four and 11 meetings respectively were held during 1998-2003. At these meetings also, no major decisions were taken for effective implementation of the programme. The Commissioner for exclusively monitoring the activities under “Persons with Disabilities Act, 1995” was appointed only in February 2003 and therefore, no monitoring at his level was done.

The Directorate office did not devise any system to obtain input reports from various field organisations regarding educational infrastructure, training, preferential allotment of land, screening of children ‘at risk’ cases, employment of disabled persons, etc. for regular monitoring of the implementation of various schemes.

These points were referred to the Financial Commissioner and Principal Secretary to Government, Haryana, Social Justice and Empowerment Department (May 2003); reply had not been received (September 2003).

Urban Development Department

3.4 Prevention and Control of Fire

In 1995, a major fire tragedy occurred in a *pandal* at a local function at Dabwali (District Sirsa), which resulted in a death toll of 438 persons and shook the State of Haryana. The magnitude of the tragedy was unprecedented in the State. In the wake of this major tragedy, the State Government constituted (January 1996) a committee to make recommendations for fire prevention and safety measures. The committee in its report recommended (March 1996) *inter-alia* enactment of Haryana Fire Prevention and Fire Safety Act, framing of bye-laws/rules for construction of temporary structures/*pandals*, semi-permanent/permanent structures/buildings, effective enforcement of guidelines regarding *pandals*, tents, etc. as laid down in Haryana Municipal Act. It is with this mishap in the background, a performance appraisal was carried out in Audit to assess the preparedness and efficiency of the Fire Services in the State of Haryana. The results of the study are given in the succeeding paragraphs.

Highlights

Fire services in Haryana failed to increase their resources in proportion to the rising population, increasing number of fire calls/incidents and high rise buildings in the State. Despite Dabwali fire tragedy, State Government had not enacted Fire Force Act, in the absence of which no legal action could be taken against the defaulters for not taking fire preventive and safety measures in construction of high rise buildings and institutional buildings, cinema halls, etc. There was no worthwhile improvement in the infrastructure; even number of hydrants and tubewells had declined during 1997-2003. Fire services were ill equipped with regard to men and machines and available resources were poorly managed leading to increased response time to fire calls. There were no Fire Stations in rural areas where 71 per cent of State's population resided although nearly 30 per cent fire calls were from rural areas during the period under review (1997-2003). Against the requirement of 422 water tenders, there were only 105 water tenders in the State. Nearly 39 per cent sanctioned posts of operational staff remained vacant. About 18 per cent fire fighting equipments/vehicles were out of order while 30 per cent of such vehicles/equipments have outlived their lives. In 50 per cent fire stations, only 22 per cent hydrants were available and 87 per cent of the available hydrants were unserviceable. All these factors led to increase in response time to calls, which was more than the prescribed time in large number of cases. No training and awareness programmes viz. breathing apparatus course, fire prevention course and other specialised courses as recommended by the SFAC were conducted for leading firemen. The State Government was, thus, not well prepared and equipped to control any major fire incident.

State Government did not enact the Fire Force Bill. Fire services run without specific powers/guidelines with the department/Municipal Committees badly affected the services.

(Paragraph 3.4.4)

Municipal Committees, against the budget provision of Rs 37.32 crore, spent Rs 23.76 crore (64 per cent) during 1997-2003.

(Paragraph 3.4.9)

Against the requirement of 4,268 Fire Stations, there were only 28 in the State. No Fire Station was established in rural areas though 30 per cent of the fire calls were from these areas.

(Paragraph 3.4.11 and 3.4.18)

Only 10 hydrants, 14 underground water tanks and eight tubewells were in working conditions in test checked districts against the requirement of 345 hydrants, 46 underground water tanks and 21 tubewells.

(Paragraph 3.4.14 to 3.4.16)

Only 105 Water Tenders were available in the State, against the requirement of 422.

(Paragraph 3.4.17)

In the Fire Stations test checked, response time to fire calls was more than prescribed time of five minutes in 33 per cent cases in urban areas and between 13 and 120 minutes in 72 per cent cases in rural areas.

