CHAPTER-II

PERFORMANCE AUDITS

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This chapter contains findings of Performance Audits on "Delivery of Healthcare Services in Government Hospitals at District Level", "Skill Development in Gujarat" and "Functioning of Vadodara Urban Development Authority".

HEALTH AND FAMILY WELFARE DEPARTMENT

2.1 Delivery of Healthcare Services in Government Hospitals at District Level

Executive Summary

Health is one of the most important parameters for ascertaining the quality of human life. Availability, accessibility and usability of sound healthcare system are essential requirements to meet the challenges in the field of Health. In Gujarat, 21 District Hospitals (DHs), a secondary level hospital and 13 hospitals attached with medical colleges, and one tertiary care hospital on Public Private Partnership (PPP) mode, are functioning at district level to provide preventive, promotive and curative healthcare services to the population. The performance audit on "Delivery of Healthcare Services in Government Hospitals at District Level" was conducted for the period 2010-15 during April and August 2015 and the following deficiencies were noticed -

- ***Department had prepared a Five Year Plan for betterment of healthcare services in district level hospitals, however, the plan was not comprehensive as the current status of healthcare services of the hospitals vis-a-vis the requirement as per Indian Public Health (IPH) Standards was not identified. Further, the plan had no specific targets and enshrined timeframe to achieve the targets.***
- ***The sanctioned strength of all cadres of staff including doctors and nurses remained much below the IPH Standards in some test-checked DHs. The shortfall in the cadres of Specialist Doctors ranged between 29 and 77 per cent, and that of Medical Officers ranged between seven and 69 per cent vis-a-vis IPH Standards. The situation was alarming in DH Surendranagar, DH Godhra, DH Petlad and DH Vadodara where shortage in the cadre of Specialist Doctors was more than 60 per cent as compared with IPH Standards.***
- ***Availability of beds in DHs was neither as per IPH Standards nor in consonance with the requirements. Out of 13,833 beds available in district level hospitals, 10,645 beds were available in 11 districts to cater to a population of 3.55 crore and only 3,188 beds were available in remaining 22 districts to cater to a population of 2.49 crore. Shortage of beds in test-checked DHs ranged between 52 and 73 per cent. Audit observed instances of highly congested wards and patients lying on the floor; two patients were accommodated on one bed for transfusion of iron sucrose, and patients accommodated in the passageway due to non-availability of vacant beds.***

- ***Number of essential drugs viz. Amoxycilin, Diclofenac Sodium, Hepatitis B Vaccine, Injection Ceftazimide, Insulin, etc. were not available in the stock for more than four months in all test-checked hospitals. Resultantly, patients were forced to purchase medicines from the open market.***
- ***Instances of supply of Not of Standard Quality (NSQ) medicines by Gujarat Medical Services Corporation Limited (GMSCL) were noticed in test-checked hospitals. Most of the NSQ medicines were issued to the patients due to delay in receipt of sample testing reports.***
- ***Essential specialist services of General Medicines, Obstetrics and Gynaecology, Paediatrics, Orthopaedics, Radiology, etc. were either not available or partially available in all test-checked DHs except in DH Palanpur, due to vacant posts of Specialist Doctors.***
- ***Accident, Emergency and Trauma care services were either not available or were not equipped with essential equipment in test-checked DHs.***
- ***Intensive Care Units (ICU) meant to attend critically ill patients, were not available in DH Petlad, DH Surendranagar and DH Vadodara. In other test-checked DHs, only one or two ICU beds were fully equipped with life saving equipment to handle critical cases. The situation in test-checked Civil Hospitals (CHs) was also deplorable, as only five and nine ICU beds were fully equipped with life saving equipment as against 11 and 36 available beds in CH Bhavnagar and CH Vadodara respectively.***
- ***Availability of Gynaecologists, Paediatricians and life saving equipment are essential for delivery of maternal and child healthcare services. Audit observed instances of higher neo-natal and maternal deaths, vacant posts of Gynaecologists and Paediatricians, and lack of life saving equipment and beds in the maternity ward of test-checked DHs. Instances of patients accommodated on the floor were noticed in test-checked DHs.***
- ***The departments of diagnosis, imaging and blood banks are integral components of a hospital to provide healthcare services. Audit observed that equipment for conducting various tests were not available in the diagnosis and imaging departments in test-checked DHs. Blood bank/blood storage centres were either not established or remained non-functional in test-checked DHs except in DH Godhra, DH Surendranagar and DH Himatnagar.***
- ***Referral management and infection control were not upto the mark in any of the test-checked DHs.***
- ***IPH Standards prescribed for quality assurance was either not followed or partially followed by the test-checked DHs.***

2.1.1 Introduction

Health is one of the definite facilitators for ascertaining the quality of human life. Availability, accessibility and usability of sound healthcare system are essential requirements to meet the challenges in the field of Health. The Sub-Centres (SCs), Primary Health Centres (PHCs) and Community Health Centres (CHCs) are primary level healthcare units which provide preventive and promotive healthcare services to rural populace. District Hospitals (DHs) are

secondary level hospitals, being an essential component of the district healthcare system which provides preventive, promotive and curative healthcare services to the people in the districts. Hospitals attached with Medical Colleges, commonly known as Civil Hospitals (CHs) are tertiary level healthcare units, which provide all services including super specialised services.

As of March 2015, the health needs of the people of Gujarat are catered by the State Government through 34 District level Hospitals[1] at district level, 42 sub-DHs and 321 Community Health Centres (CHCs) at taluka level and 1,265 Primary Health Centres (PHCs) and 8,121 Sub-Centres (SCs) at village level.

The healthcare services in a State can be evaluated on the basis of the achievement against benchmark of health indicators. The status of few important health indicators of Gujarat *vis-a-vis* National average are shown in **Table 1** below -

Table 1: Status of health indicators of Gujarat *vis-a-vis* National average

Sr. No.	Health Indicators	Gujarat 2011	National 2011	Ranking of Gujarat among 19 big States
1	Crude Birth Rate (CBR) (*per* 1000 population)	21.30	21.80	11
2	Crude Death Rate (CDR) (*per* 1000 population)	6.70	7.10	07
3	Total Fertility Rate (TFR)	2.40	2.40	12
4	Maternal Mortality Ratio (MMR) (*per* lakh live births)	122	178	06
5	Infant Mortality Ratio (IMR) (*per* 1000 live births)	41	44	09

(Source: GoI website – www.censusindia.gov.in)

The table above shows that though Gujarat's position is better than national average, yet it is not among the front ranking States of the country in terms of health indices. The situation demands for better healthcare services at all levels. This performance audit report covers status of delivery of healthcare services in Government Hospitals at District level.

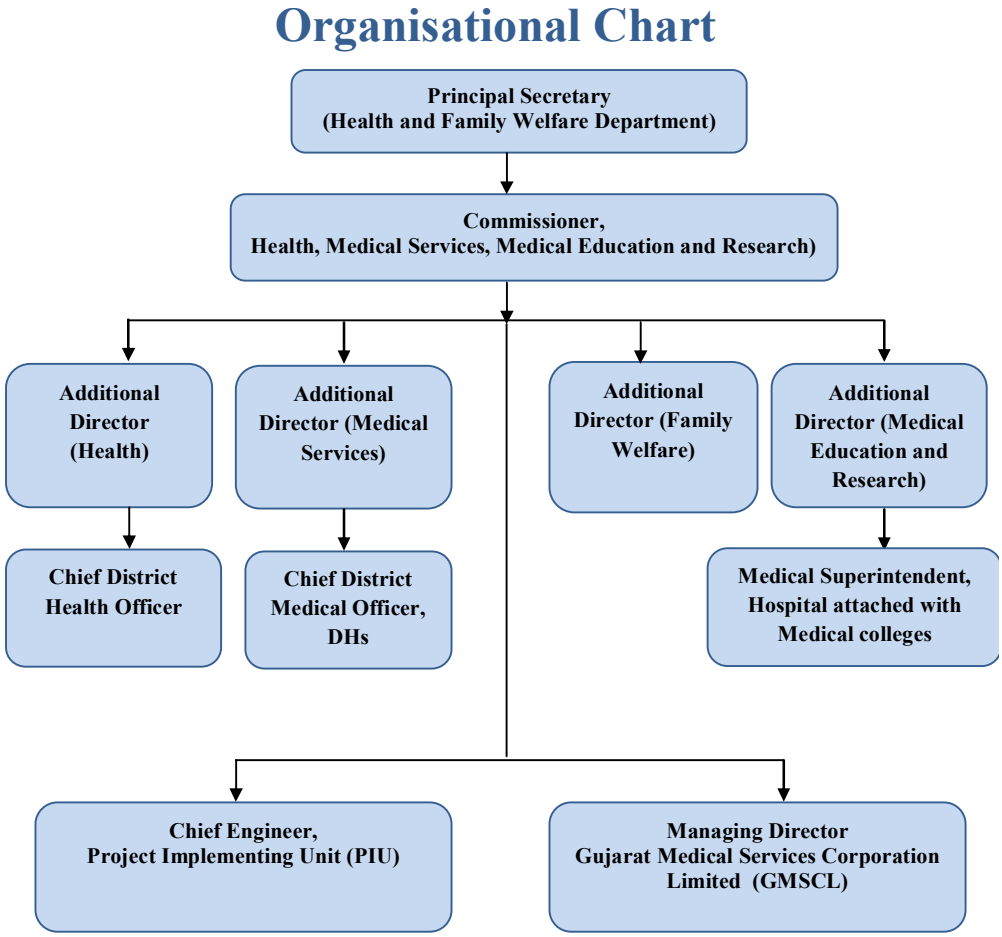
2.1.2 Organisational set-up

The Principal Secretary, Health and Family Welfare Department (H&FWD) is the Administrative Head of the Department. He is assisted by the Commissioner, Health, Medical services and Medical Education and Research, who in turn is assisted by four Additional Directors[2]. Additional Director, Medical Services is responsible for overall supervision of district hospitals (DHs) and sub-DHs in the State. Additional Director, Medical Education and Research is responsible for overall supervision of Civil Hospitals (CHs) attached with Medical College. The Chief District Medical Officer (CDMO) is responsible for supervision of medical services in the respective District Hospitals whereas Medical Superintendent of the hospital is responsible for supervision of delivery of healthcare services in the respective Civil Hospital.

[1] 21 District Hospitals, six hospitals attached with Government Medical College, six hospitals attached with Government Medical Education and Research Society and a hospital attached with private medical college on PPP mode

[2] Health (CHCs and PHCs), Medical Service (DHs and Sub-DHs), Medical Education & Research and Family Welfare

The organisational chart is depicted below –



2.1.3 Audit Objectives

The broad objectives of the performance audit were to assess whether -

- the planning process was proper and robust to improve the quality of healthcare services at district level hospitals;
- adequate infrastructure, manpower, drugs and equipment, and treatment supporting units were available at district level hospitals to deliver the healthcare and ancillary services effectively and efficiently; and
- a proper system existed for quality assurance and monitoring of service delivery at district level hospitals.

2.1.4 Audit Criteria

In order to achieve the audit objectives, the following audit criteria were adopted -

- Guidelines of Indian Public Health (IPH) Standards for District Hospitals;
- Quality Assurance Guidelines issued by GoI;
- Policies/strategies of the State Government relating to Healthcare with special focus in respect of the District Level Hospitals;
- Guidelines for Rogi Kalyan Samiti issued by the State Government; and

- GoI and State Government Resolutions and Circulars.

2.1.5 Audit scope and methodology

The performance audit commenced with an 'entry conference' (10 April 2015) with the Principal Secretary and other officers wherein the audit objective, scope and audit criteria were discussed and the inputs of the department were obtained. The audit involved scrutiny of records for the period 2010-15 maintained at the office of the Commissioner of Health, District Hospitals and Civil Hospitals attached with Medical Colleges in nine test-checked districts to evaluate the status and standards of delivery of healthcare services to the population. Joint visit[3] of various departments of test-checked hospitals was also undertaken to observe the standard of delivery of healthcare services. Out of 30 districts level hospitals in 26 districts[4], 10 Government hospitals[5] situated at district level in nine districts[6] were selected by adopting Simple Random Sampling without Replacement Method for detailed audit scrutiny. The scope of Audit was also extended to test-checked 18 Community Health Centres (CHCs)[7] to ascertain the efficacy of these centres and referral system.

An exit conference was held (13 January 2016) with Additional Chief Secretary (ACS) of Health and Family Welfare Department (H&FWD). The views of the State Government and the replies received from the department have been considered and incorporated in the report.

Audit Findings

2.1.6 Planning

2.1.6.1 Comprehensive Plan for up-gradation of district level hospitals

The State Government had prepared a Five Year Plan (FYP) (2012-17) for medical services and medical education for up-gradation of standards of healthcare services in district level hospitals. However, Audit observed that no appraisal was conducted by the department to identify the current status of healthcare services of the hospitals *vis-a-vis* the requirement as per IPH Standards. While the department had an Annual Plan as part of the FYP, it did not prescribe methodologies or lay a timeline to achieve the standardised norms.

The status of implementation of FYP in respect of district level hospitals as on March 2015 are shown in **Table 2** as follows –

[3] Audit team alongwith officials of test-checked hospitals

[4] Seven newly constituted (August 2013) districts were not considered as element of universe for sampling *i.e.* Aravali, Botad, Chhota-udepur, Devbhumi Dwarka, Gir Somnath, Mahisagar and Morbi. Out of 34 District level hospitals, four hospitals functioning in these districts were not considered for audit sampling.

[5] Seven DHs – (Dahod, Godhra, Himatnagar, Palanpur, Petlad, Surendranagar and Vadodara) and three Civil Hospitals – (Bhavnagar, Surat and Vadodara)

[6] Anand, Banaskantha (Palanpur), Bhavnagar, Dahod, Panchmahal (Godhra), Sabarkantha (Himatnagar), Surat, Surendranagar and Vadodara

[7] Anand (Dharmaj and Tarapur), Banaskantha (Piluda and Suigam), Bhavnagar (Ghogha and Sihor), Dahod (Limkheda and Singwad) , Panchmahal (Ghoghamba and Sahera), Sabarkantha (Prantij and Rupal), Surat (Kathor and Sayan), Surendranagar (Ranagadh and Thangadh) and Vadodara (Padra and Savli)

Table 2: Status of Implementation of Five Year Plan (2012-17) as on 31 March 2015

Sr. No.	Plan	Status of Implementation	Government reply
1.	Strengthening of manpower as per IPH Standards in DHs.	No change was made in the sanctioned strength.	The idea has been dropped.
2.	Appointment of specialist doctors.	194 Specialist doctors appointed during 2012-15 under Medical Services.	Efforts are being made to fill the gaps.
3.	Appointment of Cardiologist in district hospital to provide intensive cardiac care treatment.	Neither any Cardiologists were appointed nor was any training imparted to MBBS doctors though it was envisaged in the five year plan.	Training of MBBS doctors for cardiac care treatment would be provided.
4.	Increase in bed capacity of DHs.	Bed capacity of only two DHs has been increased.	Efforts are being made to increase the bed capacity.
5.	Setting-up of Non-communicable Disease (NCD) Clinics in all districts.	No new NCD clinics have been set-up during the period 2012-15.	Efforts are being made for setting-up NCD clinics.

The above table shows that the plan had no specific targets and was without timeframe to achieve the targets.

The Additional Chief Secretary (ACS), Health and Family Welfare Department (H&FWD) in the exit conference stated (January 2016) that comprehensive perspective plan would be prepared with time frame and would be followed through annual plan.

The timelines for all activities enshrined in the Five Year Plan prepared by the State may be fixed and progress against these be watched on a regular basis for ensuring that the targets set are achieved.

Delivery of Healthcare Services

The district level hospitals are expected to meet the requirements of patients referred from primary level healthcare institutions as well as patients directly approaching the hospital. The guidelines of IPH Standards envisage that each DH should deliver essential services (minimum assured services) and also aspire to deliver specialised services to address the needs of patients. A conceptualized frame-work of district level hospital is shown in **Table 3** below–

Table 3: A conceptualized frame-work of district level hospitals

Driving forces	Core Services	Essential component to complement Core Services	Auxillary and supporting service/unit	Patient amenities and citizen charter
Adequate manpower in the cadres of doctors, para-medical, Nursing and supportive staff	Out Patient Department (OPD) Services	Diagnostic	Dietary	Sanitation and drinking facilities
Adequate Infrastructure	In Patient Department (IPD) Services	Imaging	Rogi Kalyan Samiti	Information to Public
Availability of Drugs and Equipment	Accident, Emergency and Trauma care service	Blood Bank	Referral Services	
	Intensive Care Unit	Operation Theatre	Infection Control	
	Special Newborn Care Unit			

The efficacy of these frame-work and its impact on delivery of healthcare services in test-checked district level hospitals are discussed in the succeeding paragraphs -

2.1.7 Driving Forces of Hospitals

To run healthcare set-up efficiently and effectively, availability of adequate manpower, infrastructure and equipment are pre-requisites and act as driving forces. Shortfall or absence of these forces would have an adverse impact on quality and quantity of essential services. The efficacy of these driving forces and impact on delivery of healthcare services in test-checked district level hospitals are discussed as under –

2.1.7.1 Human Resource Management

The delivery of quality healthcare services in hospitals largely depends on the adequate availability of manpower especially in the cadres of doctors, staff nurses, para-medical and other supporting staff. The details of men-in-position *vis-a-vis* sanctioned strength in the DHs and CHs in the State as on 31 March 2015 is shown in **Table 4** below –

Table 4: Men-in-position as on 31 March 2015 *vis-a-vis* sanctioned strength

Particulars	Manpower in DHs				Manpower in CHs			
	Sanctioned post	Men-in-position	Vacancy	Percentage of vacancy	Sanctioned Post	Men-in-position	Vacancy	Percentage of vacancy
Medical Officers	270	183	87	32	195	149	46	24
Specialist Doctors/ Professors	390	176	214	55	1,411	1,158	253	18
Staff Nurses	1,260	965	295	23	3,366	2,846	520	15
Para-medical staff	370	220	150	41	1,048	893	155	15
Administrative and other staff	263	111	152	58	432	309	123	28
Total	**2,553**	**1,655**	**898**	**35**	**6,452**	**5,355**	**1,097**	**17**

(Source: Information furnished by the office of the Commissioner of Health, Gandhinagar)

The table above shows that the availability of manpower as against the sanctioned strength was better in CHs as compared to DHs. The shortage of Medical Officers especially Specialist Doctors, nurses and para-medical staff in DHs is an area of concern as the patients are deprived of quality treatment.

Further, the guidelines of IPH Standards for DHs envisage a minimum essential manpower in DHs based on the bed strengths. However, the availability of manpower in test-checked DHs was not in consonance with IPH Standards **(Appendix-IV)** as discussed below -

- The sanctioned strength of the DHs in some test-checked districts was much less than that stipulated in the guidelines of IPH Standards. This indicated that adequate efforts were not made by the State Government even to fill the existing vacancies against the sanctioned strength, leaving aside to increase the strength as required in accordance with the IPH Standards.
- The vacancies in the cadres of Specialist Doctors ranged between 29 and 77 *per cent,* and Medical Officers ranged between seven and 69 *per cent vis-a-vis* IPH Standards. The situation was alarming in DH Surendranagar, DH Godhra, DH Petlad and DH Vadodara where

shortage of Specialist Doctors as compared with IPH Standards was more than 60 *per cent***.** Vacancies in the cadres of Specialist Doctors and Medical Officers had resulted in non-availability of specialist services in test-checked DHs as discussed in Paragraph 2.1.8.1 (2).

- Similarly, the vacancies in the cadres of staff nurses ranged between seven and 72 *per cent*, and para-medical & other staff ranged between 31 and 89 *per cent vis-a-vis* IPH Standards**.**
- Bed capacity of DH Dahod and DH Surendranagar was 150 each. Average IPD patient per year in DH Dahod and DH Surendranagar was 59,634 and 21,784 respectively during the period 2010-15. However, the sanctioned strength of staff nurses in DH Dahod was only 33 as compared to 90 in DH Surendranagar**.** This indicated that the sanctioned strength approved by the State Government for the DHs was not based on adequate study, as it was neither linked to bed capacity nor with inflow of patients.

The ACS H&FWD in the exit conference stated (January 2016) that despite making best efforts, gaps remained between sanctioned strength and men-in-position particularly in the cadre of doctors. It was further stated that efforts were being made to fill the vacant posts on priority basis and thereafter steps would be taken to provide manpower as per IPH Standards.

The Government may revise the sanctioned strength of DHs in the State as envisaged in the guidelines of IPH Standards and fill up the vacancies gradually, over a timely manner (say two-three years) to provide quality healthcare facilities to the public. At least one specialist doctor for each department may be posted to all DHs to facilitate specialist services to the patients.

2.1.7.2 Availability of Infrastructure

- ***Availability of District Level Hospitals***

Guidelines of IPH Standards envisage a DH in every district, a hospital at the secondary referral level, to cater to the needs of people living in district headquarters, town and the rural populace in the district. In the State, there are 21 DHs and 13 tertiary care hospitals[8] to cater to the needs of the population **(Appendix-V)**.

Audit observed that except for four districts (Anand, Aravali, Morbi and Veraval), all districts in the State were having either DHs and/or CHs. While Aravali, Morbi and Veraval districts are newly formed (August 2013), Anand district which was formed in October 1997 and was having a population of 20.93 lakh as per Census 2011, was without any district level hospital. In contrast, Vadodara, a neighbouring district of Anand was having one DH and two tertiary care hospitals[9].

The ACS H&FWD in the exit conference stated (January 2016) that the process for acquisition of land for construction of a DH at Anand was in progress.

The Government may take steps to establish DH in these districts to cater to the needs of the population.

[8] Hospitals attached with Medical Colleges which provides secondary as well as tertiary care

[9] CH Vadodara and Hospital managed by Gujarat Medical Education and Research Society (GMERS)

- ***Availability of Beds in DHs***

Guidelines of IPH Standards provide that there should be 220 beds in a DH for a district having a population of 10 lakh. As of March 2015, the number of beds available in the district level hospitals was 13,833 to cater to a population of 6.04 crore in the State.

Audit observed that though the flow of OPD and IPD patients to district level hospitals increased by 19 and 22 *per cent* during 2010-15 respectively, the number of beds increased only by 12 *per cent* during that period. Audit further observed that out of 13,833 beds, 10,645 beds were available in 11 districts[10] to cater to a population of 3.55 crore. In remaining 22 districts, only 3,188 beds are available to cater to a population of 2.49 crore.

The guidelines of IPH Standards also provide that the requirement of beds in a DH would depend on nearest tertiary care hospitals and its distance and travel time. Audit observed that in three out of nine test-checked districts, tertiary care hospitals were functioning with adequate number of beds as per IPH Standards. However, in the remaining six test-checked districts, the availability of beds in the DHs was less than the number of beds prescribed as per IPH Standards as shown in **Table 5** below –

Table 5: Availability of beds in six test-checked DHs as on 31 March 2015

DH	Population of the district as per census 2011 (in lakh)	Number of beds required as per IPH Standards	Actual number of beds available	Shortage of beds (in *per cent*)	Nearest district with tertiary care facility	Approximate distance to district with tertiary care facility (in kilometer)
Petlad	20.93	440	119	321(73)	Vadodara	35
Palanpur	31.21	660	225	435(66)	Ahmedabad	145
Dahod	21.27	440	150	290(66)	Vadodara Ahmedabad	151 202
Godhra	23.91	440	210	230(52)	Vadodara	80
Himatnagar	24.29	440	200	240(55)	Ahmedabad	75
Surendranagar	17.56	440	150	290(66)	Ahmedabad Rajkot	126 106

The table above shows that the availability of beds in DH Palanpur, DH Dahod and DH Surendranagar was less than 40 *per cent* of the IPH Standards. Even the tertiary care hospitals which were nearest to these DHs, were at a distance of more than 100 Kilometres. Thus, the people of these districts were deprived of adequate healthcare facilities that may force them to either opt for private hospitals for treatment or to obtain treatment in congested facilities. Moving to private hospitals is a financial burden for the poor patients.

During joint visit of these DHs, Audit observed instances of highly congested wards and found patients accommodated on floor bed, two patients accommodated on one bed for transfusion of iron sucrose, as well as patients being accommodated in passage as shown in **Picture 1, Picture 2 and Picture 3**.

[10] Ahmedabad-2,530, Bhavnagar-709, Gandhinagar-415, Jamnagar-1,263, Junagadh-327, Kachchh-300, Patan-415, Rajkot-965, Surat-1,050, Vadodara-2,256 and Valsad-415

Picture 1: Two patients accommodated on one bed for transfusion of iron sucrose at DH Dahod (21.05.2015)

Picture 2: Patients accommodated on floor at DH Surendranagar (06.05.2015)

Picture 3: A patient accommodated on the floor in passage at DH Palanpur (24.06.2015)

The Chief District Medical Officers (CDMOs) stated (May-June 2015) that due to insufficient infrastructure, beds had been kept adjacent to accommodate more number of patients and arrangement of floor bed was done to give

treatment to patients in need. Audit appreciates the efforts of hospital authorities for providing treatment despite non-availability of vacant beds. However, the patients were highly vulnerable to getting hospital induced infection.

The ACS H&FWD in the exit conference stated (January 2016) that the increase in bed capacity was a continuous exercise and assured that requirement of beds in DHs in those districts where CH was not available would be assessed and needful would be done to prevent the instance of floor beds. It was further stated that budget provision had been made for construction of a new hospital at Dahod.

The Government may note that 2.49 crore (41 per cent) of population are served by only 3,188 (23 per cent) beds in 22 districts. The Government may take steps to increase the bed capacity of DHs in the State as per IPH Standards in a systemic manner, so that the imbalance is rectified for affordable healthcare to the common man.

- ***Creation of Infrastructure***

Project Implementation Unit (PIU), Gandhinagar and its district level offices are responsible for undertaking construction activities as well as repair and maintenance work in all Government Healthcare Institutions. During the period 2010-15, the PIU had funds of ₹ 732.64 crore including opening balance of ₹ 97.82 crore for creation of infrastructure. However, only ₹ 580.08 crore (79 *per cent*) have been expended as on March 2015. The details of physical achievement of PIU as against the works approved in respect of DHs[11] and CHs during 2011-15 is shown in **Table 6** below –

Table 6: Physical achievement of PIU in respect of approved works as on 31 March 2015

Particulars	Number of works						
	Approved	Dropped	At tender stage	Awarded	Scheduled to be completed on or before 31 March 2015	Completed as on 31 March 2015	Percentage of works completed within stipulated time
2010-11	82	06	17	59	59	43	73
2011-12	164	16	63	85	85	54	64
2012-13	69	06	35	28	27	15	56
2013-14	14	00	07	07	01	01	100
2014-15	18	00	15	03	01	01	100
Total	**347**	**28**	**137**	**182**	**173**	**114**	**66**

(Source: Information furnished by PIU, Gandhinagar)

The table above shows that out of 347 works approved during the period 2010-15, work orders were issued for only 182 works (52 *per cent*). Out of these 182 works, 173 works were scheduled to be completed on or before 31 March 2015, however, only 114 works (66 *per cent*) could be completed within the stipulated time. Further, out of 315 works approved during 2010-13, 28 works (nine *per cent*) have been dropped and 115 works (37 *per cent*) were at tender stage.

