

**CHAPTER XIV: MINISTRY OF SOCIAL JUSTICE AND
EMPOWERMENT**

14.1 Unfruitful expenditure due to delay in construction of hostels

Failure of the Ministry to ensure compliance to the terms of grants aggregating Rs. 9.86 crore released to eight States during 2001-02 to 2004-05 for construction of hostels for other backward classes' students rendered the intended facility not being available to 5841 students as per schedule.

Audit of the grants released by the Ministry of Social Justice and Empowerment under the scheme of construction of hostels for other backward classes' students disclosed that construction of 68 hostels as per the **Annex**, for which grants were released by the Ministry to the state governments and which were due for completion by December 2006, were not completed as of September 2007.

The Ministry released Rs. 13.82 crore to eight States and Union Territories for construction of 74 hostels for OBC students during 2001-02 to 2004-05. The construction was to be completed within two years from the date of sanction of the central assistance. The construction of all 74 hostels should have been completed by December 2006. Of the 74 hostels, construction of only six hostels had been completed, 48 were under construction and the remaining 20 had not been taken up for construction as of September 2007. Delay in construction of 68 hostels ranged between 9 to 42 months.

The Ministry, while accepting the facts stated in December 2007 that six hostels in Gujarat had since been completed and it was pursuing with the state governments for early completion of the construction of the remaining hostels.

The Ministry, thus, failed to monitor the progress of construction of the hostels and ensure compliance with the terms of the grant. This has led to the grants of Rs. 9.86 crore for 62 hostels remaining unfruitful for the period of time-overrun, depriving 5841 students of the hostel facility.

Annex

(Referred to in Paragraph No. 14.1)

Statement showing details of Hostels not completed

(Status* as of September 2007)

(Rupees in lakh)

Sl. no	Name of the State	Year	Total amount released	Date of sanction	Scheduled date of completion	Details of hostels				Total central assistance for hostels not completed and no. of beneficiaries affected		Remarks
						Sanctioned	Completed	Under const.	Yet to start.	Amount	Beneficiaries	
1	Andhra Pradesh	2003-04	220.00	09.02.2004	08.02.2006	20	-	20	-	220.00	2000	-
		2004-05	330.00	01.11.2004	31.10.2006	30	-	10	20	330.00	3000	
2	Gujarat	2004-05	138.60	06.12.2004	05.12.2006	7	-	7	-	138.60	525	-
3	J&K	2002-03	108.27	27.03.2003	26.03.2005	4	-	4	-	191.43	350	-
		2003-04	83.16	30.05.2003	29.05.2005							
4	Orissa	2003-04	161.87	05.06.2003	04.06.2005	5	3	2	-	57.44	100	The agency responsible for construction of two hostels deviated from their earlier commitment to share 50 per cent of the cost of construction.. The State Govt. diverted the funds to other agencies in Jan, 2007 with the approval of the Ministry.
5	Pondicherry	2004-05	50.00	27.09.2004	26.09.2006	1	-	1	-	50.00	50	-
6	Tripura	2004-05	20.00	09.09.2004	08.09.2006	1	-	1	-	20.00	66	-
7	Bihar	2001-02	229.93	30.03.2002	29.03.2004	4	3	1	-	57.48	100	Reason for delay 'Land dispute'.
8	Sikkim	2002-03	20.00	09.01.2003	08.01.2005	1	-	1	-	40.00	50	-
		2003-04	20.00	01.09.2003	31.08.2005	1	-	1	-	-	50	
Total			1381.83			74	6	48*	20	1104.95*	6291*	

* Includes six hostels involving grant of Rs. 118.80 lakh for 450 beneficiaries of Gujarat completed as per Ministry's reply of December 2007 to the Draft Paragraph.