(Paragraph 3.4.18)

Adequacy of provision for fire preventive measures was not ensured by Municipal Committees as inspections of high-rise buildings were not carried out by fire fighting staff during 1997-03.

(Paragraph 3.4.19)

Against the requirement of 678 operating staff in test checked districts, 245 were in position. Assistant Fire Station Officers were also not in position at five Fire Stations.

(Paragraph 3.4.21)

As on 31 March 2003, fire tax of Rs 8.73 crore from various building owners and fire charges of Rs 20.72 lakh remained unrecovered.

(Paragraphs 3.4.23 and 3.4.24)

Introduction

3.4.1 Fire prevention and related safety measures are an integral part of town planning and building construction. 'Fire Services' are organised by municipal bodies to combat any odd situation arising out of fire related

calamities and expected to be the first responder to save life and property in the State. Besides, municipal bodies are to ensure adequate fire prevention arrangements in high rise buildings, institutional and industrial buildings, cinema halls, etc.

Organisational set up

3.4.2 The Chief Fire Officer, Haryana Chandigarh is the executive incharge of Haryana Fire Services (HFS) in the State (except for Faridabad) and functions under the administrative control of the Director, Urban Development Department while Municipal Corporation, Faridabad is under the administrative control of the Commissioner and Secretary to Government, Haryana, Urban Development. There were 28 Fire Stations and one Training Centre in the State. Fire Stations were headed by Fire Station Officers/Sub-Officers.

Audit coverage

3.4.3 With a view to examining the overall performance of Fire Stations, especially fire fighting operations, the accounts/records of the Director, Urban Development Department, 14⁹ Fire Stations in eight¹⁰ districts, Fire Prevention Wing, Stores and the Workshop of Municipal Corporation, Faridabad for the period 1997-03 were test checked during December 2002, January, May and June 2003.

Non-enactment of Fire Force Bill

Fire Force Bill for effective fire safety measures not enacted

3.4.4 Government of India (GOI) requested all the State Governments in 1958 to strengthen fire services in their States. A model Fire Force Bill, drafted in the Ministry of Home Affairs, was forwarded to State Governments for similar enactments by State Legislatures. Accordingly, the Director, Urban Development, Haryana sent the proposal to the State Government for enactment of fire force bill in August 1994 after 36 years of these guidelines of GOI. The bill was not accepted (January 2001) on the ground that creation of new posts would involve substantial expenditure. The department did not revive the proposal thereafter.

As regards safety measures for permanent structures and buildings, the State Government made Haryana Building (Amendment) bye-laws in May 2000 under Haryana Municipal Act 1973 by adopting and incorporating therein the relevant provisions of the National Building Code 1983.

⁹ Bahadurgarh, Dabwali, Faridabad (Sector-15, N.I.T., Sarai and Ballabhgarh), Gurgaon, Jind, Palwal, Pehowa, Rohtak, Sirsa, Thanasar and Yamunanagar.

¹⁰ Faridabad, Gurgaon, Kurukshetra, Jind, Jhajjar, Rohtak, Sirsa and Yamunanagar.

For strengthening fire services, the State Government sanctioned (July 2003) posts of 41 Fire Stations/Assistant Fire Stations Officers, 117 drivers/operators (to be engaged on contract basis). In addition, provisions for 849 leading firemen/fireman was made for engaging them on contract basis out of municipal funds. None of these posts had been filled so far (September 2003).

The recommendations of the Standing Fire Advisory Committee (SFAC) of GOI, which prescribed standardised structure for fire services in regard to norms for manpower, requirement of Fire Stations, staff quarters, water sources, fire fighting equipments and vehicles, training, workshops, etc. were not observed as discussed in succeeding paragraphs. But all these measures for improving efficiency and preparedness of fire services were taken in the State without the backing of any legislative Act or Rules.