Delay in execution of work by PIU had the following impacts on delivery of healthcare services in test-checked hospitals –

[11] It includes all work falling under Medical Services *viz.* District Hospital and Sub-District Hospital

- A work of refurbishing and reconstruction of civil and electrical work for addition and alteration of operation theatre block (B and C) in CH, Vadodara was awarded (January 2012) to an agency[12] at a tendered cost of ₹ 86.19 lakh. The work was to be completed by January 2013.

  Audit observed that the agency had stopped (March 2014) the work after execution of the work worth ₹ 56.00 lakh due to change in structural design subsequently by PIU. Thereafter, no action was taken by the PIU to get the work completed resulting in difficulties in performing operations, as the Operation Theatre (OT) and ward of Orthopaedics wing were stationed in different buildings.

  The PIU Vadodara stated (June 2015) that the work had been re-started and would be completed soon. However, the work had not been completed as of October 2015.

- Work of construction of new born intensive care unit (NICU) with 36 beds at CH Surat was awarded (July 2010) to an agency[13] at a tendered cost of ₹ 2.28 crore. The work was to be completed by July 2011. However, Audit observed that after executing work worth ₹ 2.18 crore, the work was stopped by the agency (March 2013) on its own without stating any reasons. This resulted in high congestion in the existing NICU as it had a capacity of 15 beds against which approximately 25 to 30 neonates were being either accommodated on additional beds or two neonates were being kept together on a single bed to provide medical aid, on regular basis.

  The PIU Surat attributed (August 2015) the delay in completion of work to the agency and stated that the work had been restarted and would be completed soon. It was further stated that necessary action as per tender clause would be taken against the agency. However, the work had not been completed as of October 2015.

  The ACS H&FWD in the exit conference stated (January 2016) that instruction would be issued to PIU for early completion of works.

- The guidelines of IPH Standards provide that for barrier free access to non-ambulant (wheel chair, stretcher), visually impaired and elderly persons, ramp and hand rail were required to be provided in each block of the hospital building. The guidelines further provide that the imaging department such as X-ray, CT Scan, Ultrasonography, *etc,* should be located at a place which is easily accessible to OPD, IPD and OT.

  However, Audit observed that ramp and hand rail had not been provided in IPD in DH Dahod, DH Godhra and CH Surat. In DH Dahod, OT was located on the ground floor and the surgical ward was on first floor of the building without the facility of ramp and hand rail or lift. Attendants were seen lifting the patients on stretcher (**Picture 4**). In CH Surat, imaging department was located in the Administrative Block without any connectivity with IPD. Patients with oxygen support were seen approaching on stretcher under open sky to imaging department (**Picture 5**). The problem for the patients used to be aggravated during the rainy season.

[12] M/s. Sarang Construction
[13] M/s Shreeji Krupa Buildcon Limited

Picture 4: Patient lifted on stretcher to cross stairs at DH Dahod (21.05.2015)

Picture 5: Patient on oxygen support approaching for Image at CH, Surat (08.07.2015)

Apart from patient's inconvenience, non-availability of ramp in IPD and ward may cause serious problems in the event of exigencies or natural calamity.

The Medical Superintendent, CH Surat stated (August 2015) that the proposal would be sent to PIU for creation of ramp and inter-connectivity between IPD and Imaging Department.

Audit is of the view that the progress of infrastructural works may be geared up and needs of physically challenged patients may be taken care by constructing ramp and inter-connectivity between various departments.

- ***Drugs and Equipment***

World Health Organisation (WHO) defined essential medicines as drugs that satisfy the healthcare needs of the majority of the population; they should therefore be available at all times in adequate quantity and in appropriate dosage forms, at a price the community could afford.

In this regard, it should be mentioned that the Central Medical Stores Organisation (CMSO) established (1978) in the State under Health and Family

Welfare Department is responsible for procurement, storage, distribution of medicines, surgical goods, medical equipment/instruments and insecticides to healthcare institutions of the State. With changes in the healthcare arena, there was a felt need of developing new as well as upgrading the existing functioning and processes of CMSO, and consequently develop an institution supported with necessary infrastructure to make the system responsive to meet the objectives of the universal health coverage. With the view to match the changing demands and pace of development in the sector, CMSO was transformed (July 2012) into Gujarat Medical Services Corporation Limited (GMSCL) as a company and was incorporated under Companies Act, for systematic procurement, inventory management, Management information system and to infuse professional management with establishment, development and strengthening the use of information technology in medical stores organisation. Prior to formation of GMSCL, the unspent funds with CMSO were required to be surrendered to the State Government. Details of funds placed at the disposal of CMSO/GMSCL for procurement of drugs and equipment and its utilisation thereof in respect of district level hospitals[14] during the period 2010-15 are given in **Table 7** below –

Table 7: Availability of funds *vis-à-vis* its utilisation by CMSO/GMSCL

(₹ in crore)

Year	Opening balance	Funds received	Total available funds	Funds utilised	Funds surrendered/ closing balance	Percentage of utilisation
2010-11	Nil	25.48	25.48	24.46	1.02	96
2011-12	Nil	33.82	33.82	32.80	1.02	97
2012-13	Nil	37.98	37.98	32.64	5.34	86
2013-14	Nil	33.68	33.68	28.91	4.77	86
2014-15	4.77	99.78	104.55	57.77	46.78	55
Total		**230.74**		**176.58**		

(Source: Information furnished by GMSCL)

The above table shows a reducing trend of utilisation of funds with respect to availability by CMSO and GMSCL during the period 2010-15. Though the percentage utilisation of funds by GMSCL was only 55 *per cent* against availability during the period 2014-15, the actual expenditure jumped almost 100 *per cent* in 2014-15 over the previous year's expenditure of ₹ 28.91 crore.

The main objective of GMSCL is to ensure timely and reliable supply of drugs and equipment throughout the year to healthcare institutions in the State by infusing professional management besides systematic procurement and inventory management. However, instances of non-availability of medicines and supply of medicines Not of Standard Quality (NSQ) were noticed in test-checked hospitals as discussed below, despite availability of sufficient funds.

- ***Availability of medicines***

GMSCL has come up with a list of Essential Drugs (EDs) for the State of Gujarat containing a list of drugs that are to be procured and supplied to all healthcare institutions, irrespective of their inclusion in any other healthcare programme. This list is regularly updated by GMSCL. The ED list for 2014-15 contains 532 EDs and surgical items.

[14] CHs, DHs and Sub-District level hospitals

Ensuring the uninterrupted supply of EDs to hospitals plays a vital role in the delivery of quality healthcare services in hospitals. Hospitals submit online demand for drugs and medicines required during the ensuing year in the month of January every year. GMSCL consolidates demands and procures the same after following e-tender procedure. Medicines received from suppliers are stocked in GMSCL depots and subsequently distributed to various hospitals.

On scrutiny of stock register for medicines maintained in test-checked hospitals, it was observed that many EDs such as Amoxycilin, Choloroquine, Diclofenac Sodium, Hepatitis B Vaccine, Injection Ceftazimide, Insulin, Gentamicin eye drop, *etc.* were not available in the stock on regular basis. Availability of EDs as of August 2015 as against those indented by the test-checked hospitals for the year 2015-16 is shown in **Table 8** below –

Table 8: Availability status of stock of EDs in the test-checked hospitals as on August 2015

Name of the hospital	Total EDs indented for the year 2015-16 (Items)	EDs not available as of August 2015 (Percentage) (Out of Col. 2)	EDs not available for one to two months (Out of Col.3)	EDs not available for two to four months (Out of Col.3)	EDs not available for more than four months (in percentage)
1	2	3	4	5	6
CH Bhavnagar	360	134(37)	21	16	97(27)
CH Surat	483	125(26)	25	40	60(12)
CH Vadodara	415	243(59)	49	68	126(30)
DH Dahod	308	120(39)	21	16	83(27)
DH Godhra	299	44(15)	08	02	34(11)
DH Himatnagar	345	46(13)	24	05	17(05)
DH Petlad	346	41(12)	18	06	17(05)
DH Palanpur	366	109(30)	13	94	02(01)
DH Surendranagar	324	48(15)	20	08	20(06)
DH Vadodara	341	258(76)	19	11	228(67)

(Source: Information furnished by test-checked hospitals)

The table above shows that 12 to 76 *per cent* of EDs indented by the test-checked hospitals were not available as on August 2015. The situation was alarming in DH Vadodara as 67 *per cent* of EDs were not available for more than four months and consequently the patients were forced to purchase medicines from the open market.

The hospital authorities attributed (May-August 2015) the reasons for stock-out of medicines due to delay in supply of medicines by GMSCL and stated that essential medicines for IPD were being purchased by the hospitals locally, in case of need. The General Manager, GMSCL accepted (September 2015) the delay in supply of medicines to the hospitals and stated that drugs procurement policy was being modified to ensure uninterrupted supply of medicines to hospitals. It was further stated by the GMSCL that the indents would be called for from the hospitals in the month of November instead of January and the availability of essential medicines in the hospitals would be monitored online and the supply of medicines would be ensured before exhaustion of stock.

The ACS H&FWD in the exit conference stated (January 2016) that necessary actions were being taken by GMSCL for supply of quality medicine on continuous basis. It was further stated that construction of six new depots of GMSCL had been planned for early supply of medicines to the hospitals.

The GMSCL may evolve a proper mechanism to ensure uninterrupted supply of quality medicines to hospitals to prevent instances of non-availability of stock.

- ***Supply of Not of Standard Quality (NSQ) medicines to hospitals***

To ensure the quality of medicines supplied to healthcare institutions, the State Government issued (July 2010) instructions for pre-dispatch testing of medicines from Food and Drug Laboratory, Vadodara. The samples are to be taken from each batch of medicines and send to the laboratory for testing the quality. The medicines of the batch with confirmed quality as per test report was to be released to healthcare institutions. It was also mentioned therein that the testing of each batch of medicines should be ensured in next three years.

GMSCL supplied medicines to healthcare institutions through five depots[15]. However, Audit observed that pre-dispatch testing of samples was not done by four out of five (except Adalaj) depots till March 2015. It was also observed that the medicines were supplied to healthcare institutions before receipt of pre-dispatch testing reports. Apart from pre-dispatch testing, samples are also taken from hospitals to assure quality of drugs under Drugs and Cosmetics Act, 1940.

On scrutiny of records of GMSCL, it was observed that 495 out of 13,509 samples of different medicines sent for pre-dispatch testing during 2010-15 were reported as NSQ. Similarly, 389 out of 3,325 samples (obtained from the hospitals) sent for testing under Drugs and Cosmetics Act, 1940 were reported as NSQ. Instances of receipt of NSQ medicines and subsequent issue to the patients were noticed in test-checked hospitals. From the records of the test-checked hospitals, it was observed that some of the essential as well as life saving drugs such as Injection Ampicilin, Injection Iron sucrose, Injection Gentamycin, Tablet Paracetamol, Diclofenac Sodium, Injection Oxytocin, *etc.* were reported as NSQ and majority of the quantity of these NSQ medicines were issued to patients. The details of receipt and issuance of NSQ medicines to the patients in test-checked hospitals during the period 2010-15 is shown in **Table 9** below –

Table 9: Receipt and issuance of NSQ medicines in test-checked hospitals

Name of the Hospital	Number of batches of NSQ medicines received	Number of batches of NSQ medicines not consumed	Percentage of quantity of medicines[16] consumed out of the batches reported NSQ			Percentage of batches of NSQ medicines fully consumed (Col.6/Col.2)*100
			Upto 50 *per cent*	51 to 99 *per cent*	100 *per cent*	
1	2	3	4	5	6	7
CH Bhavnagar	23	01	01	05	16	70
CH Surat	66	05	09	04	48	73
CH Vadodara	52	01	12	04	35	67
DH Dahod	55	11	22	08	14	25
DH Godhra	58	07	05	03	43	74
DH Himatnagar	41	03	08	08	22	54
DH Petlad	15	06	05	01	03	20
DH Palanpur	30	06	09	05	10	33
DH Surendranagar	30	05	06	04	15	50
DH Vadodara	29	03	09	02	15	52
Total	**399**	**48**	**86**	**44**	**221**	**55**

(Source: Information furnished by test-checked hospitals)

[15] Adalaj, Amreli, Jamnagar, Patan and Surat
[16] Tablets/Capsules, Injection, Miscellaneous, Surgical and Dressing

The above table shows that the test-checked hospitals had issued NSQ medicines to the patients. Further, 221 batches out of 399 batches (55 *per cent*) of NSQ medicines received by these test-checked hospitals were fully utilised by issuing to the patients due to delay in receipt of testing report (of around four months to one year) from the date of supply of medicines.

Supply and issue of NSQ medicines is a serious concern as the medicines given to the patients may be less effective or ineffective. Besides, the public would lose the trust bestowed on Government hospitals.

The General Manager GMSCL accepted (September 2015) the facts and stated that pre-dispatch testing was now being done at all depots since July 2015 and two private laboratories had also been engaged for testing the samples to get the testing report in time.

The ACS H&FWD in the exit conference stated (January 2016) that the issue was of great concern and many measures such as making it mandatory for supplier to enclose laboratory test certificate with each and every batch of medicine, empanelment of two more laboratories for pre-dispatch testing, 100 *per cent* and 25 *per cent* pre-dispatch testing from Adalaj depot and other depots respectively, *etc.* had been initiated. It was further stated that all possible efforts would be made to prevent supply of NSQ medicines.

The challenge however lies in cutting down the time consumed for testing of sample medicines, both pre-dispatch and hospital-supplies. The Government may prescribe the time to be taken in testing of medicines and the GMSCL should ensure strict compliance to the same and replace the NSQ medicines forthwith. Punitive action against errant suppliers of NSQ medicines needs to be taken so as to ensure deterrence.

- ***Storage of Medicines***

To sustain effectiveness of drugs, proper infrastructural facility is required in every hospital to store the drugs in prescribed manner. Audit observed that the storage facility and its management were satisfactory in test-checked hospitals except in DH Godhra and DH Dahod. In DH Godhra, the store room was in a dilapidated condition and medicines were exposed to rain whereas in DH Dahod, there were only two small refrigerators to preserve the injections. Injections instructed to be stored in a cool place (two to eight degree celsius) were kept outside, as both refrigerators were filled with Anti-Rabies Serum/Anti-Snake Serum/Anti-Tetanus Serum, *etc.*

The CDMO DH Dahod stated (June 2015) that new refrigerators would be procured and provided to pharmacy department for storage of drugs.

The ACS H&FWD in the exit conference stated (January 2016) that instructions would be issued to head of all DHs for proper upkeep of medicines.

The hospital authorities should make necessary arrangements forthwith for storing medicines in prescribed manner for maintaining their effectiveness.

2.1.8 Core Services

2.1.8.1 OPD and IPD Services

(1) Registration of Patients

Registration of patients is the first step for getting healthcare facilities in hospitals. Around 400 to 600 patients visit each DH and around 800 to 2,000 patients visit each CH daily. There were two counters in each of the test-checked DHs except DH Vadodara[17] and eight to eleven counters in each of the test-checked CH for registration of patients. During joint field visit of registration counters in the test-checked hospitals, Audit observed long queues of patients in front of registration counters **(Picture 6 and 7)**. Based on the information furnished to Audit, it was observed that patients had to wait for one to two hours for getting themselves registered. These facts indicated that the number of counters were not sufficient to handle the volume of work.

Picture 6: Registration Counter in CH Surat (07.07.2015)

Picture 7: Registration Counters in DH Palanpur (25.06.2015)

[17] Five counters were available to register 800-900 patient daily in DH Vadodara

Apart from insufficient counters, Audit observed that there was no facility of ceiling fans in the public area of registration counter in DH Palanpur and the registration counters in DH Dahod was in open area without any roof.

Hospital authorities stated (May-July 2015) that efforts would be made to provide better facilities.

The ACS H&FWD in the exit conference stated (January 2016) that instructions would be issued to head of all DHs for proper arrangement for early registration of patients.

(2) Availability of Specialist Services

Guidelines of IPH Standards provide that each DH should provide essential specialist services called minimum assured services such as General Medicine, General Surgery, Obstetrics and Gynaecology, Paediatrics, Anaesthesia, Ophthalmology, Orthopaedics, ENT, Radiology, *etc.*

Audit observed that specialist services of all aforesaid departments had been established in all test-checked CHs. However, as discussed in paragraph 2.1.7.1, due to 55 *per cent* vacancy in the post of specialist doctors against sanctioned posts in test-checked DHs, some of the specialist services were either partially available (three hours daily specialist service under CM Setu scheme or doctors hired through Rogi Kalyan Samiti) or not available at all. Availability of specialist services in test-checked DHs are shown in **Table 10** below –

Table 10: Availability of specialist services in test-checked DHs as on 31 March 2015

Sr. No.	Name of DHs	Services partially available	Services not available
1.	Dahod	ENT	------
2.	Godhra	General Medicine, Obstetrics and Gynaecology	Orthopaedics, ENT and Radiology
3.	Himatnagar	------	Radiology
4.	Palanpur	Radiology	------
5.	Petlad	Paediatrics, ENT and Orthopaedics	General Medicine, General Surgery and Radiology
6.	Surendranagar	Obstetrics and Gynaecology, Paediatrics, ENT and Orthopaedics	General Medicine, Anaesthesia and Radiology
7.	Vadodara	----	Radiology

(Source: Information furnished by test-checked DHs)

The above table shows that the situation in DH Surendranagar, DH Petlad and DH Godhra was very deplorable as most of the essential services were either partially available or were not available. Further, regular service of radiology was not available in any of the test-checked hospitals except DH Dahod.

The hospital authorities stated (May-July 2015) that services were not available due to vacant posts of Specialist Doctors.

The ACS H&FWD in the exit conference stated (January 2016) that Specialist Doctors were appointed under CM Setu and other state flagship programmes to render the service. However, efforts would be made for providing essential specialist services on 24X7 basis in all DHs.

The Government may take action to post at least one Specialist Doctor in each department at all DHs to make services of Specialist Doctors available to the patients.

(3) Patient care in OPD and IPD

Audit observed non-compliance of various norms prescribed under IPH Standards and National Rural Health Mission (NRHM) guidelines on quality assurance as discussed below -

- In CH Bhavnagar, CH Surat and DH Palanpur, there was only one examination table and one X-ray viewer for four to five patients.
- In DH Dahod, separate male and female wards were not available. Further, wards were highly congested in all test-checked DHs due to presence of high number of attendants.
- Toilets attached with female ward in DH Surendranagar and toilets attached with orthopaedic ward in DH Dahod were non-functional. Patients expressed difficulties due to non-functional toilets.

2.1.8.2 Accident, Emergency and Trauma Care Services

The guidelines of IPH Standards provide that each DH should have Accident and Emergency Services, with distinct entries. The emergency department should be equipped with life saving instruments such as Ventilator, Multi-parameter monitor, Cardiac monitor with defibrillator, *etc.* to treat accidental and emergency cases effectively.

Audit observed that -

- Emergency department and Trauma care centre are available in all the three test-checked CHs.
- Out of seven test-checked DHs, Accident and Emergency services were not available in DH Dahod, DH Petlad and DH Vadodara.
- Emergency department was operational in DH Godhra and DH Surendranagar. However, the hospitals were not equipped to deal with emergency cases due to non-availability of regular services of specialist doctors of medicine, orthopaedics, *etc.* Even essential equipment such as ventilator, cardiac monitor, *etc.* were not available with the departments.
- Trauma Care Centres were to be established to provide intensive medical services at nearest place to the victims during highway accidents and utilise golden hours of the treatment to save precious life of the victims. In the State, 18 trauma care centres have been established and are functional. However, Audit observed that there were no trauma care centres on National Highway No. 59 connecting Ahmedabad to Indore which passes through Godhra and Dahod districts. Non-availability of trauma care centre coupled with inefficient accident and emergency services in DH Godhra and DH Dahod jeopardises the life of accident victims.
- A trauma care centre constructed (2008) at a cost of ₹ 1.92 crore at CH Bhavnagar was functional and 31,852 patients have been treated there upto February, 2012. Thereafter, service of trauma centre was discontinued due to non-availability of doctors and supporting staff.

The building was being utilised by shifting other departments. Thus, the very objective behind establishment of trauma care centre got defeated.

The Government stated (December 2015) that necessary steps are being taken to equip all hospitals with all necessary life saving instruments in phased manner to ensure adequate emergency, accident and trauma care services. As regards trauma care centre at CH Bhavnagar, the ACS H&FWD in the exit conference stated (January 2016) that the matter would be reviewed and necessary action would be taken to make the trauma care centre functional.

2.1.8.3 Intensive Care Unit

The guidelines of IPH Standards provide that each DH should have an Intensive Care Unit (ICU) to attend critically ill patients such as major medical and surgical cases, head injuries, severe haemorrhage, *etc.*, requiring highly skilled life saving medical aid and nursing care. The guidelines of IPH Standards further provide that the number of beds may be restricted initially to five *per cent* of the total bed capacity of the hospital and gradually expanded to 10 *per cent*. Life saving equipment such as High End Monitor (HEM), Ventilator, and Thrombosis Prevention Device (TPD), Oxygen therapy for each bed and common Ultrasound (USG) and Defibrillator are essential to save critical patients. The availability of equipment and efficacy of ICU in test-checked hospitals are shown in **Table 11** below –

Table 11: Availability of equipment and efficacy of ICU in test-checked hospitals as on 31 March 2015

Name of the Hospitals	Number of beds				Fully equipped ICU beds	Availability of equipment (NA= Not available)					
	Beds required as per IPH Standards	Beds available	Shortage of beds	Percent-age of shortage		HEM	Venti-lator	TPD	Oxygen	USG	Defi-brillator
CH Bhavnagar	35	11	24	69	05	24	05	NA	YES	YES	YES
CH Surat	52	30	22	42	27	27	31	YES	YES	YES	YES
CH Vadodara	75	36	39	52	09	09	20	NA	YES	NA	YES
DH Dahod	08	05	03	38	Nil	NA	NA	NA	YES	NA	YES
DH Godhra	10	02	08	80	01	01	02	NA	YES	NA	YES
DH Himatnagar	10	10	-	-	02	02	02	YES	YES	NA	YES
DH Petlad	10	NA	NA	100	NA	NA	NA	NA	NA	NA	NA
DH Palanpur	10	02	08	80	01	01	01	YES	YES	NA	YES
DH Surendranagar	08	NA	NA	100	NA	NA	NA	NA	NA	NA	NA
DH Vadodara	10	NA	NA	100	NA	NA	NA	NA	NA	NA	NA

(Source: Information furnished by test-checked hospitals)

The above table shows that ICU was not available in three out of seven test-checked DHs. In the remaining four DHs, the shortage of beds as compared to IPH Standards ranged from 38 to 80 *per cent* and only one or two beds were fully equipped with life saving equipment to handle critical cases. The position was also very deplorable even in CHs, as only five out of 11 beds and nine out of 36 beds in CH Bhavnagar and CH Vadodara respectively were fully equipped with life saving equipment.

Audit observed that -

- In DH Surendranagar, a new block was constructed (February 2012) for establishment of ICU at a cost of ₹ 69.85 lakh and four Multi-parameter monitors were procured (November 2011) at a cost of ₹ 9.78 lakh for

use in the ICU. However, Audit observed that the ICU was not operational (May 2015) due to vacant posts of physicians, Orthopaedic Surgeons, *etc.*

- In CH Surat, a new Medical Intensive Care Unit (MICU) of 12 beds constructed (January 2013) at a cost of ₹ 55.65 lakh alongwith necessary medical fittings and equipment such as medical gas pipeline, bed head panel, ICU beds, 12 ventilators costing ₹ 99.29 lakh was found non-operational due to shortage of nursing staff and other supporting staff since its establishment **(Picture 8)**.

Picture 8: A well equipped MICU lying non-operational at CH Surat (21.07.2015)

The Medical Superintendent, CH Surat stated (August 2015) that demand for additional staff had been submitted (April 2014) to the Government for making the MICU operational.

The Government may review the availability of emergency departments and ICUs functioning in all district level hospitals and take necessary measures to establish these units to deal with critical cases effectively wherever they are deficient.

The ACS H&FWD in the exit conference agreed (January 2016) to the recommendation and stated that Government would review the functioning of ICUs in all district level hospitals and necessary action would be taken to strengthen these units to deal with critical cases effectively.

2.1.8.4 Maternal, Child and Neo-natal Healthcare Services

Reducing the maternal and infant mortality is a key goal of Reproductive and Child Health Programme under the National Rural Health Mission. Government of India launched (June 2011) Janani Sishu Suraksha Karyakaram (JSSK) to assure free services to all pregnant women and sick neonates accessing public health institutions. The JSSK guidelines state that about 67,000 women in India die every year due to pregnancy related complications. Similarly, nine lakh newborns die within the first four weeks of birth. Thus, first 28 days of infancy are very important and critical for survival of new-born children.

The details of births, neo-natal and maternal deaths in test-checked hospitals during the period 2010-15 are shown in **Table 12** as below –

Table 12: Details of births, neo-natal and maternal deaths in test-checked hospitals during 2010-15

Name of Hospitals	Number of births	Number of neonatal deaths	Neo-natal death rate (per 1,000 live births)	Number of maternal deaths	Maternal Mortality Rate (per one lakh live births)
CH Bhavnagar	15,213	366	24	23	151
CH Surat	33,077	712	22	174	526
CH Vadodara	22,845	1,887	82	197	862
DH Dahod	18,223	166	09	35	192
DH Godhra	2,461	10	04	01	41
DH Himatnagar	2,839	265	93	13	458
DH Petlad	4,246	02	01	01	23
DH Palanpur	1,885	91	48	12	637
DH Surendranagar	844	06	07	00	00
DH Vadodara	14,400	10	01	01	07

(Source: Information furnished by test-checked hospitals)

The above table shows higher neo-natal deaths in CH Vadodara, DH Himatnagar and DH Palanpur, and higher Maternal Mortality Rate (MMR) in all CHs, DH Palanpur and DH Himatnagar as compared to the State Infant Mortality Rate (IMR) and MMR mentioned in **Table 1** which stand at 41 and 122 respectively. The high mortality rates in hospitals indicate that hospitals are not well equipped to deal with critical cases.

The hospital authorities stated (May-July 2015) that despite making best efforts, neonates and mothers could not be saved as they were brought to the hospitals at an advanced stage of deterioration. The fact remains that the number of deaths registered in hospitals was on higher side as compared to the State average**.** Further, as discussed in preceding paragraphs, lack of facilities in ICU and non-availability of regular specialist doctors resulted in poor quality of maternal healthcare services in the hospitals which require to be strengthened in order to achieve the goal of reducing maternal and infant mortality as envisaged in JSSK guidelines.

The ACS H&FWD in the exit conference stated (January 2016) that Government was keen to improve the maternal, child and neonatal healthcare and all necessary steps would be taken for its betterment.

Audit further observed that –

- In DH Surendranagar, the posts of Gynaecologist and Paediatrician were lying vacant since November 2011. Resultantly, average delivery cases in a month was less than 15, as people hesitated to come for institutional delivery in the hospital.

