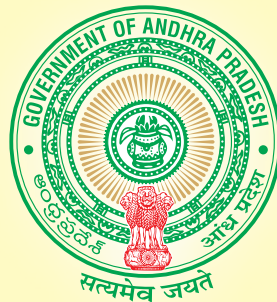




**Report of the  
Comptroller and Auditor General of India  
on  
General & Social Sector  
for the year ended March 2016**



**Government of Andhra Pradesh**  
*Report No.2 of 2017*



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Comptroller and Auditor General of India  
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# Table of Contents

	Reference to	
	Paragraph	Page
<i>Preface</i>		v
<b>Chapter I - Overview</b>		
About this Report	1.1	1
Profile of General and Social Sector	1.2	1
Office of Principal Accountant General (G&SSA)	1.3	2
Authority for audit	1.4	3
Planning and conduct of audit	1.5	3
Response of Departments to Audit findings	1.6	3
Significant Audit observations	1.7	5
<b>Chapter II - Compliance Audit Observations</b>		
<i>School Education Department</i>		
<b>Functioning of Andhra Pradesh Residential Educational Institutions Society</b>	2.1	9
<i>Women, Children, Differently Abled and Senior Citizens; Home; Health, Medical and Family Welfare Departments</i>		
<b>Welfare of Senior Citizens</b>	2.2	20
<i>Backward Classes Welfare Department</i>		
<b>Infrastructure in Backward Classes Welfare Residential Educational Institutions</b>	2.3	32
<i>Health, Medical and Family Welfare Department</i>		
<b>Medical equipment lying unutilised</b>	2.4	39

	Reference to	
	Paragraph	Page
<i>Higher Education Department</i>		
<i>(Sri Venkateswara University)</i>		
<b>Unproductive Expenditure</b>	2.5	42
<i>(Yogi Vemana University)</i>		
<b>Deficient planning for Agriculture Science Park</b>	2.6	44
<b>Unfruitful Expenditure</b>	2.7	46
<i>Home (Police) Department</i>		
<b>Execution of works without approval</b>	2.8	48
<i>Municipal Administration and Urban Development Department (Public Health and Municipal Engineering)</i>		
<b>Water Supply Improvement Scheme not completed</b>	2.9	49
<b>Wasteful Expenditure</b>	2.10	51
<i>Revenue Department</i>		
<b>Loss on alienation of land</b>	2.11	53
<b>Loss on alienation of land at nominal value</b>	2.12	54

## Appendices

Appendix Number	Details	Reference to	
		Paragraph	Page
1.1	Department-wise break-up of outstanding Inspection Reports and Paragraphs	1.6	57
1.2	Position of Pending Explanatory Notes (as of 30 November 2016)	1.6	58
2.1	List of institutions selected for test-check	2.1.2	59
2.2	Year-wise details of budget and expenditure	2.1.4	60
2.3	Year-wise details of diet charges	2.1.5	61
2.4	List of test-checked institutions	2.2.3	62
2.5	List of sampled Residential Schools	2.3.1	63
<b><i>Glossary</i></b>			65





## Preface

This Report pertaining to the State of Andhra Pradesh for the year ended March 2016 has been prepared for submission to Governor of Andhra Pradesh under Article 151 of the Constitution of India.

This Report contains significant results of compliance audit of the Departments of Government of Andhra Pradesh under the General and Social Sector including Departments of Backward Classes Welfare; Health, Medical and Family Welfare; Higher Education; Home; Municipal Administration and Urban Development; Revenue; School Education; Women, Children, Differently Abled and Senior Citizens. However, Departments of Consumer Affairs, Food and Civil Supplies; Finance and Planning; General Administration; Housing; Labour, Employment, Training and Factories; Law; Minorities Welfare; Panchayat Raj and Rural Development; Social Welfare; State Legislature; Tribal Welfare; Youth Advancement, Tourism and Culture are not covered in this Report on General and Social Sector.

The instances mentioned in this Report are those which came to notice in the course of test audit during the period 2015-16, as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2015-16 have also been included, wherever necessary.