Financial outlay and expenditure

3.4.5 Details of budget provisions and expenditure during 1997-2003 were as under:

Year	Budget provisions (Plan/Non-Plan)		Expenditure ¹¹	Savings (-) Excess (+)
	(Rupees in lakh)			
1997-98	Non-Plan	17.72	17.22	(-) 0.50
	Plan (Loan)	35.39	35.78	(+) 0.39
1998-99	Non-Plan	20.57	19.66	(-) 0.91
1999-2000	Non-Plan	8.11	7.80	(-) 0.31
	Plan (Loan)	70.12	70.12	-
2000-01	Non-Plan	20.78	20.75	(-) 0.03
	Plan (Loan)	270.00	269.00	(-) 1.00
2001-02	Non-Plan	20.79	20.81	(+) 0.02
	Plan	120.66	120.66	--
2002-03	Non-Plan	26.14	21.65	(-) 4.49
	Plan	60.00	-	(-) 60.00
Total	Non-Plan	114.11	107.89	(-) 6.22
	Plan	556.17	495.56	(-) 60.61

Test-check of records revealed:

3.4.6 Of Rs 40 lakh drawn in March 2002 by the Director, Urban Development for purchase of fire machines, Rs 11.93 lakh remained unspent and were kept in fixed deposits with bank as of February 2003.

3.4.7 Rs 10 lakh drawn in March 2002, for purchase of delivery hose and branch pipes, were lying unspent in the shape of bank drafts as of February 2003 as the material was not received.

3.4.8 Budget provision of Rs 60 lakh under 'plan' during 2002-03 for strengthening fire services by creating infrastructure in various towns was not utilised for which reasons were not furnished by the department.

¹¹ The figures have been adopted from Appropriation Accounts.

Thirty six per cent of budget provisions with MCs remained unspent

3.4.9 Besides, Municipal Committees/Corporations, against the budget provision of Rs 37.32 crore, spent Rs 23.76 crore (64 per cent) during 1997-03 (*Appendix XIV*). The percentage of savings ranged between 8 and 85, which was a pointer to indifferent approach towards control and preventive measures.

Assessment of measures for preparedness

Infrastructure

3.4.10 Infrastructure facilities like fire stations, machinery, equipments, water tenders/sources were an essential requirement for controlling fire incidents with due promptness. The details of infrastructure with the department/municipal committee at the beginning of 1997-98 and at the end of 2002-03 were as under:

Type of infrastructure	As of April 1997	As of March 2003
Fire stations	27	28
Hydrants	276	123
Static water tanks	31	38
Tubewells	17	12
Fire fighting vehicles/equipments	82	105

As evident from above table, number of hydrants and tubewells declined to 123 and 12 at the end of 2002-03 compared to 276 and 17 respectively at the beginning of 1997-98. The department drew Rs 4.96 crore during 1997-2003 for the construction of fire stations at various places, purchase of fire fighting vehicles and equipments. Audit findings relating to these aspects are discussed in succeeding paragraphs.

Fire Stations

Non-setting up of Fire Stations in rural areas

Fire Stations in rural areas not established at all

3.4.11 As per SFAC's recommendations, 4,268 fire stations were required to be setup in the State (i.e. one for every four square miles) against which only 28 existed and that too in urban areas. No Fire Station was established in rural areas though 71 per cent of population in the State resided in rural areas.

Delay in construction of Fire Stations

3.4.12 The Director, Urban Development, Haryana released Rs 80.66 lakh in March 2002 as grant-in-aid to six¹² MCs for construction of Fire Stations. It

¹² Barwla, Jagadhari, Kalka, Mohindergarh, Narwana and Shahbad.

was noticed that none of the three¹³ MCs test checked had completed the construction work of buildings (March 2003).

Further, another Rs 2.69 crore was released in March 2002 by the Commissioner and Secretary to Government Haryana, Urban Development Department out of which Rs 1.02 crore were for construction of five¹⁴ Fire Stations.

Delay in construction of Fire Stations due to non-availability of land

Test-check of records of MCs in Jind and Kurukshetra districts revealed that construction of Fire Stations at Jind and Thanesar was not started because of land dispute and non-availability of land respectively. Meanwhile, the MC, Thanesar also demolished the old building for making site available for new shopping complex and its office building, construction of which was in progress (July 2003). The Fire Station was in a pathetic condition as all the motor fire engines were lying in open space. The work of construction of Fire Station at Pehowa was in progress (March 2003).