- Maternity ward of CH Surat was highly congested and patients were found lying on the floor **(Picture 9)**.

Picture 9: Patients found lying on the floor in the maternity ward of CH Surat (08.07.2015)

The hospital authority attributed (July 2015) the reasons of less availability of beds in maternity ward for accommodation of patients on the floor. However, Audit is of the view that the State Government may take urgent actions for enhancing the bed capacity in the maternity ward to avoid neonatal and maternal deaths on account of infections.

- Important equipment such as Incubator, Ventilator, Baby Cardiac Monitor, *etc.* to handle critical cases were not available in any of the test-checked DHs.
- As per provisions of JSSK guidelines, mother and new born child should be kept under medical observation for 48 hours in case of normal delivery. However, Audit observed at DH Dahod, DH Godhra, DH Palanpur and CH Surat that the mother and new born child were being discharged on the same day or before 48 hours.

  The CDMO, DH Dahod stated (June 2015) that one of the reasons for early discharge of patients was shortage of beds in maternity ward. The hospital authorities of other DHs and CHs stated (May-July 2015) that patients were discharged on their own request.

2.1.8.5 Special Newborn Care Unit

Special Newborn Care Unit (SNCU) is meant to provide medical treatment for child born prematurely (born before 37 weeks of pregnancy), having low birth weight or have a medical condition that requires special care. The SNCU facilities provided controlled environment, individual warming and close monitoring devices, intravenous fluid and medications by infusion pump, central oxygen, oxygen generators, bedside procedures, *e.g.* resuscitation and exchange transfusion, portable x-ray, and in-house side laboratory services.

The guidelines of IPH Standards envisage that SNCU should have at least 12 beds alongwith facility of day and night shelter for mothers of neonates. The SNCU should be well equipped with all required equipment and should be kept dust free.

Audit observed that -

- The SNCU was established in all test-checked DHs (except DH Surendranagar). However, the number of beds available in each of the test-checked DHs was only five to six.
- In DH Surendranagar, it was observed that the bed procured for child care was lying idle due to non-establishment of SNCU **(Picture 10).**

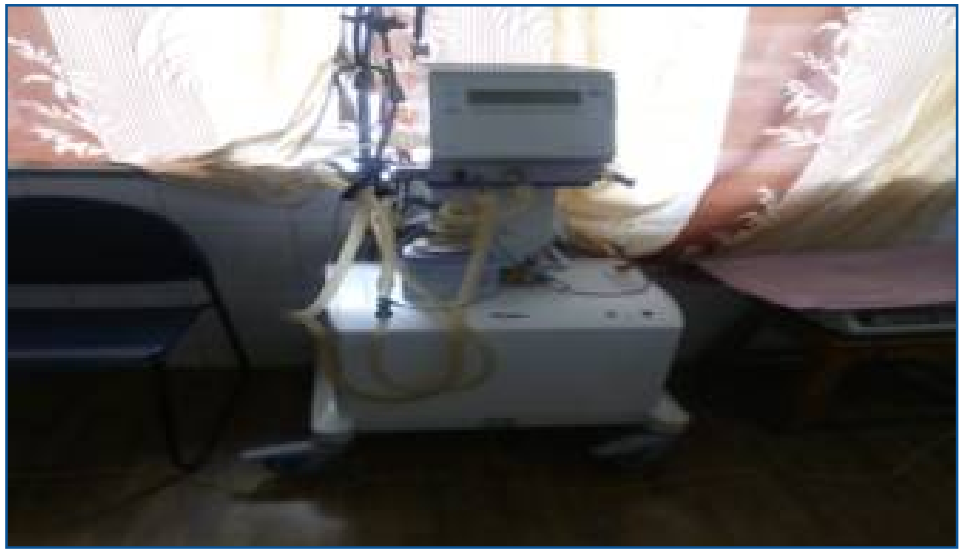
Picture 10: SNCU bed lying idle at DH Surendranagar (15.05.2015)

The CDMO DH Surendranagar stated (August 2015) that SNCU was not set-up in the DH due to vacant posts of Gynaecologist and Paediatrician.

- Due to shortage of beds, an instance of two neonates accommodated on one bed was noticed at DH Palanpur **(Picture 11).**

Picture 11: Two neonates accommodated on one SNCU bed in DH Palanpur (25.06.2015)

Further, a neonatal ventilator purchased (June 2014) by DH Palanpur at a cost of ₹ 14.18 lakh for maintaining physiologic normalcy of infants was found lying idle due to non-availability of centralised oxygen supply in SNCU **(Picture 12)**. Lack of action on the part of the hospital authorities resulted in idling of the equipment and deprival of intended treatment to the neonates.



Picture 12: Neonatal Ventilator lying idle in DH Palanpur (25.06.2015)

The CDMO, DH Palanpur stated (June 2015) that demand for more beds in SNCU would be placed to Government and necessary action would be taken to use the Neonatal Ventilator.

- Facility of day and night shelter for mothers of neonates kept in SNCU was not available at DH Himatnagar and DH Dahod.
- In all test-checked DHs, there was shortage of important equipment such as Infantmeter, spot lamp, Portable X-ray, cardiac monitor, *etc.* Further, equipment for disinfection such as electronic fumigator, disinfectant sprayer, formalin vaporizer, *etc.* were also not available in any of the test-checked DHs.

The Government may strengthen the maternal and child health departments in all hospitals by deploying specialist doctors and providing requisite equipment and adequate number of beds, to prevent the stage of advanced deterioration which ultimately leads to higher IMR and MMR.

The ACS H&FWD in the exit conference agreed (January 2016) to the recommendation and stated that Government is keen to improve the maternal child and neonatal healthcare and all necessary steps would be taken for betterment.

2.1.9 Essential component to complement Core Services

2.1.9.1 Diagnosis Service

Laboratory diagnostic service is required for providing effective diagnosis of the disease suffered by the patient, measure the quantum of medicines to be provided, quantify the extent of cure effected, identify the medical sensitivities of the patient to avoid wrong/under/over medication resulting in adverse effects and to extend the research and development capabilities of the medical process. The guidelines of IPH Standards envisage that each district hospital laboratory should be able to perform all tests required to diagnose epidemics or important diseases from the view point of public health. The details of availability of diagnosis services as per IPH Standards in test-checked hospitals are shown in **Table 13** as follows–

Table 13: Availability of diagnosis service in test-checked hospitals as on 31 March 2015

Name of the hospitals	Availability of diagnosis services							
	Clinical pathology	Haematology Bone Marrow/ Sickle Cell Anaemia/ Thalesemia	Micro-Biology	Bio-chemistry	Cardiac	Ophthal-mology	ENT	Endoscopy
CH, Bhavnagar	Yes	Partial	Yes	Partial	Yes	Yes	Yes	Yes
CH, Surat	Yes	Partial	Yes	Partial	Yes	Yes	Yes	Partial
CH, Vadodara	Yes	Partial	Yes	Partial	Yes	Yes	Yes	Yes
DH, Dahod	Yes	Partial	Partial	Partial	No	Yes	No	No
DH, Godhra	Yes	Partial	Yes	Partial	No	Yes	No	No
DH, Himatnagar	Yes	Partial	Yes	Partial	Yes	Yes	Yes	No
DH, Petlad	Yes	Partial	Yes	Partial	No	Yes	No	No
DH, Palanpur	Yes	Partial	Partial	Partial	No	Yes	No	No
DH, Surendranagar	Yes	Partial	Yes	Partial	Yes	Yes	No	No
DH, Vadodara	Yes	Partial	Yes	Partial	No	Yes	No	No

(Source: Information furnished by test-checked hospitals)

The above table shows that most of the pathological tests except few were available in all test-checked hospitals. However, facility of advance tests related to Cardiac, ENT or Endoscopy was available in only a few of the test-checked DHs and CHs.

Audit further observed -

- Shortage of important equipment such as Electrolyte Analyzer, Haematology Analyzer, Infant Glucometer, *etc.* in the diagnosis laboratory of all test-checked DHs.
- The guidelines of IPH Standards envisage separate areas for sample collection, sample processing, haematology, bio-chemistry, clinical pathology and reporting, *etc.* However, Audit observed at DH Dahod and DH Palanpur that collection and processing of samples were being done in one room in contravention to the provisions of guidelines of IPH Standards.

The ACS H&FWD in the exit conference stated (January 2016) that the State Government was going to launch free Laboratory Nidan Yojana for providing diagnosis services in all DHs. It was further stated that procurement of important equipment under this scheme by GMSCL was under process.

2.1.9.2 Imaging Services

The guidelines of IPH Standards provide that each DH should have imaging facilities such as X-ray, Portable X-ray, two Ultra Sonography (USG) - one for gynaec and one for others patients, C.T Scan, Mass Miniature Radiography (MMR) for chest and Barium Meal Test (BMT), *etc.* Details of availability of imaging services in test-checked hospitals are shown in **Table 14** as follows –

Table 14: Availability of Imaging Services in test-checked hospitals as on 31 March 2015

Name of the hospitals	X-ray	Portable X-ray	USG		CT Scan	MMR	BMT
			Gynaec	Others			
CH, Bhavnagar	Yes	No	Yes	Yes	Yes	No	No
CH, Surat	Yes	No	Yes	Yes	Yes	No	No
CH, Vadodara	Yes	No	Yes	Yes	Yes	No	No
DH, Dahod	Yes	No	Yes	Yes	No	No	No
DH, Godhra	Yes	No	Yes	Yes	No	No	No
DH, Himatnagar	Yes	No	No	No	No	No	No
DH, Petlad	Yes	No	Yes	Yes	No	No	No
DH, Palanpur	Yes	No	Yes	Yes	Yes	No	No
DH, Surendranagar	Yes	No	No	No	No	No	No
DH, Vadodara	Yes	No	Yes	No	No	No	No

(Source: Information furnished by test-checked hospitals)

The above table shows that the facilities of Portable X-Ray, CT Scan (except three CHs and DH Palanpur), MMR and BMT were not available in any of the test-checked hospitals, as a result, the patients had to approach outside agencies for the tests.

Audit further observed that –

- In DH Palanpur, a CT scan machine purchased (June 2014) for Trauma Care Centre was being utilised without a Radiologist. The images taken by the technician were being sent to Medical College, Jamnagar for opinion. Till date (August 2015), 153 tests had been carried out since its installation. However, a CT scan machine purchased (March 2004) at DH Himatnagar at a cost of ₹ 92.86 lakh is lying idle since January 2014 due to vacancy of a Radiologist **(Picture 13)** and in DH Dahod, a Radiologist is posted but no CT scan machine is available. The efforts made by DH Palanpur are highly appreciable and the same efforts could have been made by DH Himatnagar. The State Government could also utilise the services of the lone Radiologist posted at DH Dahod for DH Himatnagar.

Picture 13: CT Scan machine lying idle at DH Himatnagar (01.09.2015)

- In CH Surat, despite availability of CT scan machine and Radiologist, the patients (including BPL patients) were being sent outside for the tests.

  The Medical Superintendent stated (July 2015) that as the machine was old (2007 model) and not of required capacity, the patients were being sent outside for the tests. It was further stated that a demand (February 2014) for supply of CT scan machine of 128 slide had been made to the Government, however, the same was awaited (July 2015).
- In DH Surendranagar, a CT scan machine imported (February 2006) at a cost of US$ 1.97 lakh was found non-functional since January 2010 due to a fault in the X-ray Tube of the machine. The hospital could obtain only 10 images since its installation. The manufacturer company submitted (August 2010) a quotation of ₹ 28.00 lakh for replacement of X-ray Tube. However, the machine could not be repaired and the State Government subsequently accorded (August 2014) permission to condemn the machine. Thus, the machine procured was not optimally utilised and was lying idle for want of repair besides depriving the patients of the facility who were forced to get the tests done from outside.
- Atomic Energy Regulatory Board (AERB) guidelines (August 2004) on licensing of X-ray units stipulate that licence for operating radiation installation be obtained and the X-ray units ensure adherence to prescribed safety standards, availability of appropriate radiation monitors and dosimeter devices for radiation surveillance.

  Audit observed at CH Bhavnagar, DH Dahod and DH Palanpur that the X-ray machine had been put into operation without obtaining licence from the competent authority. The technicians manning the X-ray units were not provided Thermo Luminescence Dosimeter (TLD) badges to indicate levels of exposure to radiation. In the absence of TLD badges and safety certification from the competent authority, Audit could not vouchsafe the reasonability of radiation levels the patients and technicians are exposed to.
- USG machine was not available in DH Himatnagar and DH Surendranagar. In DH Vadodara, USG available was not being utilised since January 2014 due to non-availability of a Radiologist.

The ACS H&FWD in the exit conference stated (January 2016) that the State Government had planned to provide CT scan machine/other imaging equipment of required capacity in all DHs through PPP mode in future.

The Government may take initiatives to ensure availability of basic imaging facilities such as USG, CT scan and Portable X-ray machines in all DHs for early and proper diagnosis of diseases.

2.1.9.3 Blood Bank

Blood Bank/storage centre is an essential element in the functioning of any hospital. The guidelines of IPH Standards provide that hospitals should follow standard operating procedures for management of blood bank services including policy on rational use of blood and blood products as promulgated by the Government. A Compliance Audit on "Functioning of blood banks" in the State was undertaken and findings thereof were incorporated in Paragraph 3.2

under Chapter - III (Compliance Audit) in the Report of the Comptroller and Auditor General of India (General and Social Sector) for the year ended March 2014 – Government of Gujarat.

Audit reviewed the functioning of blood banks (BBs) in test-checked DHs during this audit and following deficiencies were noticed -

- The facility of BB/Blood Storage centre was not available in DH Dahod and DH Petlad among the test-checked DHs. Non-availability of BB in DH Dahod was pointed out in earlier Audit, however, no corrective action have been initiated by the Department till December 2015. The CDMOs stated (May-July 2015) that in case of any need of blood, either the hospital arranged it from Red Cross Society or the patients arranged it themselves.
- Blood component separation facilities to separate whole blood into its constituent components such as red blood cells, platelets, plasma, *etc.* were available in all test-checked CHs. However, separation facility was not available in any of the test-checked DHs.
- In DH Palanpur, the licence of the BB was cancelled (August 2013) by the Commissioner, Food and Drugs Control Administration due to deficiencies noticed during inspection. The licence was renewed (March 2015), however, the BB remained non-functional as of June 2015 as requisite facilities were not made available by hospital authorities. Similarly, in DH Vadodara, the BB was non-functional since January 2015 under directives of the Commissioner, Food and Drugs Control Administration due to non-compliance of the prescribed standard. The CDMOs stated (June 2015) that the hospital arranged the required blood from BBs managed by Private Trusts and necessary action was being taken to make the BB operational.

The ACS H&FWD in the exit conference stated (January 2016) that BBs were available in most of the DHs. For DHs without BBs, an MoU had been made with the Indian Red Cross Society for supply of blood. However, necessary action would be taken to establish BB in all DHs and keep them functional.

The Government may ensure availability of functional BB to provide quality blood and blood components to all who are in need of them.

2.1.9.4 Operation Theatres

The guidelines of IPH Standards provide that DHs should have minimum three Operation Theatres (OTs) equipped with all instruments, with departments of surgery, ICU, imaging, Central Sterile Supply Department (CSSD), *etc.* near to the OTs. It further provides that the OTs should have preparatory, pre-operative and post-operative resting rooms. However, Audit observed in test-checked hospitals that –

- OTs were functional and fumigated regularly in all test-checked hospitals.
- Pre-operative and post-operative rooms were not found in DH Dahod and the patients after surgery were being shifted from the OT to respective wards. Thus, the surgical patients were at risk of being infected.

- The guidelines of IPH Standards stipulate establishment of CSSD in each DH for sterilisation of equipment and implementation of standard operating procedure for transfer of unsterile and sterile equipment between CSSD and other departments. However, Audit observed that CSSD was not established in any of the test-checked DHs except DH Godhra and DH Himatnagar. In absence of CSSD, the equipment were sterilized in autoclave machines kept in the OTs.
- In CH Surat, the work of renovation, modification and construction of 24 OTs was completed by PIU at a cost of ₹ 15.66 crore and was handed over (October 2013) to the hospital authorities. However, Audit observed that eight OTs constructed at a cost of ₹ 3.04 crore have not been put to use even after a lapse of more than 18 months by hospital authorities from the date of taking possession, due to shortage of nursing and supporting staff **(Picture 14)**. This resulted in idling of OTs despite incurring huge expenditure.

Picture 14: Non-operational OT at CH Surat (25.07.2015)

The Medical Superintendent, CH Surat accepted (July 2015) the fact and stated that demand for filling up 36 vacancies had been placed (November 2013) to the Government, however, the same was still awaited (July 2015).

The ACS H&FWD in the exit conference stated (January 2016) that action to fill the vacant posts had been initiated and OTs would be made operational immediately after filling-up these vacant posts.

2.1.10 Auxiliary and Supporting Services

2.1.10.1 Dietary service

The dietary service of a hospital is an important therapeutic tool. The guidelines of IPH Standards envisage supply of diet to patients thrice a day. It further envisages that the food supplied should be patient specific such as diabetic, semi solid, liquid, *etc.* Audit observed that free of cost diet was being provided to all indoor patients in all test-checked hospitals, three times a day. However, hygiene in serving the diet was not being observed, as the cooks and serving staff were not wearing head masks, gloves, *etc.* during cooking and serving food to the patients as prescribed in the guidelines **(Picture 15 and 16)**.

Picture 15: Food served to patients without gloves in DH Dahod (21.05.2015)

Picture 16: Food cooked without headmask in DH Dahod (21.05.2015)

The CDMOs of concerned DHs accepted that patient specific food was not being provided by the hospitals.

The Government stated (December 2015) that necessary instruction would be given to all DHs to ensure supply of quality hygienic food to all patients in the hospital.

Audit appreciates the hospital authorities for providing free of cost food to IPD patients. However, Audit is of the view that the Government may ensure supply of patient specific food and maintenance of hygiene during cooking and serving of food.

2.1.10.2 Rogi Kalyan Samiti (RKS)

National Rural Health Mission (NRHM) envisages upgrading the healthcare institutions to IPH Standards by providing sustainable quality healthcare with total transparency, accountability and people's participation. To ensure a degree of permanence and sustainability, Rogi Kalyan Samiti (RKS) was established in all healthcare institutions. The main functions of RKS were to identify and redress the problems faced by patients and encouraging community participation in maintenance of hospitals. RKS receives funds in

the form of various grants from State and Central Government, by levying user charges for the services rendered to patients, donations, *etc.*

(1) Redressal of problems

The issues such as non-availability of stock of medicines, non-availability of specialist doctors, lack of diagnostic services, *etc.* discussed in the preceding paragraphs were to be redressed by the RKSs. The details of patient specific issues and redressal thereof by RKS in test-checked hospitals are shown in **Table 15** below –

Table 15: Redressal of patient specific issues by RKS in test-checked hospitals

Sr. No.	Issues	Applicable to	Course of Action	Initiatives taken by RKS
1	Non-availability of prescribed medicines	All hospitals	Provide medicines to the poor patients.	Medicines were provided to poor patients in all hospitals.
2	Non-availability of diagnosis and imaging service	All hospitals	Provide the services through outside Laboratories.	Provided to only poor patients in test-checked CHs.
3	Non-availability of specialist doctors	Only DHs	Specialist doctors should be hired to bridge the gaps.	Few Specialist doctors were hired in test-checked DHs except in DH Vadodara.
4	Lack of Super-Specialist services	All hospitals	Super-specialist doctors should be hired for quality healthcare services.	Provided only in CH Surat.
5	Non-availability of waiting sheds for patients and attendants	All hospitals	Construction of waiting sheds with sitting arrangements.	Was not provided in any of the test-checked hospitals

The table above shows that RKS in the test-checked hospitals has made efforts for redressal of patient specific issues to some extent. However, they could be a little more proactive in addressing the patient specific issues such as hiring super-specialist doctors and providing sheds, *etc.* in hospitals where these services are deficient.

The Government stated (December 2015) that necessary instructions would be issued to the RKS of all DHs for becoming more proactive in redressal of patients specific issues.

2.1.10.3 Referral System

(1) Efficacy of First Referral Unit

Community Health Centre (CHC) is the first referral unit to provide healthcare for cases referred from Primary Health Centres (PHCs) and for cases in need of specialist care approaching the CHC directly. During visit of 18 CHCs of nine test-checked districts, Audit observed that –

- Two CHCs[18] were functioning in a small and dilapidated building
- The guidelines of IPH Standards for CHC provide that each CHC should have five Specialist Doctors *viz.* Physician, General Surgeon, Obstetrician and Gynaecologist, Paediatrician and Anaesthetist besides two general duty Medical Officers. However, Specialist Doctors were not available in 11 out of 18 test-checked CHCs[19].

[18] Ghoghamba and Ranagadh

[19] Ghogha, Ghoghamba, Kathor, Piluda, Ranagadh, Rupal, Sahera,Singwad, Savli, Suigam and Thangadh

- Laboratory and diagnosis services were found wanting on many counts in all test-checked CHCs.
- Facility of X-ray was not available in six CHCs[20].
- Operation Theatre was not functional in four CHCs[21].
- Facility of blood storage was not available in any of the CHCs.

The ACS H&FWD in the exit conference stated (January 2016) that continuous efforts were being made for upgradation of CHCs to deliver quality healthcare services.

(2) Referral Management

The quality assurance guidelines prescribe that when a patient is referred to a higher level hospital, the hospital authorities are required to inform in advance about the referral of the patients to the bigger hospital in order to enable them to avail better medical care. It further provides that the hospital authorities should follow-up with the treatment of the referred patient. However, Audit observed that this mechanism was neither developed nor followed in any of the test-checked DHs.

Further, all DHs were having ICU on wheels ambulance to refer critical patient to higher level hospitals with advance medical support. However, it was observed that a trained technician was not being sent with the ambulance to operate life saving instruments installed in the ICU on wheels. Thus, the very purpose of ICU on wheels got defeated.

The CDMO of DHs attributed (August 2015) the reasons of shortage of trained technicians with the hospital.

The ACS H&FWD in the exit conference stated (January 2016) that instructions would be issued to head of all DHs particularly those, which are at far distance from CH.

(3) Ambulance facilities

Availability of ambulance as per need is essential to refer patients to the higher level hospitals in time. Audit observed that each of the test-checked DHs was having a fleet of only two to three ambulances. For DH Dahod, DH Palanpur and DH Surendranagar, the tertiary care services being more than 100 Km. away, on referring patients to tertiary care hospitals, the ambulance used to return after a minimum of six hours. Thus, due to non-availability of adequate ambulance and tertiary care hospitals, patients or attendants of patients were being forced to arrange private ambulances.

The CDMOs stated (May-June 2015) that proposal for supply of two more ambulances had been sent to the Government but the same was still awaited (August 2015).

The Government stated (December 2015) that more ambulances would be made available to these hospitals in due course.

[20] Ghoghamba, Kathor, Padra, Ranagadh, Sahera and Sayan
[21] Ghoghamba, Piluda, Ranagadh and Suigam

The Government may take measures to provide Specialist Doctors, diagnosis and imaging facilities, OTs and Blood Storage facilities in all CHCs for better healthcare services. Further, adequate number of ambulances may be provided to those DHs which are situated far away from CH for timely referral of patients to tertiary care centres.

2.1.10.4 Infection Control Management

Guidelines of IPH Standards provide that each hospital should constitute an infection control team and develop Standard Operating Procedures (SOP) for aseptic procedures, culture surveillance and determination of hospital acquired infections. Apart from safe injection administration practices, safe disposal of bio-medical waste, general cleanliness and adoption of hygienic practices are important tools in prevention of infection.

Audit observed in test-checked hospitals that -

- Infection control team was not constituted in DH Dahod and DH Surendranagar to take preventive measures to control hospital acquired infection.
- In CH Surat, OPD of Medicine and OPD of Tuberculosis (TB) are located in front of each other in the same corridor. Similarly, in CH Vadodara, Chest and TB wards are functioning in the same hall without any separator. Such mismanagement on the part of hospital authorities makes the patients of chest ward highly vulnerable to TB viruses.
- In DH Surendranagar, patients suffering from infectious diseases were accommodated with other patients in the same ward. Thus, risk of infection spreading to other patients cannot be ruled out.
- In DH Godhra, washrooms for patients of female medical ward and female isolation wards were common which makes the patients highly vulnerable to getting infections from other patients.

The Government stated (December 2015) that guidelines had already been issued and necessary instructions would be issued to DHs for corrective actions.

The heads of all district level hospitals may take measures to strengthen infection control management, through systemic reforms and implementing already available SOP on the matter.

2.1.11 Patient Amenities and Citizen's Charter

2.1.11.1 Sanitation and drinking water facilities

Sanitation and drinking water facilities were available in all test-checked hospitals. However, upkeep and maintenance level was poor in DH Dahod, DH Godhra and DH Surendranagar.

2.1.11.2 Citizen's charter and Grievance Redressal System

List of services available in the hospitals, user fees, signages, *etc.* were found displayed in all test-checked hospitals for the convenience of the patients. However, none of the test-checked hospitals had maintained a complaint

register. In absence of a complaint register, Audit could not ascertain the response of hospital administration to resolve the patient specific issues and grievances.

The Government stated (December 2015) that necessary instructions would be issued to all DHs to take requisite action immediately.

Audit is of the view that though patient amenities have been provided to a great extent, however the area of concern highlighted above may be addressed in a time bound manner. Also, a complaint register at a convenient place should be maintained in all hospitals for the patients and their attendants, which should be reviewed by the head of the hospital regularly and periodically.

2.1.12 Quality Assurance and Monitoring

The guidelines of IPH Standards advocate that hospitals should develop and implement standard operating procedures for the administrative and clinical processes to ensure quality of all services provided by the hospitals. The details of implementation of IPH Standard recommendations in test-checked hospitals are shown in **Table 16** as below –

Table 16: Details of IPH Standards recommendations implemented in test-checked hospitals as on August 2015

Sr. No.	Component	What IPH Standards says	Implemented	Not implemented
1	Check-list	For proper monitoring and delivery of services, hospitals would develop and implement checklist for various processes *viz.* Housekeeping, Bio-Medical Waste, Surgical safety, *etc.*	In all test-checked CHs and DH Palanpur.	In any of the test-checked DHs (except in DH Palanpur).
2	Internal Audit	Internal audit of the services available in hospitals should be done on regular basis. Findings are to be discussed in meeting of hospital monitoring committee and take corrective action.	In all CHs.	In any of the test-checked DHs.
3	Medical Audit	A medical audit committee shall be constituted in all hospitals. The committee shall select records of patient randomly. Records shall be evaluated for completeness against standard content format and clinical management.	In all CHs.	In any of the test-checked DHs.
4	Mortality Review	Review of all mortality that occurs in hospitals shall be done on fortnightly basis. All maternal death in hospitals shall come under this purview.	In all CHs.	Only maternal death reviewed in all DHs.
5	Hospital Management Information System (HMIS)	A standard format for capturing key performance indicators should be developed and reviewed regularly.	HMIS was operative but deficient, as out of 30 modules, six to ten modules were not operational in any of the test-checked CHs and DHs. Thus, monitoring of the performance of hospitals was not adequate in the State.	