The audit has been conducted in conformity with Auditing Standards issued by Comptroller and Auditor General of India.



# Chapter I

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## Overview

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## 1.1 About this Report

This Report of the Comptroller and Auditor General (CAG) relates to matters arising from audit of transactions of various Departments of Government of Andhra Pradesh, Central and State plan schemes and audit of autonomous bodies of the State pertaining to General and Social Sector.

The primary purpose of this Report is to bring to the notice of the State Legislature significant results of audit. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. Findings of audit are expected to enable the Executive to take corrective action, to frame appropriate policies as well as to issue directives that will lead to improved financial management of the organisations and contributing to better governance.

Compliance audit refers to the examination of transactions of audited entities to ascertain whether provisions of the Constitution of India, applicable laws, rules and regulations, various orders and instructions issued by competent authorities are being complied with.

This Chapter, in addition to explaining planning and coverage of audit, provides a synopsis of significant audit observations made during audit of transactions and follow-up action on previous Audit Report.

## 1.2 Profile of General and Social Sector

A summary of the expenditure incurred during last five years by Departments of Government of Andhra Pradesh falling within General and Social Sector is given below.

**Table-1.1**

(₹ in crore)

Sl. No.	Name of the Department	2011-12	2012-13	2013-14	2014-15	2015-16
<b>A</b>	<b>General Sector</b>					
1	Finance and Planning	30529.86	33817.12	36747.57	32113.70	61115.96
2	General Administration	705.90	584.68	819.71	831.12	460.43
3	Home	4412.53	5084.74	5692.96	4655.24	4079.63
4	Law	603.63	684.29	752.51	658.55	542.36
5	Revenue	2412.21	2058.01	3265.35	2424.34	2306.14
6	State Legislature	84.69	95.27	112.63	83.62	79.95
	<b>Total (A)</b>	<b>38748.82</b>	<b>42324.11</b>	<b>47390.73</b>	<b>40766.57</b>	<b>68584.47</b>

Sl. No.	Name of the Department	2011-12	2012-13	2013-14	2014-15	2015-16
<b>B</b>	<b>Social Sector</b>					
1	Backward Classes Welfare	2758.53	3774.72	3538.31	2371.15	2720.09
2	Consumer Affairs, Food and Civil Supplies	2450.69	2792.38	3288.36	2228.93	2487.01
3	Health, Medical and Family Welfare	4980.25	5312.34	5737.45	5392.67	5067.03
4	Higher Education	2669.73	3238.25	3416.79	2857.87	3071.71
5	Housing	1743.33	1829.15	2083.02	1201.46	1678.49
6	Labour, Employment, Training and Factories	465.67	474.33	503.93	347.64	342.27
7	Minorities Welfare	370.33	350.88	505.34	400.07	337.79
8	Municipal Administration and Urban Development	4108.89	4268.07	3038.02	3423.13	3586.69
9	Panchayat Raj <sup>s</sup>	2987.51	3393.22	4670.09	6429.85	4943.97
10	Rural Development <sup>s</sup>	4855.68	5175.01	4157.06	9496.05	13830.48
11	School Education	12250.18	13263.24	15094.39	14226.13	13737.77
12	Social Welfare	1941.74	2224.99	2450.96	2468.46	2131.73
13	Tribal Welfare	1143.23	1336.44	1288.01	1096.42	995.22
14	Women, Children, Differently Abled and Senior Citizens	1513.03	2029.56	2031.82	1752.93	1420.91
15	Youth Advancement, Tourism and Culture	214.38	258.89	302.23	254.38	304.83
	<b>Total (B)</b>	<b>44453.17</b>	<b>49721.47</b>	<b>52105.78</b>	<b>53947.14</b>	<b>56655.99</b>
	<b>Grand Total (A+B)</b>	<b>83201.99</b>	<b>92045.58</b>	<b>99496.51</b>	<b>94713.71</b>	<b>125240.46</b>

Source: Appropriation Accounts of Government of Andhra Pradesh for relevant years  
<sup>s</sup>under one Secretariat Department 'Panchayat Raj and Rural Development'

### 1.3 Office of Principal Accountant General (G&SSA)

Under directions of the CAG, Office of the Principal Accountant General (General & Social Sector Audit), Andhra Pradesh & Telangana conducts audit of 20 Departments and local bodies/ public sector undertakings/ autonomous bodies thereunder in the State of Andhra Pradesh.