Poor condition of Fire Station, Rohtak

3.4.13 Fire Station at Rohtak was located under a tin shed open from all sides. The store, office and duty rooms were in very poor condition. This affected the efficient working of Fire Station as the machinery/equipments in the open were exposed to rain and sun causing their deterioration and affecting service worthiness.

Water sources of Fire Stations

Hydrants

Against the requirement of 345 hydrants, only 10 were in working condition

3.4.14 In 14 Fire Stations test checked, against the requirement of 345 hydrants, 77 hydrants were available. Of which, 67¹⁵ hydrants were unserviceable and no satisfactory arrangement existed for their repair and maintenance. The Director, Urban Development Haryana instructed (August 2001) all the MCs to initiate the matter of providing additional hydrants with the respective Public Health divisions within a week, but this was not done so far (March 2003) by any MC in the districts test checked.

Static water tanks

Shortage of static Water tanks

3.4.15 In the districts test checked, against the requirement of 46 underground water tanks as of December 2002, 20 existed. Of which, six were unserviceable. No action was taken by the concerned MCs for construction of new tanks or to repair unserviceable tanks.

¹³ Jagadhri, Narwana and Shahbad.

¹⁴ Bhiwani, Jind, Kaithal, Pehowa and Thanesar.

¹⁵ Kurukshetra: 2; Rohtak: 25 and Sirsa: 40.

Provision of tubewells at Fire Stations

Against the requirement of 21 tubewells in 14 Fire Stations, only 8 existed

3.4.16 To meet perennial water supply, tubewells were the most important source of water. It was noticed that only eight existed against requirement of 21 tubewells in 14 Fire Stations test checked.

Fire fighting vehicles and equipments

Shortage of Water Tenders/ fire fighting equipments

3.4.17 Against the requirement of 422 water tenders (WT) in 28 Fire Stations (including five WT at four Fire Stations under Municipal Corporation, Faridabad), only 105 water tenders were available in the State.

Adequacy of fire fighting equipments, their proper maintenance and upkeep was an essential requirement for fire fighting service.

The status of equipments/vehicles at Fire Stations test checked was as indicated below:

Sr. No.	Name of equipment/vehicles	Total Number (excluding condemned items)	In use	Out of commission
1	Motor fire engine	30	24	6
2	Small fire engine	9	8	1
3	Foam crash tender	4	4	-
4	Rescue tender	4	4	-
5	Water bowser	1	1	-
6	Trailor pump	2	-	2
	Total	50	41	9

As evident from the table above, 9 out of 50 equipments were out of use. Of the 41 equipments in use, 15 had outlived their lives during the years between 1994 and 2003.

Facilities of ambulances/wireless were not available in any of the Fire Stations. Similarly, arrangements for fire fighting in high-rise buildings were also insufficient as no turntable ladders were available with any of the Fire Stations.

The department purchased 22 chassis at a cost of Rs 97.09 lakh during 2000-02. Test-check of records revealed that out of eight Ashoka Leyland/Tata Chassis purchased in May 2000, April 2001, May 2002, three were lying unfabricated in open at Rohtak, Bahadurgarh and Palwal Fire Stations and their condition was deteriorating due to vagaries of nature. Thus, Rs 16.84 lakh spent on the purchase of three chassis remained unfruitful as of February 2003.

Response time

3.4.18 As per recommendations of the SFAC, GOI, in order to achieve reasonable efficiency, the locations of Fire Stations should be such that the

men and equipment could reach any part of the area covered by the respective Fire Stations in a maximum period of 5 and 10 minutes in urban and rural area respectively after receipt of calls.