The above table shows that quality assurance and monitoring level was poor in all test-checked DHs. The CDMO of test-checked DHs stated (August 2015) that the prescribed procedures were not being followed due to shortage of manpower and heavy work load. However, Audit is of the view that these checks are prescribed to upgrade and improve the standards of healthcare services in the State and they need to be adhered to diligently.

The Government stated (December 2015) that instructions had been issued to all DHs to form medical audit committee and to review all mortality that occurred in the hospitals.

2.1.13 Other points of interest

(1) Government accorded (2010) sanction for setting-up a Stem cell therapy institute at CH Surat for treatment of genetic disorder disease. Accordingly, a stem cell laboratory was constructed (September 2013) at a cost of ₹ 1.27 crore and various equipment such as Microscope, Cell Centrifuge, Cryomade Freezer, *etc.* were procured at a cost of ₹ 33.16 lakh. However, the laboratory remained non-operational as of October 2015 due to non-availability of Flourescence Activated Cell Sorting (FACS) machine, a fundamental equipment of stem cell laboratory which allows rapid and accurate characterisation of stem cell population as well as isolation of rare stem cells or differentiated cells from contaminating cell populations.

The Government stated (December 2015) that construction of Stem Cell Therapy Institute was under progress.

(2) Audiometer, an equipment for ENT department, procured (June 2011) at a cost of ₹ 5.52 lakh each in DH Dahod and DH Palanpur was lying idle in the store despite availability of an ENT specialist in each of these hospitals **(Picture 17)**.

Picture 17: Audiometer lying idle in the store room at DH Palanpur (25.06.2015)

The CDMO attributed (June 2015) non-availability of a sound proof room, for non-functioning of the machine.

The Government stated (December 2015) that the concerned CDMOs had been instructed to make sound proof room in the ENT Department.

2.1.14 Conclusion and Recommendations

The Performance Audit on "Delivery of Healthcare Services in Government Hospitals at District Level" revealed appreciable efforts of the Government in creation of infrastructure, supply of free medicines to all patients and diets to all indoor patients**.** However, following major deficiencies in delivery of healthcare services were noticed during the course of Audit which needs urgent attention of the State Government for remedial action –

- Health Department had prepared a five year plan for betterment of healthcare services in district level hospitals, however, the plan was not comprehensive as the current status of healthcare services of the hospital *vis-à-vis* the requirement as per IPH Standards was not identified. Further, the plan had no specific target and enshrined timeframe to achieve the targets.

  The timelines for all activities enshrined in the Five Year Plan prepared by the State may be fixed and progress against these be watched on a regular basis for ensuring that the targets set are achieved.

- The sanctioned strength of all cadres of staff including doctors and nurses remains much below the IPH Standards. Shortage in manpower exclusively in the cadres of specialists and medical officers was noticed at State level as well as in test-checked hospitals. Specialist services of various departments were either not available or partially available in test-checked district hospitals.

  The Government may revise the sanctioned strength of DHs in the State as envisaged in the guidelines of IPH Standards and fill up the vacancies gradually, over a timely manner (say two-three years) to provide quality healthcare facilities to the public. At least one specialist doctor for each department may be posted to all DHs to facilitate specialist services to the patients.

- Availability of beds in district hospitals was neither as per IPH Standards nor in consonance with the requirements. Resultantly, patients were seen lying on floor for treatment.

  The Government may take steps to increase the bed capacity of DHs in the State as per IPH Standards in a systemic manner, so that the imbalance is rectified for affordable healthcare to the common man.

- Availability of essential drugs of standard quality in hospitals plays a vital role in the delivery of quality healthcare services. Instances of stock out of number of essential medicines, non-testing of samples and issue of NSQ medicines to the patients were noticed in all test-checked hospitals.

  The GMSCL may evolve a proper mechanism to ensure uninterrupted supply of quality medicines to hospitals to prevent instances of non-availability of stock. The Government may prescribe the time to be taken in testing of medicines and the GMSCL should ensure strict compliance to the same and replace the NSQ medicines forthwith.

Punitive action against errant suppliers of NSQ medicines needs to be taken so as to ensure deterrence.

- Availability of well equipped emergency and ICU in all hospitals are essential to save the patients in critical condition. Audit observed that emergency departments and ICUs were not established as per IPH Standards in test-checked hospitals.

  The Government may review the availability of emergency departments and ICUs functioning in all district level hospitals and take necessary measures to establish these units to deal with critical cases effectively wherever they are deficient.

- Availability of Gynaecologists, Paediatricians and life saving equipment are essential for delivery of maternal and child healthcare services. Audit observed higher neo-natal and maternal deaths, vacant posts of Gynaecologist and Paediatrician, and lack of life saving equipment and beds in all test-checked district hospitals.

  The Government may strengthen the maternal and child health departments in all hospitals by deploying specialist doctors and providing requisite equipment and adequate number of beds, to prevent the stage of advanced deterioration which ultimately leads to higher IMR and MMR.

- The departments of diagnosis, imaging and blood banks are integral components of a hospital to provide healthcare services. Audit observed that equipment for conducting various tests were not available in the diagnostics and imaging departments in test-checked district hospitals. Blood bank/blood storage centres were either not established or remained non-functional in four test-checked district hospitals.

  The Government may take initiatives to ensure availability of basic imaging facilities such as USG, CT scan and Portable X-ray machines in all DHs for early and proper diagnosis of diseases. Further, the Government may ensure availability of functional BB to provide quality blood and blood components to all who are in need of them.

- All test-checked district level hospitals need strengthening of healthcare services. However, DH Surendranagar need special attention because of deplorable condition of its healthcare delivery due to acute shortage of specialist doctors, non-existence of Emergency and ICU services, lack of imaging facilities and poor maternal, child and neo-natal healthcare services. Similarly, in DH Dahod despite availability of regular specialist services, delivery of healthcare services suffered due to lack of emergency and accident services, ICU, Blood bank, *etc.*, as well as lower bed capacity as against the requirement. Deficient healthcare services in DH coupled with availability of CHs at more than 100 km. away from the district have compounded the problem of patients in need of treatment.

  The Government may give urgent attention for upgradation of these two DHs to provide proper healthcare services to the people of these two districts.

LABOUR AND EMPLOYMENT DEPARTMENT

2.2 Skill Development in Gujarat

Executive Summary

Government of India (GoI) had introduced National Skill Development Policy, 2009 to empower all individuals through improved skills, knowledge, nationally and internationally recognised qualifications to gain access to decent employment and ensure India's competitiveness in the global market. As per the report of National Skill Development Corporation (NSDC) on skill gaps in Gujarat for the period 2012-17, the State was required to provide skill training to about 4.75 lakh youth entering the work force per annum and make them employable with decent jobs in various industrial/service sectors. The Performance Audit on "Skill Development in Gujarat" was conducted for the period 2010-15 between February and August 2015 covering working of Gujarat Skill Development Mission (GSDM) and implementation of 21 skill development schemes by eight departments in the State which revealed many areas of concern. The important findings of the performance audit are highlighted below:

- ***Gujarat Skill Development Mission (GSDM) has not formulated uniform skill development policy even though it was decided (June 2010) in the meeting chaired by Hon'ble Chief Minister of the State, as a result of which concerned departments implemented skill training programme without uniformity in syllabus, duration of course and fees structure. We also observed that instructions (February 2014) by Labour and Employment Department for mandatory issuance of certificates of National Council of Vocational Training/Gujarat Council of Vocational Training to all trainees were not followed by private training institutes in majority cases.***

- ***To enhance their capacity of providing vocational training to the youth in the State, the Director of Employment and Training (DET) had established 97 new ITIs between 2010 and 2015. However, average number of students passing out remained almost static during the period 2010-15.***

- ***After passing the trade test, candidates are required to undergo practical training in industries as apprentices to enhance their skills. Audit observed that 26 per cent of seats of apprentices remained vacant during 2010-15 and out of 1.63 lakh candidates enrolled, only 37 per cent could pass the Apprenticeship exam.***

- ***DET established 500 Kaushalya Vardhan Kendras (KVKs) in 'Rurban' areas to provide formal/informal training in short term courses to the youth who had left school at early age to provide them employment or self-employment and 7.83 lakh youth had completed training during 2010-15. Beneficiary survey of 270 candidates conducted by Audit revealed that only 23 (nine per cent) got job placements as majority of courses taken up by KVKs were providing skills for seasonal self-employment to some extent only.***

- ***Under Industrial Policy 2009, a target was set to establish 200 Skill Up-gradation Centres (SUCs) with capacity of 1.5 lakh trainees per year. However, Centre for Entrepreneurship Development (CED) could set-up (2012-14) only 39 SUCs and train only 0.14 lakh candidates till March 2015 nullifying the objective of preparing technically competent manpower as per industrial needs.***
- ***Under Sant Shri Ravidas High Skill Training Programme (SSRHSTP) 17,052 candidates (36 per cent) got training against the target of 47,140 during 2010-15. Percentage of female trainees was only 18 per cent against envisaged 30 per cent.***
- ***Audit found that female participation in Vocational Training Centres developed by Tribal Development Department (TDD) on Public Private Partnership mode for skill training to tribal youth was only 17 per cent against a target of 50 per cent set by TDD. Overall achievement of training target by all VTCs was 35 per cent only (2010-15).***
- ***Though funds of ₹ 12.55 crore were available with Gujarat Livelihood Promotion Company (GLPC) since 2011-12 for Mission Mangalam Skill Development Programme, selection of Skill Development Partners were delayed for more than two years due to non-finalisation of terms and conditions and because of this, training to only 1,155 candidates could be provided under the scheme till March 2015.***
- ***To put all the information in public domain is important for creating awareness as well as for transparent administration of a scheme/programme, however, the web-portal developed (2011) by GSDM remained non-operational since September 2013.***
- ***Analysis of available data of trainees on web-portal under three major schemes revealed large number of duplications in same scheme and multiple trainings being availed of by same candidates. The achievement figures were thus over reported by 4.58 lakh trainees.***

2.2.1 Introduction

India is one of the youngest nations in the world with more than 62 *per cent* of its population in the working age group (15-59 years). National Skill Development Corporation has set a target of skilling 500 million people by 2022 which includes those entering the labour market for the first time and those already employed in the organised/unorganised sectors. As reported by 68th Round of National Statistical Survey Organisation (2012), only 4.69 *per cent* of India's total workforce has undergone formal skill training, compared to 52 *per cent* in the United States of America, 68 *per cent* in the United Kingdom, 75 *per cent* in Germany, 80 *per cent* in Japan and 96 *per cent* in South Korea.

Our country faces the dual challenge of dealing with paucity of highly trained workforce, as well as non-employability of large sections of the conventionally educated youth, who possess little or no job-skills. Government of India (GoI) had introduced National Skill Development Policy (NSDP), 2009 which was superseded by National Policy for Skill Development and Entrepreneurship

2015, to give fresh impetus to the agenda of Skill India and help create an appropriate ecosystem that facilitates imparting employable skills to its growing workforce over the next few decades.

As per skill gap survey report of National Skill Development Corporation (NSDC) for the State of Gujarat, an additional 60.51 lakh people are expected to enter the working age group population between 2012 and 2017. Considering the historical trend in labour participation rates of Gujarat, the State would witness a gross addition of 35.15 lakh people to the labour force and as per NSDC report, 30.96 lakh new jobs would be created in the State during the period 2012-17. The State requires to provide vocational skill training to about 23.75 lakh youth during 2012-17 (excluding requirement of 2.95 lakh highly skilled manpower which would come from Technical Education System and 4.26 lakh manpower from Agriculture and Allied Activities *i.e.* primary sector requirement) who are expected to enter the industrial/service sectors. Considering the importance of skill development, Performance Audit was undertaken with an objective to assess the capacity development in the State and its efficient utilisation for providing quality skill trainings and employment opportunities to the youth in the State.

2.2.2 Oganisational set-up

Additional Chief Secretary (ACS), Labour and Employment Department is the administrative head of the department, under whose aegis schemes such as Craftsman Training Scheme (CTS), Apprenticeship Training Scheme (ATS), Modular Employable Skills (MES) of Skill Development Initiative (SDI) Scheme, eMPOWER (electronic – manpower), Kaushalya Vardhan Kendra (KVK), Industrial - Kaushalya Vardhan Kendra (i-KVK) and Skill Voucher Scheme (SVS) are implemented. Director of Employment and Training (DET) is responsible for overseeing the implementation of these schemes and is assisted by four[22] Regional Deputy Directors (RDDs). The Principal, Industrial Training Institutes (ITIs) and Co-ordinator, KVK are responsible for implementation of schemes at field levels.

Chief Executive Officer (CEO), Gujarat Skill Development Mission (GSDM) is the head of the apex body constituted under Labour and Employment Department for overall convergence of all skill development activities carried out by eight departments in the State. Organisational structure comprising eight departments and its field offices is shown in **Appendix-VI**.

2.2.3 Audit scope and methodology

As per information provided by GSDM, eight departments are involved in the implementation of skill development programmes in the State. Audit reviewed the 21 skill development schemes (**Appendix-VII)** being implemented by these departments of the State {Labour and Employment Department (LED), Industries and Mines Department (IMD), Education Department (ED), Social Justice and Empowerment Department (SJED), Tribal Development Department (TDD), Urban Development and Urban Housing Department (UD&UHD), Panchayats, Rural Housing and Rural Development Department

[22] Ahmedabad, Rajkot, Surat and Vadodara

(PRH&RDD), and Women and Child Development Department (WCDD)}and assessed the aspects of planning, implementation strategy adopted, achievement against target set for training and job placement, monitoring and evaluation system of each scheme, *etc.*, for the period 2010-15.

To provide adequate coverage and reasonable assurance in Audit, the records maintained by eight departments at State level and field level offices in eight[23] out of 26 districts were test-checked between April and August 2015. At field level, Audit also test-checked records maintained in 32 Government Industrial Training Institutes (ITIs) out of 282 in the State, one Kaushalya Vardhan Kendra (KVK) attached to each selected ITI (**Appendix-VIII**) and one agency imparting skills training along with the district office in selected districts for each scheme (**Appendix-IX**).

Audit also conducted telephonic survey of ten candidates at each selected field unit to obtain feedback about training quality, their present status of employment and monthly remuneration/income obtained. Audit captured photographs of poor infrastructure and un-installed machineries in support of audit observations.

An entry conference was held (5 June 2015) with the Principal Secretary of LED and representatives of other departments to apprise the Audit objectives and Audit methodology. An exit conference was held (23 December 2015) with the heads of concerned departments under the chairmanship of the Principal Secretary LED to discuss the Audit findings. The views of the State Government emanating from the exit conference and the replies received from the respective departments have been considered and duly incorporated in the Report.

2.2.4 Audit Objectives

The broad objectives of the performance audit were -

- To ascertain whether skill gap analysis was made after assessing the requirements of skilled workforce in different sectors of industries/services and proper planning was made to meet these requirements;
- To assess the adequacy of infrastructure such as classrooms, workshops, tools, equipment, *etc.* and manpower for efficient functioning of the ITIs, KVKs and other Government/private training institutes;
- To ascertain whether target set for number of candidates to be trained and their job placement were achieved by various departments; and
- To ascertain whether effective mechanism were in place for monitoring and evaluation of the skill development training programmes and the post-training employment was adequate and successful, wherever such records are maintained.

[23] Central-North Gujarat : Ahmedabad and Mehsana, East-Central Gujarat : Panchmahal and Vadodara, South Gujarat : Bharuch and Valsad, and Saurashtra Region : Jamnagar and Rajkot

2.2.5 Audit Criteria

In order to achieve the audit objectives, the following audit criteria were adopted -

- National Skill Development Policy 2009;
- National Policy for Skill Development and Entrepreneurship 2015;
- Report of National Skill Development Corporation on skill gap study in Gujarat;
- Training Manual for ITIs issued by the Director General of Employment and Training (DGET) New Delhi;
- Apprentices Act, 1961;
- Norms prescribed by the National Council for Vocational Training (NCVT) and Gujarat Council for Vocational Training (GCVT);
- Guidelines of various schemes implemented by concerned departments associated with skill development; and
- Government instructions, circulars, resolutions, orders, *etc.*

Audit Findings and Responses

2.2.6 Planning for Skill Development

2.2.6.1 Implementation of uniform policy on skill development

The State Government constituted (February 2009) "Gujarat Skill Development Mission" (GSDM) with an objective to suggest an aggregated action plan for developing skill among the youth. The GSDM was reconstituted (November 2009) by the State Government to provide inter-sectoral coordination on critical challenges and for convergence of various schemes of skill and employment being implemented by various departments. Consequent upon reconstitution, an Executive Committee with members from all departments imparting skill development training was formed with Hon'ble Chief Minister as its Chairman.

To overcome certain critical issues[24] discussed during the three meeting (between April and June 2010) of GSDM, in a meeting (30 June 2010) of Executive Committee, it was decided to prepare a uniform skill development policy covering all departments imparting skill development training covering following aspects -

- Courses from the Modular Employable Skill (MES) list should be selected and a common curriculum should be followed. In case of need of other courses, the same should be got approved from GCVT.
- All training programmes should be certified by NCVT or GCVT.

[24] Non-following uniform criterion for selection of training provider, non-following uniform cost of training, non-following prescribed curriculum, non-providing recognised certificates, non-following defined method for monitoring, *etc.*

- All departments should provide skill vouchers to the beneficiaries and payments to the agencies providing training should be made only after completion of training and certification by assessing agencies approved by NCVT or GCVT.

- Develop a common web-portal with information such as list of agencies working in the State, courses of training, list of candidates trained, candidates employed, salary received by candidates, *etc.*

However, Audit observed that the GSDM had not formulated the uniform skill development policy as envisaged above. LED issued (January 2014) instructions in this respect to all departments after a lapse of more than three years. Audit further observed that follow-up of implementation of instructions was not done by the LED which resulted in non-observance of instructions by many departments as discussed in the succeeding paragraphs –

(1) Follow-up of common course curriculum in skill training

Though GSDM had decided (June 2010) to make it mandatory for all departments to follow common curriculum as approved by NCVT (MES)/GCVT, Audit observed that –

- Private agencies selected by TDD imparted the training for a course of "Retails and sales" with various durations (one month, three months and six months) and charged different charges for the course (₹ 21,900, ₹ 30,000 and ₹ 35,099) during the period 2010-14.

- In case of trainings imparted under Urban Youth Motivation, Employment and Entrepreneur Development (UMEED) scheme implemented by UD&UHD and General Training Scheme (GTS) implemented by WCDD, the course contents were not got approved from GCVT during the period 2010-15.

- The duration of training for "Wireman" and "Fitter" courses imparted by Cottage Industrial Training Centres was of one year whereas the duration of training for the same course imparted by DET was of two years. Similarly, "Body Repairs" course developed by TATA Motors and TOYOTA Motors under Public Private Partnership (PPP) mode was for six months and one year duration respectively. Further, the GCVT issued same certificates in both the cases, though they were for different durations.

Imparting similar trainings by different departments without following common course curriculum could lead to confusion among the trainees as well as the employers.

The CEO, GSDM stated (August 2015) that all the departments engaged in skill development, frame their own policy based on National Skill Development Policy and get it implemented accordingly. The Principal Secretary LED in the exit conference stated (December 2015) that State level skill development policy had been prepared and would be declared by February 2016. However, Audit is of the view that had the GSDM provided a common course curriculum by convergence of all skill development programmes

implemented by various departments as envisaged in the Executive Committee meeting held in June 2010, the skill development programmes undertaken in the State could have been implemented in a uniform manner, for greater success.

(2) Issuance of NCVT/GCVT certification in skill training

GSDM decided (June 2010) and issued instructions (January 2014) to provide Government approved certificates (NCVT or GCVT in other cases) to all trainees for better employment opportunities. However, Audit observed that -

- Under UMEED and GTS, NCVT or GCVT certificates have not been issued to the candidates on their successful completion of training by the implementing units during the period 2010-15 as no such provision was made in the work orders issued to private training institutes. On similar grounds, provision for issuance of NCVT or GCVT certificates was not made mandatory in the skill development trainings provided by Gujarat Knowledge Society (GKS) working under ED.
- Though the provision of issuance of NCVT certificates was envisaged in the guidelines of Sant Shri Ravidas High Skill Training Programmes (SSRHSTP) implemented by SJED and High Quality Employment Oriented Skill Training Programme (HQEOSTP) implemented by TDD, it was observed that NCVT/GCVT certificates were not issued to the candidates on completion of the training during 2010-15. This was due to non-adoption of course curriculum as approved by NCVT/GCVT.

The CEO, GSDM attributed (August 2015) the reasons of varied duration of training courses imparted by different departments *i.e.* 15 to 120 hours and non-observance of NCVT/GCVT criteria for non-issuance of NCVT/GCVT certificates. This indicated that GSDM failed to monitor the implementation of NCVT (MES) or GCVT courses by all the departments.

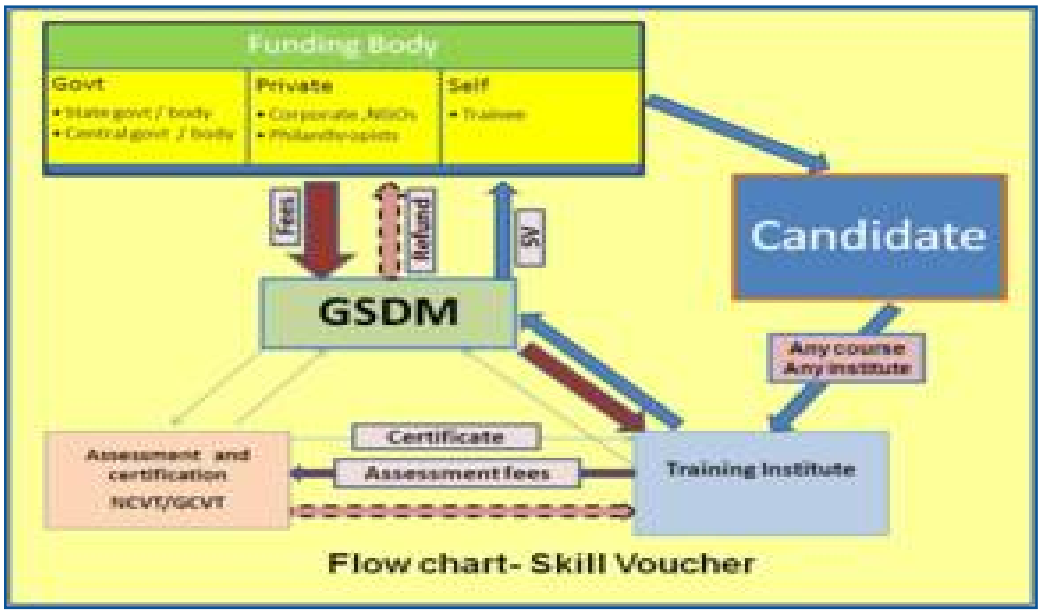
Steps may be taken to impart the skill development training as per the criteria of NCVT or GCVT and certificates recognised by these institutions may be issued to all trainees to enable them to get better jobs.

(3) Implementation of Skill Voucher Scheme

The National Skill Development Policy, 2009 envisaged focus on student funding instead of institutional funding by providing scholarships or skill vouchers. Accordingly, LED introduced (April 2011) "Skill Voucher Scheme (SVS)" with an aim to empower the real stakeholders *i.e.* the trainees. The flow of funds under the scheme is shown in **Chart 1** below. GSDM was the nodal agency for implementation of SVS and the scheme guidelines envisaged –

- Every department has to obtain skill vouchers in the name of candidates from GSDM after paying the requisite fees;
- The candidate can choose the course for training from any training institutes registered with GSDM; and
- On successful completion of the training, assessment and certification, the fees would be reimbursed to the concerned training institutes by GSDM.

Chart 1: Funds flow chart of Skill Voucher Scheme



This initiative of the State Government was highly appreciated in the Planning Commission's Regional Conference on skill development and was recommended for implementation in other States. However, Audit observed that the implementation of the scheme in the State was partially successful as the departments involved in skill development training did not obtain the vouchers from GSDM (except for LED which obtained 44,128 skill vouchers for training of English language during 2012-14). Further, it was observed that no efforts were made by GSDM for its proper implementation having known that other departments have not approached for the skill vouchers though regular skill trainings were being provided by those departments. Thus, the very purpose of introducing the SVS was not achieved.

The CEO, GSDM stated (August 2015) that the SVS was operational and 44,128 skill vouchers had been issued. The Principal Secretary LED in the exit conference stated (December 2015) that due to diversity of various courses, its period and involvement of many institutes, the SVS was not feasible. However, the fact remained that facility of skill voucher to the candidates was not provided in the training courses imparted by other departments, which deprived the candidates from choosing the courses and institutes as per their liking.

The Government may formulate a comprehensive Skill Development Policy and initiate concrete steps in a time bound manner for implementation of all actionable points as decided in the meeting of Executive Committee of GSDM held on 30 June 2010.

2.2.6.2 Utilisation of capacity for skill development training

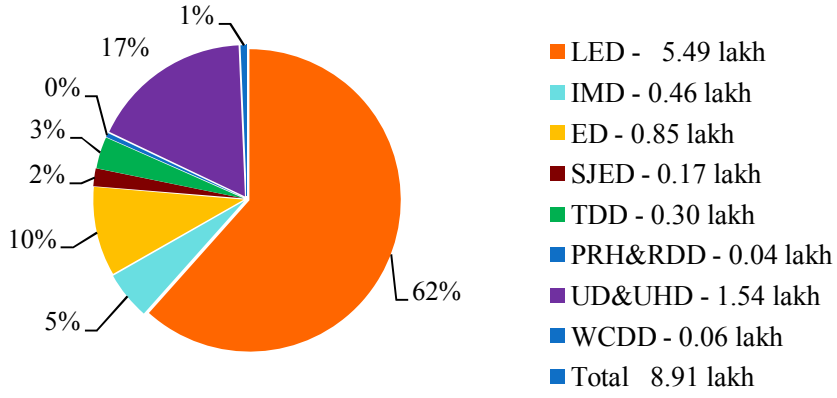
The NSDP envisages the State Governments to set-up priority and policy planning, gathering of statistics and preparation of work plan to meet sector specific skills requirement. The State Government established (January 2012) "Gujarat Skill Development Society (GSDS)" to assist the GSDM in increasing capacity building of each department involved in skill development to achieve the target set by the GoI.

DET engaged (April 2011) an agency[25] to conduct skill gap survey and mapping in the State. Audit observed that the report submitted (April 2012) by the agency was not accepted by the joint committee[26], as it was incomplete.

From the information furnished to Audit, it was observed that the eight departments involved in providing skill development training in the State had a capacity of 11.11 lakh trainees per annum as of May 2015 **(Appendix-X)**. However, the number of candidates trained by these departments in a year was 5.48 lakh *i.e.* 27.38 lakh [27] during the period 2010-15 as shown in **Appendix-XI**. Thus, the utilisation of capacity of providing skill development training in the State was 49 *per cent* (5.48 lakh per annum) of the available capacity.

Further, as per skill gap study report of NSDC for the State (2012-17), employable training was required to be provided to an average of 4.75 lakh youth per year who are likely to join labour force every year. Out of these 27.38 lakh candidates trained in the State during 2010-15, it was observed that 18.47 lakh candidates (67 *per cent*) were provided training for value addition or self-employment *i.e.* Basic Computer Course training to 7.80 lakh candidates under eMPOWER scheme[28], English language proficiency training to 3.59 lakh candidates by Society for Creation of Opportunity through Proficiency in English (SCOPE), 6.26 lakh candidates under Kaushalya Vardhan Kendra scheme, 0.52 lakh candidates under General Training scheme and 0.30 lakh candidates under Girls Empowering scheme. Skill training needed for securing organised sector jobs was imparted to 8.91 lakh candidates during the period 2010-15 as shown in **Chart 2** below –

Chart 2:Training of skills required for organised sector jobs provided by various departments during 2010-15



(Source: Information provided by the concerned departments)

[25] M/s. KPMG Advisory Services Private Limited

[26] Joint Committee comprised of Dy. Director (DET) and Principals of ITI Kubernagar and ITI Saraspur

[27] After deducting the candidates having availed more than one time training in same course or multi-skill training.

[28] Introduced by LED on the occasion of 150th Birth Anniversary of Swami Vivekanand with an aim to provide training relating to Computer and Information Technology to the youth of Gujarat (6.30 lakh candidates by DET and 1.50 lakh candidates by Gujarat Knowledge Society).

The DET stated (December 2015) that Audit had not considered 1,25,774 candidates[29] assessed under various other schemes during 2010-15 and also the training capacity of about 2.5 lakh candidates in a year available in the private sector, which was not funded by the Government. DET further stated that NSDC report envisaged requirement of only 11.70 lakh semi-skilled (2.34 lakh per annum) and 11.86 lakh minimally skilled manpower. As minimally skilled manpower requires no formal training or minimal training, 11.70 lakh semi-skilled manpower could be considered for providing of skill training. Audit reckons that the State Government had provided skill training to a large number of youth, however, Audit is of the view that more stress should be laid on providing skills needed in the industries and service sectors in the State.

Implementation of Skill Development Programme

2.2.7 Labour and Employment Department

LED is responsible for implementing seven skill development schemes *viz.*, Skill Voucher Scheme (SVS), Craftsman Training Scheme (CTS), Apprenticeship Training Scheme (ATS), Kaushalya Vardhan Kendra (KVK) Scheme, Modular Employable Skills (MES) under Skill Development Initiative (SDI) Scheme, eMPOWER and Industrial - Kaushalya Vardhan Kendra (i-KVK) Scheme.

2.2.7.1 Funds received and expenditure

The details of funds allocated to DET and expenditure thereof during the period 2010-15 is given in **Table 1** below –

Table 1: Details of budget provision, funds released and expenditure incurred by DET

(₹ in crore)

Year	Budget Provision		Funds released		Expenditure		Saving/Excess	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
2010-11	122.37	139.06	166.02	171.16	169.67	166.06	(-) 03.65	(+) 05.10
2011-12	201.95	145.43	194.89	165.06	176.02	162.27	(+) 18.87	(+) 02.79
2012-13	236.49	183.81	228.02	185.58	226.73	177.94	(+) 01.29	(+) 07.64
2013-14	352.37	193.26	358.70	191.09	315.02	191.44	(+) 43.68	(-) 00.35
2014-15	539.40	214.35	408.43	215.69	381.42	216.23	(+) 27.01	(-) 00.54
Total	**1,452.58**	**875.91**	**1,356.06**	**928.58**	**1,268.86**	**913.94**	**(+) 87.20**	**(+) 14.64**

(Source: Information provided by DET)

[29] 59,827 candidates under STAR scheme of GoI, 21,719 candidates under Superior Technology Scheme, 5,534 candidates trained under short term courses and 38,694 trained under Skill Certification Scheme.

As seen from the above table, the plan expenditure increased from ₹ 169.67 crore (2010-11) to ₹ 381.42 crore (2014-15) (125 *per cent*). However, number of candidates passing out from ITIs (on whom the majority of funds of DET was expended), remained almost static during the period as discussed in paragraph 2.2.7.2.

In addition to above, DET also received (2010-15) GoI funds of ₹ 227.50 crore for up-gradation of ITIs under PPP mode and ₹ 16.04 crore for reimbursement of claims by agencies for imparting training under MES. The State Government had also released funds of ₹ 1,003.79 crore to Roads and Buildings Department (R&B) for construction/renovation works of ITIs during 2010-15, out of which an expenditure of ₹ 631.65 crore only has been incurred as of March 2015.

2.2.7.2 Craftsman Training Scheme

Craftsman Training Scheme (CTS) is a flagship scheme of Ministry of Labour and Employment to ensure steady flow of skilled workforce. Under CTS, the concerned State department was responsible for introducing new ITIs/trades in the emerging areas of fast changing industrial environment by conducting skill assessment survey.

CTS scheme in the State is implemented through 282 Government ITIs, 113 Grants-in-aid Industrial Training Centres (ITC) and 384 Self Financed ITCs as of March 2015. The details of number of students enrolled and passed out from all ITIs/ITCs under CTS during the period 2010-15 are shown in **Table 2** below –

Table 2: Details of number of students enrolled and passed out from ITIs/ITCs under CTS

Year	Intake Capacity[30]	Number of students enrolled	Number of students who appeared in the exam	Number of students dropped out	Percentage of drop-out	Number of students passed out
2010-11	81,130	70,320	62,308	8,012	11	56,506
2011-12	85,902	74,441	63,609	10,832	15	59,446
2012-13	95,035	71,746	63,602	8,144	11	58,033
2013-14	1,09,989	92,154	75,115	17,039	18	66,320
2014-15	1,16,905	1,04,867	63,242	41,625	40	56,089
Total	**4,88,961**	**4,13,528**	**3,27,876**	**85,652**	**21**	**2,96,394**

(Source: Information provided by DET)

The above table shows that 0.86 lakh (21 *per cent*) out of 4.14 lakh students enrolled during the period 2010-15 had dropped out before appearing for the examination. Though, DET had increased the intake capacity every year, the number of pass-outs remained almost static. The department had established 97 new Government ITIs to enhance intake of trainees during the period 2010-15. However, Audit observed that the seven[31] out of 32 test-checked ITIs were not

[30] In same year for six months courses, in previous year for one year courses and in previous two years for two years courses

[31] Four of Rajkot district (Disable Rajkot, Morbi Road Rajkot, Tankara and Upleta), one of Vadodara district (Karjan), one of Bharuch district (Dahej) and one of Ahmedabad district (Ranip)

having their own building. Further, it was observed that the availability of buildings, machineries and manpower was not ensured and the percentage of drop-out in these ITIs ranged between 19 and 41 during the period 2010-15. Thus, DET failed in its objective to train more youth under CTS despite initiating new ITIs and increasing intake capacity in existing ITIs.

The DET attributed (December 2015) the reasons of high drop-out ratio to candidates leaving studies for jobs, shifting to diploma engineering from ITIs, students denied from appearing in exams due to less attendance (below 80 *per cent*) with reference to the norms of DGET, *etc.* However, Audit observed that Principals of ITIs (ITI Disable Rajkot, ITI Morbi Road Rajkot, *etc.*) had highlighted to DET that due to inadequate space/infrastructure and deficiencies in buildings, some willing candidates did not turn up for enrolment. Therefore, high drop-out rate may be attributable to non-availability of adequate machineries, manpower, *etc.* in ITIs as discussed below, which also adversely affected the quality of training –

(1) Deficiencies of buildings/space in ITIs

As per NCVT norms, each ITI should have its own building with adequate space for classrooms and workshops for providing effective training. Audit observed that adequate space for classrooms and workshops as per NCVT norms were not being followed in 16 out of 32 Government ITIs test-checked. Further, as per information provided by DET, 185 out of 282 Government ITIs were functioning in own building while the remaining 97 ITIs (28 ITIs initiated between 1983 and 2009) were functioning in rented or rent free Government accommodation. Out of these 97 ITIs, construction work has been taken up in respect of 11 ITIs, land has been acquired for 50 ITIs but the construction work is yet to be taken up and in remaining 36 ITIs, the required land is yet to be identified (August 2015).

The Principal Secretary LED in the exit conference stated (December 2015) that construction of new buildings were under progress.

(2) Machineries lying idle in ITIs

In ITIs, the major part of the training imparted to the students is practical knowledge by using the tools and machineries prescribed in the courses. Thus, availability of prescribed tools and machineries in an ITI is an important factor. However, during joint field visit of test-checked ITIs, Audit observed that the required tools and machineries were not available with the ITIs as they were not provided by the DET. It was further observed that some tools and machineries provided by the DET were lying uninstalled or idle in the ITIs due to non-availability of space and requisite electricity connection, pending demonstration/installation by the supplier, *etc.* **(Picture 1 and 2)**.

Picture 1: Machineries (Fuel injection pump received in June 2012 and Cut section model received in March 2015) lying un-installed at ITI Tankara due to space shortage (16.04.2015)

Picture 2 : Machineries (Cut-away machine delivered in January 2013 and Diesel Engine delivered in March 2014) lying idle at ITI, Karjan due to shortage of space (22.07.2015)

The Principals of concerned ITIs stated (March-August 2015) that the tools and machineries were not installed due to various reasons beyond their control. It was further stated that the practical trainings were provided to the students in nearby ITIs or industries. The reply itself highlights inadequate planning on the part of ITIs and DET before procuring the machineries besides depriving the students of adequate practical training.

(3) Installation and demonstration of machineries

The purchase of tools, machineries, equipment, *etc.* for the ITIs is made centrally in the State. The tenders are finalised by the DET and the payments to the suppliers are made by ITI Kubernagar, Ahmedabad. As per the condition of Acceptance of Tender (AT) for all purchases, payment (90 *per cent* prior to 2013 and 75 *per cent* thereafter) was to be made to the supplier on supply and remaining payment on completion of installation and demonstration at concerned ITIs.

In all purchases, the suppliers brought the tendered items to ITI Kubernagar which was returned to the suppliers with instruction to dispatch the same to the concerned ITIs and part payment (90 or 75 *per cent*) was made to the agencies. Audit observed that the payment was made without taking possession of the tendered items by the ITI Kubernagar or without ascertaining the delivery at the concerned ITIs. Important information about the items such as serial numbers of machinery or equipment and reports of delivery, installation and demonstration at consignee ITIs were not available with ITI Kubernagar.

Audit observed that in respect of payment of ₹ 26.97 crore made for 2,329 items during the period 2005-14, installation and demonstration certificates were not available with ITI Kubernagar. This indicated that neither ITI Kubernagar nor DET made any efforts to ascertain whether the items had been delivered timely and installed by the supplier in the respective ITIs. The possibility of non-delivery of items by the supplier at the concerned ITIs after receipt of 90 or 75 *per cent* payment cannot be ruled out.

In reply, DET stated (September 2015) that installation reports and demonstration certificates of 1,192 out of 2,329 items mentioned by Audit had been collected from concerned ITIs. On scrutiny of these installation and demonstration certificates by Audit, it was observed that only 85 items had been installed in time. There was delay upto seven years[32] in installation of 694 items and the dates of installation and demonstration were not mentioned in 413 certificates.

The Principal Secretary LED in the exit conference stated (December 2015) that a new purchase guideline had been introduced for timely purchase and installation of machineries. The DET in its further reply (December 2015) informed that now installation and demonstration certificates of only 118 items valuing ₹ 1.96 crore were pending.

(4) Shortage of manpower

Availability of adequate manpower in ITIs is an important aspect for imparting proper training to the students. The details of sanctioned strength *vis-à-vis* men-in-position in ITIs as on March 2015 is shown in **Table 3** as follows –

[32] 175 items delayed by one to 12 months, 129 items delayed by more than one to two years, 177 items delayed by more than two to three years, 82 items delayed by more than three to four years, 50 items delayed by more than four to five years, 68 items delayed by more than five to six years and 13 items delayed by more than six to seven years.

Table 3: Details of sanctioned strength *vis-a-vis* men-in-position as on March 2015

Details of post	Sanctioned Posts	Men-in-position	Vacant Posts	Percentage of vacant posts
Principal (Class II)	295	158	137	46
Supervisor/Instructor	7,263	4,942	2,321	32
Store Keeper and Assistant Store Keeper	430	43	387	90
Head Clerk and Junior Clerk	511	180	331	65

(Source: Information provided by DET)

The above table shows that the vacancy in the posts of Principal and Supervisor/Instructor was 46 and 32 *per cent* respectively. The Principal Secretary LED in the exit conference stated (December 2015) that the recruitment process of staff was under progress. However, the shortage of Supervisor/Instructor in ITIs is an area of concern as the students are deprived of quality training and the absence of Principals would adversely affect the proper functioning and management of the ITIs.

The Government may take action for optimal utilisation of machineries lying idle and the vacant posts in all ITIs may be filled-up, as adequate manpower is necessary for service delivery.

2.2.7.3 Affiliation of trade with NCVT

DET had issued (November 2013 and November 2014) instructions to all ITIs that all trades approved under NCVT pattern should be affiliated to NCVT. However, as of March 2015, only 69,392 out of 1,47,814 seats (47 *per cent*) sanctioned under NCVT trades had been affiliated to NCVT. Audit observed that out of 51,647 seats increased in trades approved under NCVT pattern during the period 2010-15, DET could obtain affiliation for 6,944 seats (13 *per cent*) only and remaining 44,703 seats continued on non-affiliation basis. As a result, students who passed out from ITIs on non-affiliated seats during the period 2010-15 could not be provided with NCVT affiliated certificates but were provided with GCVT affiliated certificate. Audit observed in test-checked ITIs that the affiliation could not be obtained due to non-availability of adequate space and machineries as per norms prescribed by NCVT. NCVT certificate gets national recognition and is helpful to the trainees in acquiring better jobs as compared to GCVT certificate. Further, NCVT certificate holders are eligible for 50 *per cent* rebate[33] in training period for Apprenticeship course as compared to 25 *per cent* rebate given to GCVT certificate holders. Thus, the students passing out from ITIs were deprived of better career prospects and benefit of rebate for training of apprenticeship courses due to lack of co-ordinated efforts between DET and ITIs for providing adequate space and infrastructure as per NCVT norms.

[33] For example a NCVT certificate holder would get rebate of one year for a two year course of Apprenticeship while a GCVT certificate holder would get rebate of six months for the same course.

2.2.7.4 Apprentice Training Scheme

After passing the trade test under Craftsman Training Scheme (CTS), the students are required to undergo a practical training in industries as apprentice to enhance their skills. As per the provisions of the Apprentices Act, 1961, it is obligatory on the part of industries to train a certain number of apprentices assigned by the Apprenticeship Advisors in designated trades. Apprenticeship Advisors are responsible for curriculum development, training, inspection of industries, identification of seats for apprentices, taking legal action in case of violation of Apprentices Act and non-filling posts of apprentices, *etc.* The apprentices are required to appear for an examination conducted by DGET for obtaining the All India Trade Test Certificate. The details of number of candidates enrolled as apprentices *vis-a-vis* number of candidates who passed the examination between 2010 and 2015 is shown in **Table 4** below –

Table 4: Details of number of candidates enrolled as apprentices *vis-a-vis* passed out

Calendar year	Number of industries or units identified	Number of seats identified in industries	Number of candidates enrolled during the year	Number of vacant seats during the year	Number of candidates passed out during the year	Percentage	
						Vacant seats to total seats	Passed out to number of students enrolled
2010-11	5,218	38,367	29,083	9,284	11,814	24	41
2011-12	5,381	39,446	30,515	8,931	11,750	23	39
2012-13	5,433	40,248	31,480	8,768	11,518	22	37
2013-14	7,701	49,778	40,356	9,422	12,094	19	30
2014-15	8,754	53,143	32,060	21,083	12,819	40	40
Total		**2,20,982**	**1,63,494**	**57,488**	**59,995**	**26**	**37**

(Source: Information provided by the DET)

The above table shows that the percentage of vacant seats *vis-a-vis* the seats identified in the industries ranged from 19 to 40 and the number of candidates passed out *vis-a-vis* number of students enrolled ranged from 30 to 41 during the period 2010-15. This indicated that semi-skilled candidates passing out from ITIs could not improve their skills by successfully completing apprenticeship training and getting exposure to industrial environment.

Audit observed that 37 out of 46 sanctioned posts (80 *per cent*) of Apprenticeship Advisors in the State were vacant as of March 2015. It was further observed that only 297 legal cases had been filed against industrial establishments for non-filling of posts of apprentices and violating Apprentices Act during the period 2011 and 2012; no case has been filed thereafter. Thus, shortage in the post of Apprenticeship Advisor adversely affected the implementation of the Apprentices Act, 1961 in the State.

The DET agreed (August 2015) and attributed unpopularity of certain trades for seats remaining vacant and long tenure of the training, study mobility and social reasons for high percentage of drop-outs. Audit is of the view that if NCVT certificates were issued, the apprenticeship training period could be reduced to 50 *per cent* (as mentioned in paragraph 2.2.7.3) and this might help in reducing the drop-outs.

2.2.7.5 Modular Employable Skills Scheme

GoI, Ministry of Labour and Employment launched (May 2007) Modular Employable Skills (MES) scheme, under Skill Development Initiative (SDI). The DET was responsible for implementation of the scheme in the State. Under this scheme, early school leavers and existing workers specially those in unorganised sectors were to be trained for employable skills. The skills of existing workers could also be tested and certified under this scheme.

In the State, there are 772 registered Vocational Training Providers[34] (VTPs). The details of number of workers trained *vis-a-vis* target fixed by GoI and expenditure incurred under the scheme during the period 2010-15 is shown in **Table 5** below –

Table 5: Details of achievement of target and expenditure incurred under the scheme

(₹ in crore)

Year	Target fixed by GoI (Number of workers)		Achievement (Number of workers)		Funds released by DGET	Expenditure incurred
	Training	Direct Testing	Training	Direct Testing		
2010-11	13,346	Not available	3,860	Nil	3.00	0.57
2011-12	Not available	Not available	7,890	Nil	2.78	0.85
2012-13	45,106	Not available	7,631	23,469	4.26	2.90
2013-14	Not available	Not available	38,581	10,278	0.00	2.67
2014-15	Not available	Not available	24,650	28,751	6.00	3.00
Total			**82,612**	**62,498**	**16.04**	**9.99**

(Source: Information provided by DET)

From the above table, it can be seen that the achievement of training was far below the target set by GoI during 2010-11 and 2012-13. From the information furnished by DET, Audit observed that registration of 62 VTPs have been cancelled due to their misconduct in training such as enrolment of same students in more than one batch at same time, irregular signature in attendance sheet, fake enrolment, irregular collection of fees, *etc.*

The DET stated (December 2015) that the target set by GoI was not achieved due to lack of awareness among the public regarding the scheme.

2.2.7.6 Kaushalya Vardhan Kendras

LED initiated (June 2010) establishment of Kaushalya Vardhan Kendras (KVKs) at 150 rurban[35] areas with an objective to provide formal/informal training in GCVT pattern short term courses to the youth who had left school at early age to get themselves employed or for self employment. In the State, a total of 500 KVKs[36] have been established during the period 2010-15. The details of target *vis-à-vis* actually trained is shown in **Table 6** as follows –

[34] 139 Government ITIs, 497 KVKs, 13 Government organisations, 22 Grants-in-Aid/Self Finance Industrial Training Centres, 79 Private partners and 22 i-KVKs.
[35] Cluster of five to six villages
[36] 2010-11: 150, 2011-12 : 150, 2012-13 : 35 and 2014-15 : 165

Table 6: Details of target *vis-à-vis* actually trained in KVKs

Year	Number of KVKs in operation	Target for KVKs (number to be trained)	Total beneficiaries trained	Actual number of trainees after reducing candidates of eMPOWER and duplication	Shortfall in achievement of target
2010-11	150	1,20,000	1,16,565	**7,82,556**	**5,13,444 (40 *per cent*)**
2011-12	300	2,40,000	2,47,526		
2012-13	335	2,68,000	4,43,608		
2013-14	335	2,68,000	2,91,893		
2014-15	500	4,00,000	1,71,919		
Total		**12,96,000**	**12,71,511**		

(Source: Information furnished by DET and duplication worked out by Audit)

From the above table, it appears that the target have been almost achieved, however, on scrutiny of the records, Audit observed that -

- Training provided to 1.43 lakh candidates under eMPOWER scheme through KVKs during the year 2012-13 was shown as target achieved under KVK scheme though it pertained to eMPOWER scheme.
- Out of the remaining 11.29 lakh candidates trained in regular courses of KVK, there were 1.87 lakh candidates who were provided multiple trainings for 5.34 lakh times (either same training taken more than once or same candidate trained in multiple trades). As such while beneficiaries were only 1.87 lakh, as against 5.34 lakh claimed by DET.
- With an aim to achieve the target fixed, KVKs imparted training to 1.81 lakh candidates for very small life skill courses such as ironing, mehendi making, *etc.* with duration of two to five days without prescribed syllabus or approval of GCVT.

On conducting a beneficiary survey of 270 candidates who had completed training at KVKs, Audit observed that only 23 candidates got employment, 101 candidates could use the skill for seasonal self employment to some extent only, while remaining 146 candidates could not get any employment, post training.

The Principal Secretary LED in the exit conference agreed (December 2015) to take action against officials involved in duplication of training in the same course. It was further stated that multi-skilling was necessary as some employers demand candidates who can perform multiple job.

- ***Unfruitful expenditure on machineries provided to KVKs***

Out of additional provision of ₹ 500 crore approved by the Planning Commission for the year 2010-11, ₹ 59.96 crore was earmarked for KVKs. The Purchase committee of the department (LED) decided (October 2010) to purchase modern machineries for various courses implemented by the KVKs. However, Audit observed that modern machineries (such as 150 sets of four items and 50 sets of one item for basic welding trade costing ₹ 20.75 crore, 50 sets of eight items for two wheeler repair trade costing ₹ 3.01 crore and 50 sets of 15 items for repairing of electrical home appliances trade costing ₹ 0.92

crore) purchased for various trades from the funds were lying idle in test-checked KVKs since its purchase **(Picture 3 and 4).**

Picture 3: Simulator Welding Machine costing ₹ 27.00 lakh received on 27.07.2012 was lying unutilised at KVK Kavitha (14.07.2015)

Picture 4: Automobile System costing ₹ 1.00 lakh received in March 2012 was lying unutilised at KVK Shokhada (July 2015)

The Co-ordinators of concerned KVKs attributed the reasons of non-availability of technical instructors for idling of these machineries. Thus, expenditure incurred on purchase of latest machineries remained unfruitful.

The Government may appoint the technical instructors in the KVKs for efficient utilisation of modern machineries for providing employable training to youth of rurban areas.

2.2.8 Industries and Mines Department

2.2.8.1 Centre for Entrepreneurship Development

Industries and Mines Department (IMD) of the State Government introduced (February 2009) "Enhancement of Technical Competence and Manpower Scheme" under Gujarat Industrial Policy, 2009 with an aim to develop industry

responsive and readily employable skilled manpower, focusing on local resources through Public Private Partnership (PPP) mode. Centre for Entrepreneurship Development (CED) under IMD is the nodal agency for implementation of schemes.

CED implemented four schemes under "Enhancement of Technical Competence and Manpower Scheme" with an objective to develop the capacity for training two lakh candidates per annum from the fifth year (2014-15) of implementation of these schemes. IMD provided ₹ 212.17 crore to CED during the period 2010-13 for implementation of these four schemes. However, Audit observed that out of available funds of ₹ 270.17 crore (including ₹ 58.00 crore being interest earned), CED could utilise only ₹ 52.56 crore during the period 2010-15.

Audit further observed that the pace of implementation of all the four schemes by CED was very slow and the target of developing capacity for training two lakh candidates per annum from the fifth year could not be achieved as discussed in the succeeding paragraphs –

(1) State Level Anchor Institutes

State Level Anchor Institutes (SLAI) were established with the objectives to provide technical support to the technical educational institutions and to provide training in the sector across shop floor, supervisory and managerial level by capacity building, and curriculum revision and bench marking of the courses for enhancement of technically competent manpower. As of March 2015, there were seven[37] SLAIs in the State and 15,627 candidates have been provided skill training under the scheme during 2010-15.

On scrutiny of records of three[38] out of seven SLAIs, Audit observed following major deficiencies -

- The need assessment survey was to be carried out by an SLAI to look into the skill demand of its sector and compare the same with existing skill base of the employees. Based on the survey, the SLAI was required to develop appropriate training courses addressing various gaps. However, the need assessment survey was not carried out by any of the three test-checked SLAIs.

- The objective of capacity building by providing training to instructors and technical staff could be achieved partially due to poor response from ITIs and Diploma/Degree colleges, as they failed to send their staff for training.

- The curriculums revised (January 2014) by the SLAIs were not put to use due to lack of response and co-operation from Gujarat

[37] (1) Chemical and Petrochemical – Dharamsinh Desai Institute of Technology, Nadiad and Lalbhai Dalpatbhai College of Engineering, Ahmedabad, (2) Textiles – M.S. University, Vadodara, (3) Apparels – National Institute of Fashion Technology (NIFT), Gandhinagar, (4) Plastic and Packaging – Central Institute of Plastics Engineering and Technology (CIPET), Ahmedabad, (5) Gems and Jewellery – Indian Diamond Institute, Surat, (6) Engineering and Auto – Sardar Vallabhbhai National Institute of Technology, Surat, (7) Infrastructure – Centre for Environmental Planning and Technology (CEPT), Ahmedabad

[38] (1) M.S. University, Vadodara, (2) CIPET, Ahmedabad and (3) CEPT, Ahmedabad

Technological University (GTU), as it had its own review committee and different schedule for revision of courses.

- SLAI was to benchmark the courses offered by ITIs/Polytechnics and Engineering Colleges with international/national standards, however, it was not done.

Thus, due to lack of co-ordination among SLAIs, Technical Institutes[39] and GTU, the envisaged objectives could not be fully achieved.

(2) Skill Up-gradation Centres at Gujarat Industrial Development Corporation Estates/ITI Premises

Skill Up-gradation Centre (SUC) was to be developed up to March 2014 in the premises of each Gujarat Industrial Development Corporation (GIDC) estate or ITIs on Public Private Partnership (PPP) mode. The Industries Commissioner, GIDC and DET were responsible for allocating land and building for developing the SUC. CED was responsible for providing one time financial assistance of ₹ 1.00 crore for procurement of machineries and equipment. CED had set a target of setting-up 200 SUCs (100 in the premises of GIDC estates and 100 in ITI premises) to operate five batches of 25 trainees in two shifts in three trades with overall target of training 1.50 lakh trainees per year.