Number of fire, rescue and other calls attended by Haryana Fire Service (HFS) during 1997–2003 was as follow:

Sr. No.	Year	No. of calls
1	1997-98	2,417
2	1998-99	2,725
3	1999-2000	3,497
4	2000-01	3,334
5	2001-02	3,292
6	2002-03	3,835
Total		19,100

The loss of property recorded through these calls by the concerned Fire Stations was to the tune of Rs 192.48 crore and the number of deaths was 411 which occurred before the water tenders could reach the places of incidents.

Test-check of fire reports in 14 Fire Stations revealed that response time to fire calls was more than the prescribed time in large number of cases as indicated below:

Number of fire and other calls

Time interval in minutes taken for reaching the destination	1997-98		1998-99		1999-2000		2000-01		2001-02		2002-03		Total	
	UR	RL	UR	RL	UR	RL	UR	RL	UR	RL	UR	RL	UR	RL
1-5	782	12	702	17	857	43	683	43	638	19	576	43	4,238	177
6 – 9	186	20	255	26	285	49	290	55	295	68	289	90	1,600	308
10 – 13	13	33	49	33	64	39	48	47	37	56	94	82	305	290
14 – 17	4	32	35	49	12	70	19	64	11	76	38	177	119	468
Above 17	15	196	11	200	11	223	18	314	9	290	30	319	94	1,542
Total	1,000	293	1,052	325	1,229	424	1,058	523	990	509	1,027	711	6,356	2,785

Prescribed response time to calls not adhered to

The response time was more than the prescribed maximum time of five minutes in urban areas in 33 *per cent* cases while in rural areas, response time was between 13 to 120 minutes in 72 *per cent* cases.

A scrutiny of the logbooks/fire reports revealed that delay in attending the calls was attributable to non-existence of fire stations for every four square miles, as per recommendations of SFAC. Most of the calls in rural areas were attended after covering distance of 6 to 90 kilometres.

Fire prevention

Fire preventive measures not ensured by MCs

3.4.19 Municipal Committees were responsible for ensuring maintenance of minimum standards of fire prevention and fire safety measures, necessary in accordance with building byelaws, in high-rise buildings of more than 15

metres height and for special buildings like cinema, institutional and industrial buildings. The department did not have a database of high-rise buildings and no mechanism to ascertain such numbers. Though 105 'No Objection Certificates' for high-rise buildings were issued by HFS during 1997-2003, audit, in districts test checked, did not find any evidence on record to ensure that these important fire preventive measures were in place as no inspection of any building was carried out by the fire fighting staff.

Mass awareness programme for fire safety measures not undertaken

No special fire safety drills and mass awareness programmes for general public were carried out in the State so that the people themselves could take some precautions against the fire incidents. The department attributed the lapse to non-availability of funds which was not tenable, because there were savings against budget provisions available with Municipal Committees.

Management of staff quarters

Staff quarters not provided at 12 Fire Stations

3.4.20 Continuous duty system was in vogue for fire services and all personnel were required to live within the premises of Fire Stations. However, only 2 out of 14 Fire Stations test checked had staff quarters as of December 2002.

Out of 26 staff quarters at Fire Station, Sector 15 in Faridabad, five were lying vacant because these were situated at distant places from duty point of the employees. Staff of rest of the 12 Fire Stations was residing at places outside the premises of Fire Stations. Non-providing of residential accommodation within Fire Stations premises affected the preparedness and efficiency of the fire services staff.

Manpower

3.4.21 The department had a sanctioned strength of 558 operational staff in the State, against which 435 were in position as on 31 March 2003.

The requirement of operational staff as per recommendations of SFAC, sanctioned strength and men-in-position for operating 41 fire machines in districts test checked, as of March 2003, were as under:

Sr. No.	Category	Requirement as per recommendation of SFAC	Sanctioned strength	Men-in-position	Shortfall with reference to requirement
1.	Fire Men	435	151	147	288
2.	Leading Fire Men	120	46	31	89
3.	Driver/operator	123	105	67	56
	Total	678	302	245	433

Acute shortage of operational staff

As evident from above, considering SFAC recommendations, there was shortfall of 64 per cent of operational staff. Even 57 sanctioned posts of operational staff remained vacant. Further, the Assistant Fire Station Officers

were not in position at five¹⁶ Fire Stations. The shortage of staff was attributable to weak financial position of the MCs. Shortage of manpower led to increase in response time and consequential loss of life and property.