Audit observed that 39 SUCs have been operationalised in the premises of GIDC estates and 14,117 trainees have been enrolled in different technical trades during the period 2012-15. Out of 14,117 trainees enrolled, only 9,866 trainees (70 *per cent*) passed out successfully, of which only 3,618 trainees (37 *per cent*) got job placements. On scrutiny of records of seven[40] test-checked SUCs, Audit observed that -

- Against the target of 21,000 trainees, only 13,337 candidates were enrolled, out of whom only 4,631 (22 *per cent*) candidates completed training during the period 2010-15.
- Adequate tools and machineries/equipment were not available with the test-checked SUCs. All the available tools and machineries/equipment were kept in a common workshop which made it difficult to operate more number of courses at the same time.
- Other departments provided free of cost skill training under various schemes whereas the SUCs charged fees ranging from ₹ 3,000 to ₹ 20,000 from the trainees for similar courses which resulted in less candidates turning up to SUCs for such courses.

Lack of infrastructure and higher fee structure, resulted in low enrolment of trainees in SUCs, defeating the very purpose of establishment of SUCs in the State and nullifying the objective of preparing technically competent manpower as per industrial needs.

The Director, CED stated (December 2015) that in the revised Industrial Policy, 2015, the tuition fees would be reimbursed to the institutes by CED, and, henceforth would not be charged from the candidates.

[39] Institutes/colleges providing technical education

[40] M/s. Everonn - Lodhika and Vatva, M/s. GOLS - Jhagadia, Halol, Savli and Vapi and M/s. IMS Proschool Private Limited - Kadi

- ***Establishment of SUCs in ITI premises***

Out of 100 SUCs to be established in the premises of ITIs, CED identified (March 2010) places for establishment of 89 SUCs. The R&B department submitted an estimate of ₹ 1.08 crore for each SUC and IMD released (March 2010) ₹ 0.50 crore to CED for each SUC. However, Audit observed that due to lack of co-ordination between CED and DET, the construction work could not be taken up and finally the project was dropped. As such, no SUC was established in ITI premises.

The Director, CED stated (August 2015) that the project was not approved by DET and hence got dropped.

(3) Skill Development Centres for short term bridge courses

Under this scheme, a new course or existing courses with addition of certain subject addressing their specific requirement were to be introduced by the industry partners in the existing ITIs/Institutes under PPP mode. The host ITI/Institute was to provide the basic infrastructural facilities such as land and building, and the cost of machineries and equipment (maximum ₹ 1.00 crore) was to be shared in the ratio of 75:25 between CED and industry partner. CED had set a target of setting-up (up to March 2014) 10 Skill Development Centres (SDCs) to operate six batches with 25 trainees in two shifts in two trades with overall target of training 6,000 trainees per year.

Audit observed that out of nine proposals for establishing SDCs sent to State Level Approval Committee (SLAC) between March 2009 and August 2014, seven proposals were approved and two proposals were dropped. As of December 2015, only five SDCs have been operationalised. Further till March 2015, only 46 trainees were provided training, of whom only 35 trainees had passed-out and were provided job placement.

The Director CED stated (August 2015) that proposals of two centres have been dropped due to non-compliance of conditions while the work of two centres approved was under process of implementation. The fact remains that against the target of 6,000 trainees per year, the achievement was only 46 trainees.

(4) Specialised Skill Development Centres

For specialised training in the areas such as marine engineering, mining, specialised pipes laying, logistic and services, *etc.*, Specialised Skill Development Centres (SSDC) were to be established by providing financial assistance to institutes, universities, industries associations, or any other legal entity registered under Societies Act, Trust Act or Companies Act. Financial assistance to the extent of 50 *per cent* of the project cost (maximum ₹ 2.00 crore) was to be provided for capital investment on building, equipment, machineries, electrification, furniture, *etc.* CED had set a target of setting-up 40 centres to operate six batches with 25 trainees in two shifts in two trades with an overall target of training 24,000 trainees per year.

Audit observed that out of 20 proposals for establishing SSDCs sent to State Level Approval Committee (SLAC) between June 2009 and December 2014, 16 proposals were approved and four proposals were dropped. As of December 2015, 14 SSDCs have been operationalised and the remaining two SSDCs were under implementation. Against the target of 19,800 trainees set for nine SSDCs

operational during the audit period, only 7,360 trainees were provided training by these nine SSDCs, of whom 7,184 trainees had passed out successfully and 6,269 trainees (87 *per cent*) got job placement as of March 2015.

The Director, CED attributed (August 2015) the non-operationalisation of proposed SSDCs to non-compliance of pre-requisite conditions by some industries/institutes as specified by SLAC.

Among the operational SSDCs, Audit test-checked the records of three SSDCs[41] and in one SSDC operated by TOYOTA, Audit observed that the trainees had been trained on latest machineries and equipment, and also got job placement in same company or other automobile companies. This highlights the fact that the scheme can be helpful in skill development if implemented effectively.

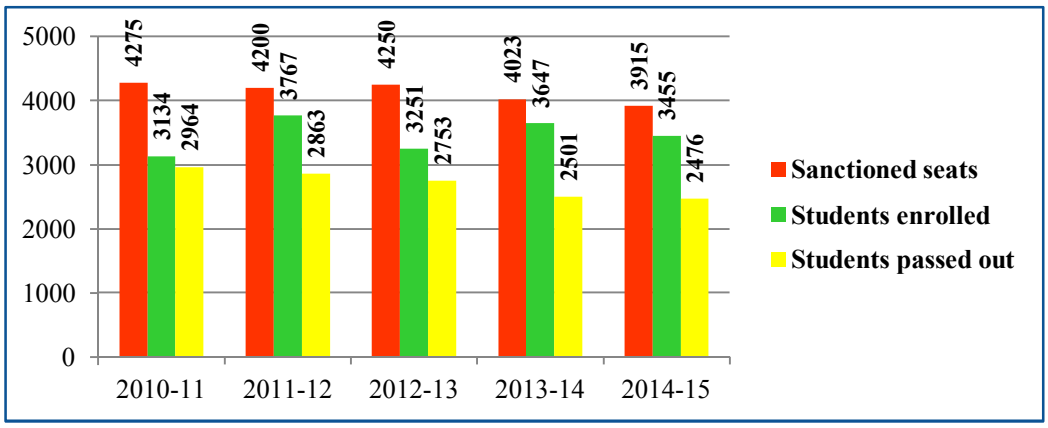
CED may take proactive steps in respect of SUCs and SDCs to achieve their goal of preparing industry-responsive and technically competent manpower. As the post-training employment was very high under SSDC training, it may consider establishment of more SSDCs for providing employment in specialised service sectors to the youth of Gujarat.

2.2.8.2 Cottage Industries Training Centres

In the State, there were 43 Cottage Industries Training Centres (CITCs) as of March 2015. Of these 43 CITCs, 26 were functioning in rented buildings. During field visit of seven test-checked CITCs[42], Audit observed that except CITC Vadodara, all other CITCs were functioning in dilapidated buildings. Though an average of four trades were being operated in each CITC, only two sheds were available in test-checked CITCs for theory as well as practical sessions. Audit observed that no effective steps have been taken by the Commissioner of Cottage Industries (CCI) for construction of new buildings or renovation of existing buildings for providing quality infrastructural facilities to the students of CITCs.

The details of number of seats sanctioned, number of students enrolled *vis-a-vis* number of students passed out from CITCs during the period 2010-15 is shown in **Chart 3** below -

Chart 3: Details of sanctioned seats, students enrolled and passed out from CITCs



[41] M/s. TOYOTA Motors Ahmedabad, M/s. Narmadanagar Rural Development Society Dahej and M/s. Rishi FIBC Solution Private Limited, Padra, Vadodara

[42] Kubernagar (Ahmedabad district), Bharuch (Bharuch district), Mehsana (Mehsana district), Halol (Panchmahal district), Morbi (Rajkot district), Vadodara (Vadodara district) and Vapi (Valsad district)

The above chart indicates a decreasing trend in number of students passing out during the period 2010-15. Further, the sanctioned seats for enrolment of students were reduced from 4,275 in 2010-11 to 3,915 in 2014-15 as the training centres had been closed due to shortage of staff.

- **Mismanagement of machineries/equipment**

For up-gradation of CITCs, machineries worth ₹ 7.34 crore were supplied and installed in various CITCs by Gujarat Rural Industries Marketing Corporation (GRIMCO), Gandhinagar during 2007-08. However, Audit observed at test-checked CITCs that four major machineries[43] costing ₹ 3.05 crore were not put to use since their procurement due to non-availability of qualified trainers or specific machineries not being required as per the course curriculum **(Picture 5, 6 and 7).** In CITC Kubernagar**,** trade of carpentry was running without furniture, machineries and equipment **(Picture 8).** Thus, these machineries were provided without ensuring its requirement/availability of trainers. On the other hand, some trades were operating without availability of basic machines/tools.

Picture 5: CNC machine transferred from CITC, Morbi due to non-use and lying idle at CITC, Vadodara since 2008-09 (24.07.2015)

Picture 6: Surface Grinder machine lying idle at CITC, Halol due to non-availability of qualified trainers since 2008-09 (23.07.2015)

[43] Nine vertical milling machines (₹ 75.69 lakh), 12 CNC leth machines (₹ 148.92 lakh), Nine Surface Grinding machines (₹ 68.04 lakh) and Nine shaping machines (₹ 12.60 lakh)

Picture 7: Shaping Machine lying idle due to non-availability of qualified trainers since 2008-09 (07.07.2015)

Picture 8: CITC Kubernagar operating without machinery, equipment and furniture since 2008-09 (19.05.2015)

Commissioner, Cottage Industries stated (December 2015) that in a meeting held in November 2015 with Principal Secretary, LED, it had been decided to hand over all CITCs in the State to DET for efficient and effective use of the machineries and equipment for providing training through ITIs and KVKs.

2.2.9 Education Department

2.2.9.1 Working of Gujarat Knowledge Society

Education Department (ED) established (September 2007) Gujarat Knowledge Society (GKS) with an aim to empower the youth with high expertise skills and open up new employment avenues. GKS was instituted to customise short term courses that can be easily provided to common man at a nominal fee. Fees ranging from ₹ 1,000 to ₹ 4,000 were collected from candidates and shared between Training Partners/Institutional Training Partners (70 *per cent* towards training cost) and GKS (30 *per cent* for assessment, certification, *etc.*). In addition to the above, GKS also implemented eMPOWER scheme of LED and Girls Empowering project of Rashtriya Madhyamik Shiksha Abhiyan (RMSA).

The details of candidates trained by GKS in above schemes during the period 2010-15 are shown in **Table 7** below–

Table 7: Details of candidates trained by GKS under various schemes

Year	Target set by Government	Candidate Registered (Shown as trained in Regular scheme)	Actual candidates passed out (Regular scheme)	Basic Computer Course (eMPOWER)	Girls Empowering
2010-11	50,000	1,23,072	85,013	00	00
2011-12	50,000	69,090		00	5,776
2012-13	50,000	16,636		1,02,483	00
2013-14	50,000	9,314		50,825	24,479
2014-15	50,000	7,522		00	00
Total	**2,50,000**	**2,25,634**	**85,013**	**1,53,308**	**30,255**

(Source: Information provided by GKS)

The above table shows a downward trend in candidates registered under regular scheme during the period 2010-15. Audit observed that -

- GKS had shown 2.26 lakh registered candidates as their achievement, however, only 0.85 lakh candidates could pass out during the period 2010-15.
- Under eMPOWER, GKS had provided training in Computer Fundamental, MS Office and Networking to 1.53 lakh secondary school students. Audit observed that the training was awarded by GKS to the same private agency that had provided computer system in secondary schools and have been providing training to teachers and students in the schools under RMSA. Thus, providing similar training at school as well as at GKS was duplication and the expenditure incurred proved redundant.

Audit is of the view that GKS could not accomplish its objective to empower the youth with high expertise skills as only around 85,000 candidates have been trained during 2010-15.

The GKS may encourage their training partners to provide industry-responsive vocational training to the youth of the State to fulfill the needs of industries.

2.2.10 Skill Development by other departments

In the State, seven skill development training schemes are being implemented by five other departments of the State with the help of private training institutes in addition to the schemes discussed in the foregoing paragraphs. The achievements and deficiencies noticed during audit in the implementation of these schemes are discussed in the succeeding paragraphs –

2.2.10.1 Sant Shri Ravidas High Skill Training Programme

Social Justice and Empowerment Department (SJED) introduced (March 2008) a training scheme "Sant Shri Ravidas High Skill Training Programme" with an aim to train youth of Scheduled Castes in various employable courses. A Project Management Committee and Taskforce Committee was constituted

(July 2010) for effective implementation of the scheme. SJED issued (between September and December 2011) work orders to 13 private training institutes for providing training in 30 selected courses.

The scheme was implemented in only three cities[44] and the Director, Social Welfare was responsible for implementation of the scheme through District Backward Class Welfare Officer (DBCWO). The overall achievement of job placement against the targets set by SJED during last four years is shown in **Table 8** below –

Table 8: Details of candidates trained and job placement achieved

Cities	Target set for trainees	Number of candidates trained	Total number of candidates provided job placement	Percentage of job placement to total trained
Ahmedabad	47,140	6,937	5,690	82
Rajkot		1,801	1,321	73
Vadodara		8,314	4,585	55
Total	**47,140**	**17,052**	**11,596**	**68**

(Source: Information provided by Director, SJED)

The above table shows that the overall achievement was only 17,052 (36 *per cent*) as against the target of 47,140. On scrutiny of records, Audit observed that -

- Out of 13 agencies identified, two agencies had not imparted any training, while the achievement of another agency was only three *per cent*, which resulted in shortfall in achievement of target.
- Percentage of female candidates trained was only 3,115 (18 *per cent*) against envisaged 30 *per cent*.
- Though issuance of NCVT certificates was made mandatory in the guidelines, the approval of NCVT (MES) for the courses selected for training was not obtained. In absence of NCVT approval, NCVT certificate of Basic Computer Operating, MS Office and Internet was provided to the candidates instead of NCVT certificate for the course in which the training was imparted to the candidates (like web-designing, hardware maintenance, networking, *etc.*).
- At Ahmedabad, it was observed that same three candidates were included as residential trainees between January and May 2014 by two different training providers. In a similar case, the names of two candidates were shown as trainees in two different courses during overlapping period by a training provider. In yet another such instance noticed in Audit, five candidates were shown as trainees in two different batches during different period of time for the same course by another agency. These instances indicated that the private training institutes might not be submitting correct information of number of candidates trained so as to claim higher course fees from the Government which ranged from ₹ 18,000 to ₹ 30,000 per candidate.

[44] Ahmedabad, Rajkot and Vadodara

- On conduct of beneficiary survey at Rajkot, Audit observed that though a candidate had not participated in training, certificate was issued and fees was claimed from the Government by the agency.

The Director, Social Welfare stated (December 2015) that notices had been issued to the concerned agencies and an amount of ₹ 2.36 lakh have been recovered by DBCWO Ahmedabad from agencies for irregular claim made by them. As regards NCVT certificates, the DBCWO Rajkot stated (July 2015) that only basic certificate of NCVT was provided to the candidates and attributed the non-achievement of targets of trainees to the difficulty in getting candidates.

The Principal Secretary LED in the exit conference stated (December 2015) that 100 *per cent* verification of trainees would be done to find out cases of duplication.

2.2.10.2 Vocational Training Centres

Tribal Development Department (TDD) introduced (June 2008) a scheme of Vocational Training Centres (VTC) to provide advanced industry specific employment oriented training with latest machineries to tribal youth with active support of industries in the neighbourhood. The Development Support Agency of Gujarat (D-SAG) of the TDD was responsible for implementation of the scheme. TDD identified (between 2007 and 2010) eight industries/institutes for setting-up of VTC on PPP mode. Government provided land (up to 10 acres), 75 *per cent* of capital cost (building, machineries and equipment) and 100 *per cent* recurring grant. Funds of ₹ 54.18 crore under the scheme was provided through the Tribal Sub Plan grant of GoI during the period 2010-15. The overall achievement of job placement achieved against the targets set by TDD during the period 2010-15 is shown in **Table 9** below –

Table 9: Details of candidates trained and job placement achieved

Year	Target set for trainees	Number of candidates trained	Job placement achieved	Percentage of job placement
2010-11	44,354	1,180	906	77
2011-12		3,274	2,506	77
2012-13		4,226	3,330	79
2013-14		3,228	2,424	75
2014-15		3,779	2,596	69
Total	**44,354**	**15,687**	**11,762**	**75**

(Source: Information provided by D-SAG)

The above table shows that as against the target of 44,354 trainees set for the period 2010-15, the TDD could provide training only to 15,687 candidates (35 *per cent*). Further, the female participation in the scheme was only 17 *per cent* as against the target of 50 *per cent* set by TDD.

On scrutiny of records of three test-checked VTCs[45], Audit observed that All Gujarat Institute of Driving, Technical Training and Research (AGIDTTR), a

[45] Society for Education Welfare and Action (SEWA) Rural, Jaghadia, All Gujarat Institute of Driving, Technical Training and Research (AGIDTTR), Vaghodia and M/s. Atul, Valsad

VTC was established (September 2009) for tribal youth with an objective to provide training to at least 5,200 trainees per year. On scrutiny of records, it was observed that –

- Against sanctioned posts of 40 instructors/technicians, only 14 could be appointed as of July 2015.
- Against target of 5,200 candidates per annum, only 6,822 candidates could be trained between September 2009 and July 2015.
- Out of 18 courses sanctioned, only one driving course (Light Motor Vehicle and Personality Development Training) could be operated continuously by AGIDTTR. In addition, AGIDTTR also commenced another driving course (LMV Commercial Driving Training) from 2014-15. However, none of the remaining 16 courses were operated during 2010-15.
- Only two simulators and 10 vehicles were available with AGIDTTR as of July 2015, which were not sufficient for providing training to 300 candidates enrolled at a time. Practical training of only 10 hours (2.5 hours on simulator and 7.5 hours of driving) was provided to each candidate during 45 days residential training programme.

Audit observed that due to shortage of instructors and vehicles, target of trainees could not be achieved by AGIDTTR. The Deputy Director (AGIDTTR) stated (July 2015) that matter of increasing the number of instructors and vehicles were under process.

2.2.10.3 High Quality Employment Oriented Skill Training Programme

To provide short-term training in high-demand and need-based trades to unemployed tribal youth of the State, TDD implemented (2010-11) High Quality Employment Oriented Skill Training Programme (HQEOSTP). The Development Support Agency of Gujarat (D-SAG) was responsible for implementing the scheme. The skill training under the scheme was provided by selected private training institutes.

The TDD released funds of ₹ 49.30 crore (₹ 39.80 crore from GoI and ₹ 9.50 crore from State budget) to D-SAG during the period 2010-15 and D-SAG incurred expenditure of ₹ 34.45 crore as of March 2015. D-SAG had selected 15 private training institutes through e-tendering in three phases. The overall achievement of job placement achieved by private training institutes against the targets set by D-SAG during Phases I to III are shown in **Table 10** below –

Table 10: Details of candidates trained and job placement achieved

Phases	Target set for trainees	Number of candidates trained	Percentage of target achieved	Job placement achieved	Percentage of job placement
I	10,880	7,180	66	5,858	82
II	11,190	4,371	39	2,859	65
III	15,240	2,746	18	1,372	50
Other[46]	1,000	449	45	365	81
Total	**38,310**	**14,746**	**39**	**10,454**	**71**

(Source: Information furnished by D-SAG)

[46] CIPET, Ahmedabad and Indo German Tool Room (IGTR), Ahmedabad

On scrutiny of the records, Audit observed the following in the implementation of the scheme -

- Against the target of 38,310 candidates allotted to training institutes, training could be provided to only 14,746 (39 *per cent*) candidates during the period 2010-15.
- Out of 35 trades allotted to private training institutes, targets were achieved only in three trades while in seven other trades, no training was imparted.
- D-SAG had not identified any sector, course or trade with reference to the requirement of tribal youth, geographical areas of tribal inhabitations, needs of industries in tribal areas, *etc.* The private training institutes themselves proposed the areas/sectors in which they were interested in imparting training and submitted the same in the tender documents.
- Though issuance of NCVT certificates was made mandatory in the guidelines, the approval of NCVT (MES) for the courses selected for training was not obtained. In absence of NCVT approval, certificate of lowest module of MES of IT sector was issued to the candidates.
- Uniformity in the courses were not ensured as same courses were conducted by different private training institutes with different durations and different fee structures.

From the above, it could be seen that the monitoring of D-SAG was not effective as no efforts were made by D-SAG either to issue instructions or to take action against the private training institutes for the shortfall in achievement of targets.

The CEO, D-SAG stated (December 2015) that due to lack of interest on the part of tribal youth and non-availability of grant, the target of training the number of trainees could not be achieved.

2.2.10.4 Mission Manglam Skill Development Programme

The Panchayats, Rural Housing and Rural Development Department introduced (September 2011) Mission Mangalam Skill Development Programme (MMSDP) with the objective to enhance employment opportunities for rural youth in the State. Gujarat Livelihood Promotion Company Limited (GLPC) - a State owned company, was responsible for implementation of the scheme. The scheme was implemented by engaging private training partners termed as Skill Development Partners (SDPs) on PPP mode. GLPC entered (January-July 2014) into Memorandums of Understanding with four SDPs and allocated target of training 4,800 candidates within one year with dual conditions of providing training to 30 *per cent* female candidates and 75 *per cent* job placement to successful candidates.

Audit observed that as of March 2015, GLPC could utilise only ₹ 0.37 crore out of available funds of ₹ 12.55 crore. Agency-wise details of candidates enrolled *vis-a-vis* job placement provided against the target is shown in **Table 11** as follows –

Table 11: Details of agency-wise candidates enrolled *vis-a-vis* placed on job upto March 2015

Name of SDP	Target allotted	Number of candidates enrolled	Percentage of achievement	Number of candidates passed	Number of candidates placed on job
M/s. ICA Infotech Private Limited, Rajkot	1,000	225	23	121 (100 candidates' result awaited)	95
M/s. CL Educate	2,000	377	19	377	275
M/s. Ambuja Cement Foundation	1,000	231	23	(Result awaited)	96
M/s. Gramin Vikas Trust	800	322	40	128	226
Total	**4,800**	**1,155**	**24**	**626**	**692**

(Source: Information furnished by GLPC)

The above table shows that the achievement as regards enrolment of candidates by the four SDPs against the target allocated to them was only 24 *per cent.* Audit observed that though funds were available with GLPC since 2011-12, the selection of SDPs was delayed by more than two years due to non-finalisation of terms and conditions of the contracts. Audit further observed that -

- One SDP after completing training for 322 candidates, stopped the training due to non-payment of funds by GLPC.
- Similarly, SDP at Rajkot also stopped the training after completing training of two batches due to lack of co-operation from GLPC.

Thus, despite availability of ₹ 12.55 crore, the objective of enhancing employment opportunities to the rural youth could not be achieved due to ineffective implementation of the scheme by GLPC. The Commissioner, Rural Development in the exit conference stated (December 2015) that the payment was not made to any agency due to pending verification of data at GLPC level.

2.2.10.5 Deen Dayal Upadhayaya - Grameen Kaushalya Yojana

GoI introduced (2013-14) Deen Dayal Upadhayaya – Grameen Kaushalya Yojana[47] (DDU-GKY) with the objective to drive the national agenda for inclusive growth, by developing skills and productive capacity of the rural youth from poor families. It bridges the gap of formal education and marketable skills, by funding training projects benchmarked with global standards, with an emphasis on placement, retention, career progression and foreign placement. The expenditure of the scheme was sharable in the ratio of 75:25 between GoI and the State Government. GLPC was responsible for implementation of the scheme.

As per Annual Action Plan (2013-14), 45,000 candidates were to be covered by GLPC and accordingly, GoI released (November 2013) ₹ 31.73 crore as central share and the State Government released (December 2013) its matching share of ₹ 10.57 crore to the GLPC. In turn, GLPC released (August 2014-February

[47] Initially scheme was named "Aajeevika Skills" which was renamed as DDU-GKY

2015) ₹ 24.44 crore as first installment (advance 25 *per cent*) to 18 selected Project Implementing Agencies (PIAs).

Audit observed that 16 out of above 18 PIAs had started (2014-15) the training programme. As of March 2015, against the target of 45,000 candidates for 2013-14, the PIAs had enrolled only 3,312 candidates due to delay in their selection by GLPC. Out of 3,312 candidates, only 587 candidates had passed out successfully, however, 1,009 candidates got job placement.

GLPC may exercise strict control over the private training partners to achieve the targets set for them for providing vocational training to rural youth of the State to enable them to get sustainable employment in industries/services sectors.

2.2.10.6 General Training Scheme

Women and Child Development Department (WCDD) introduced General Training Scheme (GTS) for up-gradation of skill of women in the State. Gujarat Women's Economic Development Corporation Limited (GWEDCL), Gandhinagar was responsible for implementation of the scheme by providing training through Non-Government Organisations (NGOs) to BPL women between the age group of 18 to 35. The training were being provided in 27 trades during 2010-15 like beauty parlour, tailoring, sewing, *etc.* WCDD released ₹ 13.20 crore to GWEDCL during the period 2010-15 and the GWEDCL incurred an expenditure of ₹ 9.24 crore. As per the information furnished by GWEDCL, against the target of 64,724 candidates to be trained by the NGOs under the scheme during the period 2010-15, 58,188 candidates have been trained by the NGOs. Audit observed that –

- GWEDCL had not fixed any syllabi for these courses nor made provision for administering any examination for the courses.
- On scrutiny of records of test-checked NGOs, it was observed that though the work order issued stipulated training for five hours per day, the NGOs had provided training for only two to three hours.
- Records of employment or self-employment generated for the candidates from the training were not being maintained either by the GWEDCL or the NGOs. As such the success or otherwise of the skills developed under this scheme could not be vouchsafed in Audit.

GWEDCL stated (December 2015) that from 2015-16 instructions had been issued to impart training for five hours a day. It was also stated that henceforth the records of employment/self-employment generated post-training would be maintained.

2.2.11 Outcome of Beneficiary Survey

Audit conducted a telephonic survey of ten candidates at each selected training provider to obtain feedback about training quality, their present status of employment and monthly remuneration/income obtained. The telephonic survey was conducted in presence of the officials of field units and were got authenticated.

Outcome of 1,060 telephonic interviews in the survey revealed that 410 trainees (39 *per cent*) got employed post training, 255 (24 *per cent*) became self-employed and 395 (37 *per cent*) remained un-employed. Out of 410 employed candidates, 179 candidates (44 *per cent*) received salary below the minimum wage rate of ₹ 6,960 per month and 231 (56 *per cent*) candidates received salary above the minimum wage rate.

Analysis of telephonic survey revealed that out of 1,060 candidates surveyed, 270 were from KVKs out of whom 23 (nine *per cent*) got employment, 390 were from ITIs/CITCs out of whom 184 (47 *per cent*) got employment and 400 were from other PPP mode schemes out of whom 203 (51 *per cent*) got employment.

The above analysis indicated that urgent steps are required to be taken to strengthen the institutional mechanism so that post-training employability and opportunities for the candidates are enhanced. The Principal Secretary LED in the exit conference (December 2015) assured to initiate necessary action in the matter.

2.2.12 Monitoring and Evaluation

2.2.12.1 Functioning of web-portal developed by GSDM

GSDM acts as an apex body for monitoring, evaluation, coordination, convergence and providing overall policy direction for skill development activities in Gujarat. GSDM was responsible for collecting data and providing a complete picture of skill development programmes being implemented in the State to provide analysis in respect of skill-wise, area-wise and beneficiary group-wise data of the candidates trained under various schemes, information relating to their employment, average salary received, *etc.*

To give effect to this approach, GSDM had developed a comprehensive web-portal (www.gsdm.in) with following features -

- Free and open on-line registration for all the training institutes providing employable skill training and prospective employers posting job requirements;
- Uploading of the list of candidates in each institute for each course in the public domain;
- List of ranking of all the courses being imparted in the State showing clearly the supply *i.e.* number being trained, demand, placement and average salary; and
- Listing and ranking all the institutes of the State on the basis of placement percentage, average salary and employability index.

Audit observed that web-portal developed (2011) by GSDM became non-operational in 2013. In absence of the web-portal, transparency in delivery of programme could not be ensured, as many cases of duplication of candidates among same as well as different schemes were noticed by Audit as discussed in succeeding paragraphs.

The Principal Secretary LED in the exit conference stated (December 2015) that new skill registry portal was under consideration for overall monitoring and data bank.

GSDM may ensure that the web-portal under consideration be developed in a time-bound manner and put to use at the earliest. It may also ensure placement of trainees with remunerative salaries.

2.2.12.2 Incorrect reporting of number of trainees due to multi-skilling or repetition of trainings

The issues of duplicate certificates, bogus candidates and multiple trainings to the same student are grave concerns for effective implementation of skill development programmes. To resolve this issue, a common web-portal is an absolute necessity to capture the details. Audit observed that the web-portal developed by GSDM had these features and could have helped in reducing the instances of duplication, multiple trainings to same candidates, *etc.*

Audit analysis of available data on web-portal under three major schemes revealed large number of duplications in same scheme and multiple trainings being availed of by same candidates as shown in **Table 12** as below –

Table 12: Statement showing duplication/repetition of candidate in three major schemes

Sr. No.	Name of the schemes	Number of beneficiaries trained as stated by the department	Number of beneficiaries who had been trained for more than once	Total number of training obtained by beneficiaries shown in column (4)	Excess number of trainees reported due to multiple training by same beneficiaries (5) – (4)	Actual number of beneficiaries trained after deducting duplication
1	2	3	4	5	6	7
1(a)	MES Direct test	62,498	3,644	7,653	4,009	58,489
1(b)	MES through Training	82,612	3,492	9,835	6,343	76,269
2(a)	GKS (eMPOWER)	1,53,308	3,282	6,774	3,492	1,49,816
2(b)	DET (eMPOWER)	7,66,179	81,109	1,79,121	98,012	6,68,167
3	KVK	11,28,989	1,87,335	5,33,768	3,46,433	7,82,556
	Total	**21,93,586**	**2,78,862**	**7,37,151**	**4,58,289**	**17,35,297**

Audit analysis of these schemes revealed that the achievement figures reported were in excess by 4.58 lakh due to duplication/multiple trainings imparted to the same candidates.

Director (DET) stated (December 2015) that the web-portal had no facility to check/avoid duplication under MES scheme. It was further stated that many of the training modules are such which supplement each other under KVK and eMPOWER schemes and hence, trainees prefer to undergo training in more than one module. The CEO (GKS) stated (July 2015) that many students after enrolling in MIS had not paid fees which resulted in appearance of their names second time in MIS list. However, the fact remains that the total skilled

manpower was over-reported by 4.58 lakh as the multiple trainings under KVK and eMPOWER by some candidates; and enrolment of some candidates for second time in GKS does not account for additional manpower skilled under these schemes.

2.2.12.3 Convening meetings of Governing Body and Executive Committee of GKS

As per the Article of Association of GKS, the Governing Body (GB) chaired by the Hon'ble Minister of Education was required to meet at least two times in a year. Similarly, the Executive Committee (EC) chaired by the Principal Secretary of ED was to meet at least four times in a year. However, it was observed that no meeting of the GB was held while the EC met only twice (October 2010 and September 2011) during the period 2010-15.

The CEO (GKS) stated (July 2015) that the required meetings could not be convened due to several engagements of GKS officers towards achieving the primary objectives. However, the primary objectives of GKS could not be achieved as only around 85,000 candidates were trained during 2010-15 as mentioned in paragraph 2.2.9.1.

2.2.13 Conclusions and Recommendations

Government of India had introduced National Skill Development Policy, 2009 to empower all individuals through improved skills to gain access to decent employment and ensure India's competitiveness in the global market. Some areas of concern relating to implementation of various skill development schemes are highlighted below -

- Gujarat Skill Development Mission (GSDM) had not formulated a uniform skill development policy even though it was decided (June 2010) in the meeting chaired by Hon'ble Chief Minister of the State. In absence of a uniform policy, concerned departments had started implementing skill training programmes without uniform syllabus, duration of course and fee structure. Certificates of National Council of Vocational Training/Gujarat Council of Vocational Training were not provided in majority of cases by private training institutes thus defeating the chances of a sustainable job opportunity to candidates and enhanced the possibility of their exploitation.

  The Government may formulate a comprehensive Skill Development Policy and initiate concrete steps in a time bound manner for implementation of all actionable points as decided in the meeting of Executive Committee of GSDM held on 30 June 2010. Further, steps may be taken to impart the skill development training as per the criteria of NCVT or GCVT and certificates recognised by these institutions may be issued to all trainees to enable them to get better jobs.

- Though State Government had increased numbers of ITIs and new batches in Craftsman Training Scheme, average students passing out from these institutes remained almost static. Audit also noticed cases of drop-out, under utilisation of machineries and lack of adequate manpower in some of the test-checked ITIs.

The Government may take action for optimal utilisation of machineries lying idle and the vacant posts in all ITIs may be filled-up, as adequate manpower is necessary for service delivery.

- In Kaushalaya Vardhan Kendras, as against the target of 12.96 lakh, only 7.83 lakh (60 *per cent*) candidates got training during the period 2010-15. As per beneficiary survey carried out of 270 candidates trained in Kaushalya Vardhan Kendras, only nine *per cent* got job placement. Modern machineries purchased for various trades in test-checked KVKs were lying idle due to non-availability of technical instructors.

  The Government may appoint the technical instructors in KVKs for efficient utilisation of modern machineries for providing employable training to youth of rurban areas.

- Against the target of 200 Skill Up-gradation Centres (SUCs) with capacity of 1.5 lakh trainees per year were to be set-up by Centre for Entrepreneurship Development (CED) under Industrial Policy 2009, the CED had set-up only 39 SUCs and training to only 0.14 lakh candidates could be imparted till March 2015. Against the target of 10 Skill Development Centres (SDCs) for short term bridge courses and 40 Specialised Skill Development Centres (SSDC) to be set-up by CED on PPP mode, only five and 14 got operationalised respectively due to non-compliance of pre-requisite conditions by some industries/institutes.

  CED may take proactive steps in respect of SUCs and SDCs to achieve their goal of preparing industry-responsive and technically competent manpower. As the post-training employment was very high under SSDC training, it may consider establishment of more SSDCs for providing employment in specialised service sectors to the youth of Gujarat.

- GKS could not accomplish its objective to empower the youth with high expertise skills as only around 0.85 lakh candidates have been trained against the target of 2.50 lakh during 2010-15.

  The GKS may encourage their training partners to provide industry-responsive vocational training to the youth of the State to fulfill the needs of industries.

- The GLPC under Mission Mangalam Skill Development Programme and Deen Dayal Upadhayaya – Grameen Kaushalya Yojana could provide training to only 24 *per cent* and seven *per cent* candidates respectively against the target of number of trainees set for the private training partners.

  GLPC may exercise strict control over the private training partners to achieve the targets set for them for providing vocational training to rural youth of the State to enable them to get sustainable employment in industries/services sectors.

- Audit scrutiny revealed that the web-portal pertaining to skill development was not functional. Audit found that only a third of trained persons received a good salary while more than a third remained

unemployed post their skill development training. Also a remunerative salary eluded almost 44 *per cent* of employed candidates surveyed, as they received salaries less than minimum wages fixed by the State.

GSDM may ensure that the web-portal under consideration be developed in a time-bound manner and put to use at the earliest. It may also ensure placement of trainees with remunerative salaries.

URBAN DEVELOPMENT AND URBAN HOUSING DEPARTMENT

2.3 Functioning of Vadodara Urban Development Authority

Executive summary

Vadodara Urban Development Authority (VUDA) was established (January 1978) under Gujarat Town Planning and Urban Development (GTP&UD) Act, 1976 for planned growth and systematic development in urban areas. The main functions of VUDA include preparation of a holistic Development Plan and zone-wise town planning schemes, execution of town planning schemes, control and execution of development work in accordance with the Development Plan, and to acquire/hold/manage/dispose of property, etc. The First Development Plan of VUDA was finalised in 1984 and got revised in 1996 and 2012. Out of 20 Town Planning (TP) Schemes submitted by VUDA, the State Government had approved finally/preliminarily 11 TP schemes till date. The performance audit on "Functioning of VUDA" was conducted for the period 2010-15 between May and June 2015 and the following deficiencies were noticed –

- ***There was delay in preparation of Development Plans and TP schemes.***
- ***As against 53 TP schemes proposed in the First Revised Development Plan, VUDA had proposed only four TP schemes. The reservation of land for specific purposes in the TP schemes was not made as per the provisions of GTP&UD Act i.e. as against 10 per cent of land to be earmarked for Socially and Economically Weaker Section (SEWS) beneficiaries, the land reserved for SEWSs in 11 TP schemes ranged between 2.69 and 6.74 per cent only.***
- ***As against ₹ 292.31 crore of funds received during the period 2010-15, VUDA could utilise only ₹ 118.18 crore.***
- ***The land acquired for Transport Nagar-cum-Logistic Park during 2000-04 remained undeveloped till date (January 2016) due to non-acquisition of a piece of land in the central portion of the site and delay in appointment of consultants, preparation of designs, etc.***
- ***Out of 242 plots allotted to VUDA in 11 TP schemes for residential/commercial units for sale, SEWS housing, parks and garden, etc., only 17 plots could be sold/developed by VUDA. No efforts were made by VUDA to transfer the ownership of land/plots allotted to VUDA from the name of original land owners.***
- ***Though creation of basic amenities and infrastructure were provided in the Development Plans and TP schemes, VUDA had executed only road works as a result of which the people residing in the VUDA area were deprived of water supply system, drainage and sewerage system, street lights, parks and gardens, etc.***
- ***A scheme of 2011 for providing one time concession to the owners to regularise unauthorised/irregular constructions was not implemented effectively.***

- ***Economically Weaker Section (EWS) beneficiaries evacuated from Madhavnagar and Keshavnagar EWS housing complex, owing to collapse of blocks of Madhavnagar could not be rehabilitated till date of Audit (June 2015) owing to delay in commencement of construction work and stoppage of work by the contractor.***
- ***Irregularities in execution of road works and irregular/avoidable payment to the contractors were observed in Audit.***
- ***Internal control and grievance redressal mechanism was not effective and there was shortage of 61 per cent of technical staff against the sanctioned strengths.***

2.3.1 Introduction

Owing to rapid urbanisation, cities are prone to expand beyond their territorial limits. Keeping this in view, Vadodara Urban Development Authority (VUDA) was established (January 1978) under Gujarat Town Planning and Urban Development (GTP&UD) Act, 1976 for planned growth and systematic development of urban areas. The urban areas to be developed are allotted by the State Government to the Urban Authorities. The jurisdiction of VUDA extends to 104 villages of Vadodara, Vaghodia and Padra Taluka of Vadodara district comprising an area of 714.56 square kilometre (sq. km.). The main functions of VUDA include preparation of a holistic Development Plan and zone-wise town planning schemes, execution of Town Planning schemes, control and execution of development work in accordance with the development plan, and to acquire/hold/manage/dispose of property, *etc.* Development Plans have been prepared by VUDA by dividing the available land into 13 zones.

2.3.2 Organisational set-up

VUDA is under the administrative control of the Urban Development and Urban Housing Department (UD&UHD) and is governed by a Board consisting of a Chairman and other Members. Member Secretary of the Board appointed by the Government is the Chief Executive Authority of VUDA.

2.3.3 Audit objectives

The Performance Audit was conducted to assess whether –

- the Development Plans and Town Planning schemes prepared were comprehensive, adequate and realistic;
- adequate funds were available and utilised efficiently;
- the developmental works envisaged in the Development Plan and Town Planning schemes were executed efficiently and effectively; and
- Internal control mechanism was adequate and effective.

2.3.4 Audit criteria

The Audit criteria applied for this Performance Audit was -

- Gujarat Town Planning and Urban Development Act, 1976, Gujarat Town Planning and Urban Development Rules, 1979 and General Development Control Regulations (GDCR);

- Development Plans and Town Planning Schemes;
- Urban/Area Development Authority (Disposal of Land other Properties) Regulation, 2002; and
- Guidelines/orders issued by UD&UHD and Minutes of the Board meetings.

2.3.5 Audit scope and methodology

To assess the working of VUDA and to ascertain whether the developmental activities were carried out as per the provisions made in Gujarat Town Planning and Urban Development (GTP&UD) Act, 1976, Gujarat Town Planning and Urban Development Rules, 1979 and General Development Control Regulations (GDCR), records at VUDA for the period 2010-15 were test-checked by Audit between May and June 2015. An entry conference was held (May 2015) with the Deputy Collector of VUDA to apprise the Audit objectives and Audit methodology. An exit conference was held (29 January 2016) with Deputy Secretary of Urban Development and Urban Housing Department (UD&UHD). The views of the department have been considered and incorporated in the report.

Audit findings

The audit findings pertain to works executed with respect to First Development Plan (1984) and First Revised Development Plan (1996). The Second Revised Development Plan (2011) has not been covered in Audit as its execution period extends upto the year 2031.

2.3.6 Planning

2.3.6.1 Preparation and implementation of Development Plans

GTP&UD Act, 1976 and Rules made thereunder provides that a Comprehensive Development Plan indicating urban land use map as well as physical development plan should be prepared and published within three years of the constitution of the Authority. The Act further stipulates that the Development Authority shall revise the Development Plan at least once in 10 years from the date on which a final development plan came into force.

The First Development Plan of VUDA was finalised in 1984 and got further revised in 1996 and 2012. There was no record to indicate the reasons for such delay in finalising the plan. Audit noticed that the First Development Plan was not comprehensive as the details of Town Planning (TP) schemes to be taken up for the development of earmarked areas were not included in the Plan. The First Revised Development Plan envisaged 53 TP schemes while the Second Revised Development Plan envisaged 75 TP schemes. Due to absence of a Comprehensive Plan, there was disorderly development with excessive pressure on existing infrastructure.

All the Development Plans set specific targets on share of land use for residential, commercial, industrial, public/institutional, water bodies, environmental sensitive zones and other utilities to be achieved by 2001, 2011 and 2031 respectively **(Appendix-XII)**. However, no Annual Action Plans in line with such targets were prepared (May 2015) by VUDA for regulated implementation of the respective Development Plans.

VUDA accepted (June 2015) that the First Development Plan was not comprehensive and the extent of disorderly development could be assessed after conducting survey which could be to the extent of five to 10 *per cent*. It was further stated that the annual action plan would be prepared for achieving the target set in the Second Revised Development Plan. The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that henceforth, instructions would be issued for preparation of comprehensive Development Plan and delay in finalisation of Development Plan would be avoided in future.

2.3.6.2 Preparation of Town Planning (TP) Schemes

The GTP&UD Act provides that the Development Authority shall undertake preparation of TP schemes. Before making any TP schemes, appropriate authority shall, by resolution, declare its intention to make such a scheme in respect of such area and prepare and publish the draft scheme in Official Gazette within nine months from the date of declaration of intention and submit draft scheme to Government for sanction. The State Government may sanction such scheme, within six months from the date of its receipt, by notification, sanction such scheme with or without modifications or subject to such conditions as it may think fit to impose (or refuse to sanction it). The approval of the TP scheme takes place in three stages *i.e.* approval of draft scheme, preliminary approval of scheme and then final approval.

Though no TP scheme was proposed in the First Development Plan, VUDA had submitted (1984-96) 10 draft TP schemes to the State Government for approval and the State Government had accorded final approval for three TP schemes and preliminary approval for another four TP schemes. The First Revised Development Plan envisaged in 1996 that 53 TP schemes would be implemented by 2011. However, only four draft TP schemes have been submitted by VUDA to the State Government till date (June 2015). Out of these, only two schemes have been finally approved by the State Government **(Appendix-XIII)**. Non-preparation of envisaged TP schemes and delay in approval of the draft TP schemes resulted in unorganised and slow development of the earmarked area, as marking of the final plot, its sale and allotment of land could be done only after receipt of preliminary approval.

VUDA while admitting slow development due to delay in approval of TP schemes stated (June 2015) that the delay occurred mainly due to adhering to prescribed procedures such as issue of notice to individuals and hearing them. The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that recently Government had issued (August 2014) instructions for finalising the TP schemes within 18 months from the date of appointment of Town Planning Officer for a TP scheme, thus, the delay would be avoided in future.

2.3.6.3 Provisions for reservation/allotment of land in Town Planning Schemes

As per the provision of GTP&UD Act, 50 *per cent* of the total land proposed in a TP scheme may be allotted for plot holders while the remaining land may be earmarked for Road (15 *per cent*), Parks/Play-grounds/Garden/Open space (five *per cent*), social infrastructure[48] (five *per cent*), plots for sale by VUDA (15 *per cent*) for commercial/residential purposes and housing for members of

[48] such as school, dispensary, fire brigade, public utility place, *etc.*

socially and economically weaker sections (10 *per cent*). The details of land earmarked for specific purposes in 11 TP schemes preliminarily and finally approved by the State Government (May 2015) is shown in **Table 1** below –

Table 1: Land earmarked for specific purposes in TP schemes

(Area in square metre)

Name of TP scheme	Total Area of TP	Area allotted to plot holders	Area for Socially and Economically Weaker Section	Area for sale by VUDA	Area for Park/Garden/ Open Space	Area for Social Infrastructure	Area for Roads
Bhayli TP-1	8,50,000	4,48,629(52.78)	28,135(3.31)	41,335(4.86)	2,016(0.24)	14,785(1.74)	3,15,100(37.07)
Bhayli TP-2	6,84,692	4,64,672(67.87)	33,419(4.88)	43,180(6.31)	835(0.12)	15,080(2.20)	1,27,506(18.62)
Bhayli TP-3	7,10,638	5,01,723(70.60)	32,487(4.57)	29,318(4.13)	6,462(0.91)	21,327(3.00)	1,19,321(16.79)
Bhayli TP-4	7,40,142	4,86,457(65.72)	26,420(3.57)	26,086(3.52)	13,414(1.81)	16,092(2.17)	1,71,673(23.19)
Bil TP-1	9,38,322	6,25,349(66.65)	46,640(4.97)	57,736(6.15)	25,173(2.68)	5,659(0.60)	1,77,765(18.94)
Khanpur-Ankodia TP-2	6,30,000	3,58,935(56.97)	17,903(2.84)	27,080(4.30)	3,701(0.59)	18,812(2.99)	2,03,569(32.31)
Nimetha TP-1	7,88,900	5,15,983(65.41)	21,258(2.69)	80,490(10.20)	1,062(0.13)	6,746(0.86)	1,63,361(20.71)
Padra TP-1	6,71,000	5,35,592(79.82)	45,197(6.74)	11,661(1.74)	1,075(0.16)	0(0.00)	77,475(11.55)
Padra TP-2	5,85,600	5,06,360(86.47)	29,723(5.08)	10,393(1.77)	1,709(0.29)	15,255(2.61)	2,2160(3.78)
Sevasi TP-1	7,36,974	4,76,121(64.60)	31,775(4.31)	33,257(4.51)	2,603(0.35)	16,129(2.19)	1,77,089(24.03)
Vemali TP-1	7,00,000	4,68,622(66.95)	24,788(3.54)	43,026(6.15)	8,674(1.24)	4,273(0.61)	1,50,617(21.52)
Total	**80,36,268**	**53,88,443(67.05)**	**3,37,745(4.20)**	**4,03,562(5.02)**	**66,724(0.83)**	**1,34,158(1.67)**	**17,05,636(21.22)**

(Source: Information furnished by VUDA)

Note: Figures in bracket indicate percentage to total area

From above table it can be seen that the prescribed proportion of land to be earmarked for specific purposes was not adhered to in the above TP schemes prepared by the VUDA. The Socially and Economically Weaker Sections were deprived of housing facility as the land reserved in the TP schemes for them ranged between 2.69 and 6.74 *per cent* as against the prescribed 10 *per cent* of total land area of the TP scheme.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that prescribed proportion of land earmarked for specific purposes would be ensured in forthcoming TP schemes.

The provisions of GTP&UD Act for reservation of land for specific purposes in the TP schemes may be adhered to for an orderly development of the TP area.

2.3.7 Financial Management

2.3.7.1 Receipt and Expenditure

VUDA generates its own capital and revenue funds. Major components of capital receipts are sale proceeds of plots and residential flats/shops, premium collection on leased plots, recovery of development charges, collection of incremental contribution in the area, *etc.* Major components of revenue receipts are recovery of fines, supervision charges and rent of land and building, income by sale of tender forms, forfeiture of deposits, *etc.* VUDA also receives capital grants from the State Government for approved projects such as drainage, sewerage, water supply, *etc.* Capital receipts are utilised for carrying out construction of building and development activities. Revenue receipts are utilised for establishment and administrative expenses. Year-wise details of

receipts and expenditure of VUDA during the period 2010-15 is shown in **Table 2** below –

Table 2: Receipt and Expenditure of VUDA during 2010-15

(₹ in crore)

Year	Receipts			Expenditure			Surplus(+) Deficit (-)	Percentage of Expenditure	
	Capital	Revenue	Total	Capital	Revenue	Total		Capital	Revenue
2010-11	5.33	39.51	44.84	4.88	3.72	8.60	36.24	92	09
2011-12	7.08	5.18	12.26	8.42	2.68	11.10	1.16	119	52
2012-13	43.63	12.30	55.93	19.27	3.68	22.95	32.98	44	30
2013-14	53.88	23.19	77.07	23.70	4.12	27.82	49.25	44	18
2014-15	63.38	38.83	102.21	42.77	4.94	47.71	54.50	67	13
Total	**173.30**	**119.01**	**292.31**	**99.04**	**19.14**	**118.18**	**174.13**	**57**	**16**

(Source: Information furnished by VUDA)

From the above table it can be seen that capital receipts of VUDA increased from the year 2011-12 onwards, which was mainly due to levy of amenities fees (January 2012) and income from sale of plots (2013-14). However, VUDA could utilise only ₹ 118.18 crore (40 *per cent*) as against total receipt of ₹ 292.31 crore during the period 2010-15. The capital expenditure was only ₹ 99.04 crore (57 *per cent*) as against capital receipt of ₹ 173.30 crore and the revenue expenditure was only ₹ 19.14 crore (16 *per cent*) as against revenue receipt of ₹ 119.01 crore. The capital expenditure includes repayment of loan (₹ 2.74 crore) and refund of funds (₹ 10.00 crore) received from State Government under Swarnim Jayanti Mukhyamantri Shaheri Vikas Yojana (SJMSVY). Thus, the capital expenditure on development activities was only ₹ 86.30 crore. Though the yearly capital expenditure had increased over the period 2010-15, it was seen that capital projects like Sewerage, Drainage, Water Supply, *etc.* proposed in the approved TP schemes were not taken up.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that capital projects and development activities would be carried out in due course.

2.3.7.2 Seed money loan

VUDA received (1977-96) ₹ 5.34 crore[49] as seed money from the State Government. The seed money was sanctioned as interest free loan upto April 1985 and thereafter interest and penal interest at the rate of 11 and 2.5 *per cent* per annum respectively was payable. The GTP&UD Act provides that repayment of loans shall have priority over all other payments. Even the State Government issued (December 2003) instructions for repayment of seed money. However, Audit observed that VUDA had repaid only ₹ 4.35 crore[50] upto March 2000 and the interest liability had increased to ₹ 5.96 crore[51] as of March 2015.

VUDA stated (May 2015) that due to paucity of funds, seed money loan was not refunded, however, the issue would be taken up with the Government for waiver of interest. However, Audit observed that inspite of direction from the Government for repayment of loan and VUDA having ₹ 185.24 crore in fixed

[49] ₹ 1.24 crore (1977-85) + ₹ 4.10 crore (1985-96)

[50] ₹ 3.00 crore (1995-96), ₹ 0.25 crore (1997-98), ₹ 0.45 crore (1998-99) and ₹ 0.65 crore (1999-00)

[51] ₹ 4.86 crore (Interest) + ₹ 1.10 crore (Penal Interest)

deposits with Gujarat State Financial Services Limited (GSFS) as on 31 March 2015, the loan was not repaid which resulted in piling up of interest liability.

2.3.7.3 Recovery of betterment charges

GTP&UD Act provides that the owner of each plot included in the final TP scheme shall be primarily liable for the payment of the contribution leviable in respect of such plot towards betterment charge as one time charge. Audit observed that as against ₹ 77.76 crore recoverable from 1,232 plot owners included in the 11 approved TP schemes[52], VUDA could recover only ₹ 14.84 crore from 191 plot owners as of March 2015 and an amount of ₹ 62.92 crore was yet to be recovered from 1,041 plot owners.

VUDA stated (June 2015) that due to shortage of staff, the recovery of betterment charge from plot owners was not done and assured that notices would be served to plot owners for early payment of betterment charges.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that effective steps would be initiated to recover the outstanding betterment charges.

2.3.7.4 Utilisation of Amenities fees collected

GTP&UD Act provides for levy and collection of amenities fees for the execution of works such as supply of water, disposal of sewerage and provision of other services and amenities. However, Audit observed that the provision for collection of amenities fees were not made in the General Development Control Regulations (GDCR) of 1984 and 1996 which resulted in non-levy of fees from developers and plot holders while granting permission for development.

Audit further observed that based on the provision made in GDCR 2006, an amount of ₹ 100.71 crore was collected from the developers and plot holders during 2012-15, however, till date (March 2015) only ₹ 1.44 crore could be utilised. This indicated that works for providing basic amenities had not been carried out by the authority as discussed in Paragraph 2.3.9.1 though sufficient funds were available for the same.

The Deputy Secretary in the exit conference stated (January 2016) that a consultant had been appointed for preparation of draft project report (DPR) for water supply, sewerage disposal schemes, *etc.* in respect of five zones[53] and the said amount would be utilised in phased manner.

The Government may issue instructions to VUDA to expedite provision of basic amenities to the residents of the TP area.

Development activities

2.3.8 Land Management

2.3.8.1 Acquisition of Land by VUDA

As per GTP&UD Act, one of the main functions of the area Development Authority was to acquire, hold, manage and dispose of property, movable or

[52] Two TP schemes prior to First Development Plan, seven TP schemes of First Development Plan and two TP schemes of First Revised Development Plan

[53] Zone 1 - Undera-Koyali-Ankodia (Part), Zone 2 - Ankodia (Part), Khanpur, Mahapura, and Sevasi, Zone 3 – Bhayli, Gokalpura and Raipura, Zone 4 – Ankhol, Hanumanpura, Khantaba, Sayajipura and Sikandarpura, and Zone 5 - Dumad, Sama, Vemali TP-1 and Vemali TP-2

immovable, as it may deem necessary. The Development Authority in the development plan indicates the number of town planning schemes to be taken up from the area allotted for development and land required to be acquired for various purposes from the area other than those included in the TP schemes. The allotment of land under TP scheme area is done as per the provision of GTP&UD Act as discussed in Paragraph 2.3.6.3.