Training and awareness

3.4.22 The State had State Fire Fighting Training Centre at Roz-ka-Meo (Gurgaon) comprising of one leading Fire Man and one Peon-cum-Chowkidar, against the sanctioned strength of six personnel (Fire Station Officer: one, Leading Fire Man: one, Driver/Operator: one, Fireman: two and Peon-cum-Chowkidar: one).

Inadequate training to operational staff

It was observed that only 74 persons had been imparted training by conducting four refresher training programmes during 1997-2002 although 435 operational staff were in position in the State. No training programmes for leading fire-man, breathing apparatus course, fire prevention course and other specialised courses as recommended by the SFAC were conducted by the Centre. There was no scheduled programme of fire training at the Centre. Thus, the fire services were manned mostly by the untrained staff despite spending Rs 7.03 lakh during 1997-2002 on running the Training Centre.

Equipments of Training Centre lying idle since long

Prior to July 1997, the Training Centre was at Ambala Sadar where one motor fire engine, a jeep and store articles of the centre were lying idle. No action was taken to transfer these items to the Training Centre at Roz-ka-Meo.

Non-collection of fire tax

3.4.23 The State Government directed (May 2000) all the MCs/Corporation to impose fire tax at one *per cent* of the annual value assessed for the purpose of imposing tax on building and land.

Outstanding fire tax accumulated to Rs 8.73 crore

A test-check of records of 27 MCs of districts test checked and Municipal Corporation, Faridabad revealed that these bodies had collected Rs 3.96 crore from the building owners as fire tax during 2000-03 against the assessment of Rs 12.69 crore and balance of Rs 8.73 crore remained outstanding.

Fire tax collected by MCs but fire services not provided

It was noticed that 17 MCs collected Rs 81.54 lakh towards fire tax but no Fire Station existed in their areas. Thus funds collected by way of fire tax were not spent for providing fire services and protection of life and property in cases where fire incidents occurred. Scrutiny of record further revealed that the area of eight MCs, where Fire Stations were not in existence, 12 fire incidents occurred for which services had to be arranged from near by Fire Stations after covering distance ranging between 15 and 90 kms.

¹⁶ Bahadurgarh, Dabwali, Gurgaon, Palwal and Pehowa.

Non-realisation of fire charges

Rs 20.72 lakh Fire charges not collected

3.4.24 As per Haryana Municipal Act 1973, fire charges were to be recovered at Rs 150 per hour for fire fighting operations to control fire incidents occurring outside the municipal limits. It was noticed in the Fire Stations test checked that of Rs 43.80 lakh recoverable on this account during 1997-2003, Rs 23.08 lakh were recovered and Rs 20.72 lakh remained outstanding as of March 2003. Though the Director stated (June 2003) that necessary steps were taken to recover the amounts, perusal of records in audit disclosed that effective follow up action was lacking.

Non-auction of condemned machinery/equipments

Condemned vehicles not auctioned since long

3.4.25 During test-check of records of 14 Fire Stations, it was noticed that six vehicles as detailed below were declared as condemned by the Condemnation Board during 1992-2002 but were not auctioned as of December 2002:

Sr. No	Name of Fire Station	Type of Vehicle	Year of condemnation	Reserve Price (Rs in lakh)
1.	Thanesar	Jeep Fire Engine	2001-02	0.18
2.	Rohtak	Motor Fire Engines (2 Numbers)	1997-98	1.30
3.	Bahadurgarh	Motor Fire Engines	2001-02	0.90
4.	Jind	Hindustan Bed-For Petrol Make	1992-93	1.00
5.	Sirsa	Motor Fire Engines	1999-2000	Not available
Total				3.38

With the delay in their auction, condition of these vehicles would deteriorate and may fetch relatively lesser sale proceed and cause financial loss to the Government.

These points were referred to the Commissioner and Secretary to Government, Haryana, Urban Development Department (May 2003); reply had not been received (September 2003).