The First Revised Development Plan (1996) envisaged acquisition of 58.42 hectares of land for development of Transport Nagar. VUDA acquired (2000-04) 60.25 hectares[54] of land at the cost of ₹ 55.89 lakh for the development of Transport Nagar-cum-Logistic Park which include parking facility for large and small vehicles, transport offices, bank, post office, shops for spare parts, hotel-motel, restaurant, petrol pump and other primary facilities. Audit observed that VUDA failed to acquire a piece of land admeasuring 15,985 sq. mtrs.(1.60 hectare) in the central part of the proposed site, which came to the knowledge of VUDA only when the person in possession of land had published (January 2008) a public notice regarding "No objection of the said land". Thereafter, VUDA approached the Collector for acquisition of said land but the same was not accepted (August 2011) by the Collector stating that the land could be acquired by making new application or through purchase from the owner.

However, Audit observed that no further action was initiated by VUDA for acquiring or purchasing the said land. In the meantime, VUDA awarded (October 2008) the work to Gujarat Infrastructure Development Board (GIDB) for appointing a consultant to prepare designs and for selection of potential investors to develop the Transport Nagar-cum-Logistic Park on Public Private Partnership (PPP) mode. GIDB appointed (April 2012) a consultant[55], however, the work has not been taken up till date (June 2015) due to non-acquisition of the said land and non-availability of potential investor to develop the Transport Nagar-cum-Logistic Park. Thus, the Transport Nagar-cum-Logistic Park has not been developed (June 2015) though more than 11 years have elapsed since acquisition of land. Audit further observed that due to delay in development of land for Transport Nagar, original land owners have started demanding back their land *i.e.* a land owner of Revenue Survey No. 588/3 demanded (February 2015) back his land admeasuring 75,474 sq. mtrs.

VUDA stated (June 2015) that the delay occurred due to non-availability of an investor for development on PPP Mode. As regards non-acquisition of land, it was stated that a proposal for acquiring the un-acquired land has been made (April 2011) to the Collector which is at final stage.

Audit is of the view that VUDA may take steps to develop the Transport Nagar-cum-Logistic Park to avoid further delay.

The Deputy Secretary UD&UHD in the exit conference agreed (January 2016) to take early action to resolve the issues and commence the work of Transport Nagar-cum-Logistic Park.

2.3.8.2 Disposal of land

Out of 1,474 plots earmarked in the 11 TP schemes finally/preliminarily approved by the State Government, 242 plots admeasuring 9.45 lakh square

[54] Amliyara – 26.00 hectares, Harni – 20.85 hectares and Kotali – 13.40 hectares

[55] M/s. Jones Lang LaSalle Property Consultants (India) Private Limited, Ahmedabad

metres (sq. mtrs.) were available with VUDA for development purpose such as residential, commercial, housing for socially and economically weaker sections, open space, parks and gardens, public utility infrastructure, *etc.* as shown in the **Table 3** below –

Table 3: Plots available with VUDA in 11 TP schemes

Sr. No.	Name of Scheme	Date of approval	Number of Plots	Number of plots available with VUDA	Area of plots available with VUDA (in sq. mtrs.)
1.	Bhayli TP-1	15.07.2014	129	23	86,271
2.	Bhayli TP-2	21.01.2014	116	20	92,514
3.	Bhayli TP-3	22.01.2014	125	24	89,595
4.	Bhayli TP-4	08.01.2013	184	33	82,012
5.	Bil TP -1	07.06.1999	140	28	1,35,199
6.	Khanpur-Ankodia TP -2	14.12.2006	97	15	67,496
7.	Nimeta TP-1	28.06.1998	103	17	1,12,556
8.	Padra TP -1	28.08.1990	157	13	57,933
9.	Padra TP-2	28.08.1990	72	16	57,080
10.	Sevasi TP–1	07.05.2013	156	26	83,764
11.	Vemali TP-1	25.05.2006	195	27	80,761
Total			**1,474**	**242**	**9,45,181**

(Source: Information furnished by VUDA)

- Out of 242 plots available with VUDA, 116 plots were for sale/development of residential/commercial complexes and the proceeds from the sale of land was to be used for the purpose of providing infrastructural facilities. Audit observed that out of 116 plots admeasuring 4,03,562 sq. mtrs., VUDA had developed commercial complex in two plots admeasuring 2,323 sq. mtrs. while another four plots admeasuring 14,002 sq. mtrs were sold for ₹ 40.78 crore. For the remaining 110 plots, VUDA have not even fixed the sale price of plots in respect of eight TP schemes. This indicated that 110 plots available with VUDA were lying un-disposed/undeveloped, thus, defeating the very purpose of approval of TP schemes. Besides, VUDA also failed to generate income by sale of plots which could have been utilised for providing infrastructural and basic amenities to the residents.

  VUDA stated (June 2015) that public auction for plots at Padra TP-1 and Padra TP-2 schemes were held but only two offers were received. Hence, it was decided to sell the plots after construction of roads.

- Urban/Area Development Authority (Disposal of Land other Properties) Regulation, 2002 provides that the plots earmarked for Socially and Economically Weaker Section may be allotted to EWS beneficiaries or be allotted after developing housing projects either by VUDA or by other Government organisations such as Gujarat Housing Board (GHB), Gujarat Rural Housing Board (GRHB), *etc.* at the rates, as decided by the authority (VUDA). Audit observed that out of 50 plots admeasuring 3,37,745 sq. mtrs. earmarked for EWS in 11 TP schemes, only 11 plots admeasuring 82,888 sq. mtrs. have been allotted/disposed of while the remaining 39 plots are yet to be developed or disposed of (May 2015). Out of 11 plots, six plots had been allotted to GHB and one plot to Padra Nagarpalika. In two plots, VUDA have developed an EWS

housing scheme and in the other two plots, the work of EWS housing scheme is in progress.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that housing for EWS would be constructed under Mukhyamantri Gruh Yojana and plots would be disposed of as per norms in near future.

- Urban/Area Development Authority (Disposal of Land other Properties) Regulation, 2002 provides that site earmarked for Parks and Garden may be allotted to the Local Bodies (LBs), Public Institutions (PIs), Charitable Trusts (Trusts) or Private Limited Companies (Companies) on a lease of five years for the development and maintenance of the same with advertisement rights. However, Audit observed in one of the TP scheme *i.e.* Padra TP-2 that no plots had been earmarked for the said purpose whereas 36 plots admeasuring 66,724 sq. mtrs. had been earmarked in the remaining 10 TP schemes. It was further observed that no efforts had been made by VUDA in any of the TP schemes either to develop the plots itself or allot the same to LBs, PIs, trusts or companies for development. Thus, the residents of the TP schemes were deprived of the facilities of Parks and Gardens.

  VUDA stated (June 2015) that the possession of these plots had been taken over recently and the proposal for development of parks and gardens on Public Private Partnership (PPP) mode was under consideration. The Deputy Secretary UD&UHD in the exit conference also stated (January 2016) that Parks and Gardens would be developed under PPP mode in due course.

2.3.8.3 Transfer of Ownership of Land

GTP&UD Rules, 1979 provide that the ownership of the land allotted to the authority shall be corrected in the revenue records immediately on approval of the TP scheme by the State Government. Audit observed that the ownership of all 242 plots available with VUDA for development was shown in the land records to be with the original land owners. It was also observed that an individual who had purchased a plot from VUDA through auction was denied loan by the bank due to title clearance problem *i.e.* non-transfer of plot in the name of VUDA and then in the name of the individual.

VUDA stated (June 2015) that oral requests were made to the District Inspector of Land Records (DILR) but due to shortage of staff in their office, the same could not be done. Audit is of the view that urgent action is required to be taken for clearance of title of the land in favour of VUDA for development of the area by taking up the matter with DILR, as almost one to 24 years have elapsed since finalisation of 11 TP schemes.

The Government may issue instructions to VUDA for taking steps to transfer the ownership of the land/plots from the name of original land owners to the name of VUDA to avoid any legal complications in future.

2.3.8.4 Maintenance of Asset Register

Rule 190(2) of GFR, 2005 and Form – Q of GTP&UD Rules provide maintenance of asset register (Register of Fixed Assets). However, Audit

observed that VUDA was not maintaining an asset register of plots in the possession of VUDA.

VUDA stated (June 2015) that the land register/asset register was not being maintained; however, the details of TP wise plots were being maintained in the computer in MS word. Audit is of the view that a register may be maintained as there was every possibility of losing the data from the computer or alteration of data by unauthorised persons.

2.3.9 Infrastructure and amenities development

2.3.9.1 Creation of infrastructure and amenities

The First Development Plan and the First Revised Development Plan envisaged various development works with an estimated cost of ₹ 200.00 crore and ₹ 428.27 crore respectively as shown in **Appendix-XIV.** Audit observed that though the provision of infrastructure and basic amenities were provided in the development plans and TP schemes, however, VUDA had executed works relating to roads only.

Audit further observed that –

- Out of 11 TP schemes approved finally/preliminarily, 59,100 metres of road work have been completed in ten TP schemes. The road work of Nimetha TP-1 (4,465 metres) was yet to be taken up (June 2015) due to less number of residents in the TP area.
- The residents of VUDA area were dependent on ground water for drinking and other day-to-day activities due to non-execution of water supply works.
- Due to non-availability of drainage and sewerage system, the sewage was being disposed of in open area or in soak pit by the residents of the VUDA area. Audit is of the view that accumulation of sewage in open area and overflowing of soak pit could be hazardous to the environment and also may lead to spread of diseases. It was observed from the records of VUDA that the residents of Gordhan Park, Ambikadham Society, Gopinath tenement, surrounding areas of Petrofil Road, Pushpak township on Refinery Road, southern area of Gorwa-Undera Road, *etc.* made five complaints between December 2011 and June 2014 regarding stranded over-flown sewage as it entered into their houses through drainage line and VUDA carried out temporary arrangement to clear the blockage. However, the problem persisted and the residents were living in unhygienic conditions. During the site visit (June 2015), Audit observed stranded over-flown sewage at Krishnadeep Tenements and Ambika Park on the southern side of the Gorwa-Undera Road as shown in **Picture 1 and Picture 2**. VUDA while accepting the fact of stranded over-flown sewage stated (June 2015) that temporary arrangement of pumping the sewage through auxiliary pumping station situated nearby was made, however, the pumping was not done on regular basis.

Picture 1: Sewage water accumulated in the Entrance of Krishnadeep Tenaments (02.06.2015)

Picture 2: Sewage water accumulated in open plot of Ambika Park (02.06.2015)

- As against 1,474 plots to be developed in the 11 TP schemes, 1,232 plots had been allotted to original plot holders. However, Audit observed that only 306 out of 1,232 plots have been developed till date. The reasons for non-development of plots by original plot holders could be attributed to non-development of these areas by VUDA in terms of water supply system, drainage and sewerage system, streetlights, *etc.* Audit further observed that though Padra TP-1 and Nimeta TP-1 schemes were approved in August 1990 and June 1998 respectively, only 13 (eight *per cent*) and seven (seven *per cent*) plots against 157 and 103 plots had been developed by original plot holders. Thus, even after lapse of more than 24 years from the date of final approval of these TP schemes, VUDA failed to develop the earmarked TP area.

VUDA attributed (June 2015) paucity of funds for non-creation of basic amenities in the development area. The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that the work of preparation of draft project report (DPR) for drainage and sewerage works had been awarded and the work would commence shortly and other facilities such as supply of drinking water and street light would be provided in a phased manner. However, Audit is of the view that the amenities fee of ₹ 99.27 crore lying unutilised with VUDA could have been utilised for providing basic amenities in the development area for maintaining hygienic environment.

It is recommended that basic amenities such as water supply system, drainage and sewerage system, streetlights, etc. be developed by VUDA so that people moving to VUDA area could avail these amenities.

2.3.9.2 Regularisation of Unauthorised Development

State Government introduced (October 2011) "Gujarat Regularisation of Un-authorised Development (GRUD) Act, 2011" to extend one time concession to the owners to regularise their unauthorised/irregular constructions on payment of prescribed compounding fees. As per the provision of the Act, the owners have to submit the applications within six months from the date of introduction of the Act which was further extended upto 17 August 2013. The applications received were required to be scrutinised and finalised within a period of 18 months.

VUDA received 1,464 applications upto 17 August 2013, however, only 78 applications (five *per cent*) could be finalised by VUDA till 16 January 2015. Audit further observed that though the State Government had extended the time period for finalisation of pending applications upto August 2015, no progress was made by VUDA and 1,386 applications were yet to be processed (May 2015).

VUDA attributed (June 2015) the pendency to non-submission of ownership documents, photographs, plan of construction, documents relating conversion of agricultural land to non-agricultural land, construction on Government land, *etc.* along with the applications by the owners. However, Audit observed that VUDA had neither rejected the applications nor called for the required documents from the owners for finalisation of applications within the prescribed time schedule or even thereafter. ***Thus, inaction and inordinate delay in processing the applications by VUDA deprived the applicants from the benefit of the scheme.***

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that instructions would be issued to VUDA for processing the pending applications.

Housing Projects

2.3.9.3 Collapse of building at Madhavnagar

GTP&UD Act provides that the authority may carry any development works in the urban development area as may be assigned to it by the State Government from time to time.

Under the 15 point programme of Mukhyamantri Yojana, VUDA had executed (between 1999 and 2001) five housing schemes[56] for EWS beneficiaries consisting of 2,246 housing units and the same were allotted to the beneficiaries between 2000 and 2005.

Audit observed that two blocks[57] of EWS housing complex consisting of 458 dwelling units constructed in March 2001 at Madhavnagar by VUDA through a private contractor, collapsed (August 2013) causing loss of 11 lives and property of occupants (**Picture 3 and 4**). The incident of collapse of blocks within 11 years indicated sub-standard execution of work and non-monitoring of the quality of work by VUDA officials. The State Government appointed (August 2013) a high level inquiry committee to ascertain the cause of collapse, and fix responsibility for the lapses and negligence with terms of reference to submit the report within one month. The committee submitted (October 2013) its report as per its terms of reference. However, the final action on the report was pending (October 2015) with another committee constituted (March 2014) by the State Government for examination of the report and recommendations on suitable action against accused officials. The residents of other blocks consisting of 430 dwelling units were evacuated (September 2013) with a condition that they would be rehabilitated in an alternate EWS housing complex at the same site.

[56] Dindayal Nagar-1 (Gotri – 504 units), Dindayal Nagar-2 (Gotri – 212 units), Dindayal Nagar-3 (Gotri – 806 units), Madhavnagar (Atladra – 458 units) and Keshavnagar (Atladra – 266 units)

[57] Block No. 10 and 11

Picture 3: Collapsed EWS housing complex at Madhavnagar (obtained from the records)

Picture 4: Collapsed EWS housing complex at Madhavnagar (obtained from the records)

As the structural designs of Keshavnagar EWS housing complex was similar to Madhavnagar EWS housing complex, VUDA decided (October 2013) to evacuate the residents of Keshavnagar (266 units in 19 blocks) also and dismantle the complex.

For rehabilitation of these evacuated EWS beneficiaries, VUDA awarded (December 2013) the work of developing housing complex at Madhavnagar and Keshavnagar to an agency[58] on PPP mode with built up area of total 47,655 sq. mtrs.[59] As per the terms and conditions of the PPP mode, the agency was to accommodate all the original beneficiaries within the built up area of 18,304 sq. mtrs.[60] and the remaining built up area could be utilised by the agency for sale with 20 *per cent* for commercial and the rest for residential purpose. The agency was required to complete the projects in 14 months from the date of signing of the agreement and pay ₹ 1,500 per month as rent to 724 beneficiaries till their rehabilitation. However, Audit observed that the agency had not started work at Keshavnagar till date (June 2015) and the work at Madhavnagar was stopped (March 2015) by the agency after executing the work upto plinth in respect of three out of 10 blocks to be constructed as the agency demanded additional built up area to construct more floors for sale. Audit observed that VUDA had not signed the agreement with the agency till date (May 2015). It was further observed that details of monthly payments made to above 724 beneficiaries were not monitored by VUDA as no records indicating the date and amount paid by the agency to beneficiaries had been maintained by VUDA. In the absence of records, Audit could not vouchsafe whether the agency had paid rent regularly and timely to affected EWS beneficiaries. Non-completion of project in time by the agency and lack of monitoring by VUDA deprived EWS beneficiaries of proper housing facility and they had to face financial and other hardships.

VUDA while accepting the above facts stated (June 2015) that notices had been served to the agency for the delay and non-starting of work. It was further stated that rent to the beneficiaries were being paid regularly. However, Audit observed that VUDA had received complaints from the beneficiaries in October and November 2014 regarding non-payment of rent.

[58] M/s. N. A. Construction, Ahmedabad

[59] Madhavnagar – 25,800 sq. mtrs. and Keshavnagar – 21,855 sq. mtrs.

[60] Madhavnagar – 11,585 sq. mtrs. and Keshavnagar – 6,719 sq. mtrs.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that the contractor had been blacklisted and removed from the work (28 December 2015); fresh tenders have been invited (January 2016) with condition in the tender to make advance rent payments for making payments of rent to the beneficiaries. It was further stated that timely payment of rent to beneficiaries by the agency would be ensured and records of rent payment would be maintained.

The Government may issue instructions to VUDA for taking expeditious action to complete the project in a time bound manner and rehabilitate the EWS beneficiaries at the earliest. VUDA may also monitor the regular payment of rent to the affected EWS beneficiaries.

Road Works

VUDA completed targeted road works in 10 out of 11 TP schemes. The road works were carried out by engaging private agencies. On scrutiny of records of road works, Audit observed the following –

2.3.9.4 Time period for bid submission

As per the Resolution (March 2007) of Roads and Buildings (R&B) Department for e-tender process, for contracts with value above ₹ 3.00 crore, there should be a time gap of 30 days between the date of uploading of blank tender paper and last date of submission of bid. However, the time gap provided by VUDA was only 15 days in all the 10 works awarded with estimated cost above ₹ 3.00 crore. Thus, VUDA had awarded works without following the prescribed procedure meant for getting healthy competitive rates.

VUDA stated (June 2015) that though time gap was less, the bids received were more than 10 *per cent* lower than the estimated cost. It was further stated that henceforth time would be provided as envisaged in the R&B resolution.

2.3.9.5 Execution of contract agreements

Gujarat Public Works Manual provides that work order may be issued only after making an agreement with the contractor. However, Audit observed that work orders in respect of all 10 road works were issued before executing an agreement with the contractor. The delay in executing agreements ranged from 36 to 223 days from the date of issue of work orders in respect of these works **(Appendix-XV)**. Non-execution of timely agreement could result in failure to take action against the contractor on abandonment of work as noticed in respect of construction of EWS housing at Madhavnagar and Keshavnagar.

VUDA while admitting the fact, stated (June 2015) that henceforth provisions of Manual would be adhered to.

2.3.9.6 Observance of Government instructions pertaining to Road works

On scrutiny of records, Audit observed that Government instructions were not followed by VUDA in four out of 10 road works which resulted in irregular and avoidable expenditure to the contractors as discussed below -

(i) Government instructions (November 1997, November 1998 and June 2001) provide that if contractor fails to complete the work within the stipulated time limit, then no payment towards price variation in star rate of asphalt would be made to the contractor for the asphalt used after the stipulated date of

completion. However, Audit observed in two road works[61] though the works were not completed within the stipulated time limit, ₹ 1.19 crore was paid to the contractors on account of price variation of star rate for asphalt used after the stipulated date of completion.

VUDA stated (June 2015) that as extension of time limit was granted, price variation was paid as per tender condition. The reply is not convincing as non-eligibility of price variation on asphalt was specifically mentioned in the letter of time extension issued to the contractor and the payment was made in contravention to above Government instructions.

(ii) Government instructions (June 1991) as well as specification of Ministry of Road, Transport and Highways (MORTH) provide that where the material to receive an overlay is a freshly laid bituminous layer that has not been subjected to traffic or contaminated by dust, a tack coat is not mandatory where the overlay is to be completed within two days. Audit observed in four road works[62] that payment of ₹ 51.13 lakh was made to the contractors for unwarranted consumption of 110.311 Metric Tonnes (MT) of asphalt used for application of tack coat in 2,20,622 sq. mtrs. of area at the rate of five Kg. per 10 sq. mtrs.

VUDA stated (June 2015) that provision of tack coat was kept in tender to allow the lower layer to settle and avoid any deterioration due to traffic movement. However, provision of MORTH would be followed henceforth. Audit observed that the carpet work was done in a width of 5.5 metres and there was enough space for diverting the traffic. Further, the road was constructed in townships which were at developing stage and thus diversion of traffic was easy, unlike that in highways.

Thus, non-adherence to Government instructions by VUDA in above road works resulted in undue financial benefits to the contractors of ₹ 1.70 crore. VUDA, while finalising the tenders, execution of works and payments to the contractors should adhere to all Government instructions so that prudent financial decisions are taken.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that Government instructions regarding execution of road works would be adhered to in future.

2.3.10 Internal Control

2.3.10.1 Establishment of Internal Audit Wing

Internal Audit examines and evaluates the level of compliance with the departmental rules and procedures and provides reasonable assurance to the management on the adequacy of the existing internal controls. The primary function of Internal Audit is ensuring the accuracy of the accounts and presenting correct statement of financial transactions of the organisation. However, Audit observed that no Internal Audit Wing had been established by VUDA to conduct internal audit of various wings.

[61] Sevasi TP-1 – ₹ 0.43 crore (704.86 MT) and Bhayli TP-4 - ₹ 0.76 crore (597.248 MT)

[62] Sevasi TP-1 – ₹ 10.14 lakh for 22.167 MT (44,333 sq. mtrs.), Bhayli TP-2 - ₹ 11.22 lakh for 23.710 MT (47,421 sq. mtrs.), Bhayli TP-3 - ₹ 13.84 lakh for 30.773 MT (61,546 sq. mtrs.) and Bhayli TP-4 - ₹ 15.93 lakh for 33.661 MT (67,322 sq. mtrs.)

VUDA attributed (June 2015) shortage of staff to non-establishment of the Internal Audit wing. It was also stated that the same would be established on sanction of additional staff by the Government. Considering the huge transactions in VUDA, risk of over-payment, under-realisation of receipt, *etc.*, an Internal Audit wing would definitely aid the management in exercising effective control over the affairs.

The Deputy Secretary UD&UHD in the exit conference agreed (January 2016) to set-up an Internal Audit wing in VUDA.

2.3.10.2 Public Grievances Redressal Mechanism

Vadodara Urban Development Authority mostly deals with the public. For effective public grievances redressal, mechanism for receipt of complaints and their due acknowledgement, diarising the complaints, registration of complaints, disposal of complaints in a first-come-first served manner, noting of action taken in respect of complaints in a register, periodic monitoring of system of disposals and follow-up by superior authorities are necessary. However, Audit observed that such a system was not in place in VUDA. There was no separate Public Grievances Redressal Cell in VUDA. Even the complaints received were not diarised in a register to watch proper redressal of the same.

VUDA stated (June 2015) that all branches are directly dealing with the grievances, however, a centralised grievance redressal mechanism would be developed shortly. Since there was no record of registering the complaints and their redressal, Audit could not vouchsafe the timeliness of redressal of public grievances.

As VUDA has a large public dealing function, it is imperative that an effective public grievance redressal system and mechanism be developed at the earliest.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that a dedicated grievance redressal cell would be established in VUDA.

2.3.11 Human Resource Management

2.3.11.1 Shortage of Manpower

The men-in-position as against the sanction strength of VUDA as on May 2015 is shown in **Table 4** below –

Table 4: Details of sanctioned strength *vis-à-vis* men-in-position as on May 2015

Category of staffs	Sanctioned strength	Men-in-position	Shortage	Percentage of shortage
Administrative	14	07	07	50
Technical	31	12	19	61
Supportive(Driver/peon)	17	09	08	47
Total	**62**	**28**	**34**	**55**

(Source: Information provided by VUDA)

The above table shows that shortage in Technical staff is more than other categories. Audit observed shortage of technical staffs *viz.* assistant town planner (1), head draftsman (1), assistant draftsman (2), junior draftsman (2), tracer (1), surveyor-technical (4) and surveyors (6). The post of head draftsman was vacant since May 1996, assistant draftsmen since November 2003 and surveyors since three to 19 years.

The Deputy Secretary UD&UHD in the exit conference stated (January 2016) that action would be taken to provide/recruit adequate technical staff in VUDA.

2.3.12 Conclusion and Recommendation

The Performance Audit on the "Functioning of Vadodara Urban Development Authority" revealed some areas of concerns and gaps, which are highlighted below along with a set of recommendations as a way forward -

- As against 53 TP schemes proposed in the First Revised Development Plans, VUDA had proposed only four TP schemes. The reservation of land for specific purposes in the TP schemes was not made as per the provisions of GTP&UD Act.

  The provisions of GTP&UD Act for reservation of land for specific purposes in the TP schemes may be adhered to for an orderly development of the TP area.

- Out of an amount of ₹ 100.71 crore collected by VUDA as amenities fees from the developers and plot holders during 2012-15, VUDA could utilise only ₹ 1.44 crore for the said purpose.

  The Government may issue instructions to VUDA to expedite provision of basic amenities to the residents of the TP area.

- The land acquired for Transport Nagar-cum-Logistic Park remained undeveloped due to non-acquisition of a piece of land in the central portion of the site and delay in appointment of consultants, preparation of designs, non-availability of potential investors on PPP mode for its development, *etc.*

  The Government may issue instructions to VUDA to take steps to develop the Transport Nagar-cum-Logistic Park to avoid further delay.

- Out of 242 plots admeasuring 9.45 lakh square metres allotted to VUDA in 11 TP schemes for development purpose such as residential/commercial complexes for sale, housing for socially and economically weaker sections, parks and gardens, social infrastructure, it was observed that only 17 plots had been developed or disposed of by VUDA. No efforts were made by VUDA for transferring the ownership of the plots/land allotted to VUDA from the name of the original land owners.

  The Government may issue instructions to VUDA for taking steps to transfer the ownership of the land/plots from the name of original land owners to the name of VUDA to avoid any legal complications in future.

- EWS beneficiaries evacuated from Madhavnagar and Keshavnagar could not be rehabilitated due to delay in commencement of construction work and abandoning of work by the contractor. Even the details of monthly payments made to 724 EWS beneficiaries by the contractor were not being monitored by VUDA.

  The Government may issue instructions to VUDA for taking expeditious action to complete the project in a time bound manner and rehabilitate the EWS beneficiaries at the earliest. VUDA may also monitor the regular payment of rent to the affected EWS beneficiaries.

The matter was reported to the Government (July 2015). Reply is awaited (January 2016).