Offices of the Accountants' General, Andhra Pradesh & Telangana

## 1.4 Authority for audit

Authority for audit by the CAG is derived from Articles 149 and 151 of Constitution of India and Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (DPC Act). CAG conducts audit of expenditure of General and Social Sector Departments of Government of Andhra Pradesh under Section 13<sup>1</sup> of the DPC Act. CAG is the sole auditor in respect of autonomous bodies/local bodies which are audited under Sections 19(2)<sup>2</sup> and 20(1)<sup>3</sup> of the DPC Act. In addition, CAG also conducts audit under Section 14<sup>4</sup> of the DPC Act, of other autonomous bodies which are substantially funded by the Government. Principles and methodologies for various audits are prescribed in Auditing Standards and Regulations on Audit and Accounts, 2007 issued by the CAG.

## 1.5 Planning and conduct of audit

The audit process commences with assessment of risk in respect of Departments/organisations/autonomous bodies/schemes etc., based on expenditure incurred, criticality/complexity of activities, priority accorded for the activity by Government, level of delegated financial powers, assessment of internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, frequency and extent of audit are decided and an annual audit plan is formulated to conduct audit.

After completion of audit of each unit, Inspection Report (IR) containing audit findings is issued to head of the unit with a request to furnish replies within one month of receipt of IR. Whenever replies are received, audit findings are either settled or further action for compliance is advised. Significant audit observations pointed out in these IRs, which require attention at the highest level in Government, are processed for inclusion in Audit Reports which are submitted to the Governor of the State under Article 151 of the Constitution of India for causing them to be laid on the Table of State Legislature.

## 1.6 Response of Departments to Audit findings

Heads of offices and next higher authorities are required to respond to observations contained in IRs and take appropriate corrective action. Audit observations communicated in IRs are also discussed in meetings at district/State levels by officers of the Accountant General's office with officers of the concerned Departments.

<sup>1</sup> Audit of (i) all transactions from Consolidated Fund of State, (ii) all transactions relating to Contingency Fund and Public Account and (iii) all trading, manufacturing, profit & loss accounts, balance sheets & other subsidiary accounts kept in any Department of a State

<sup>2</sup> Audit of accounts of Corporations (not being Companies) established by or under law made by State Legislature in accordance with provisions of the respective legislations

<sup>3</sup> Audit of accounts of any body or authority on request of Governor, on such terms and conditions as may be agreed upon between CAG and Government

<sup>4</sup> Audit of all (i) receipts and expenditure of a body/authority substantially financed by grants or loans from Consolidated Fund of State and (ii) all receipts and expenditure of any body or authority where grants or loans to such body or authority from Consolidated Fund of State in a financial year is not less than ₹one crore

As of 30 September 2016, 3001 IRs containing 24,031 paragraphs pertaining to the years up to 2015-16 were pending settlement as detailed in Table-1.2. Of these, first replies have not been received in respect of 265 IRs (5,022 paragraphs). Department-wise details are given in *Appendix-1.1*.

**Table-1.2**

Year	Number of IRs/Paragraphs as of 30 September 2016		IRs/Paragraphs where even first replies have not been received	
	IRs	Paragraphs	IRs	Paragraphs
2011-12 and earlier years	2516	15409	104	1468
2012-13	90	1918	1	54
2013-14	52	1099	5	122
2014-15	148	2709	42	1200
2015-16	195	2896	113	2178
<b>Total</b>	<b>3001</b>	<b>24031</b>	<b>265</b>	<b>5022</b>

Lack of action on audit IRs and paragraphs is fraught with risk of perpetuating serious financial irregularities pointed out in these reports, dilution of internal controls in process of governance, inefficient and ineffective delivery of public goods/services, fraud, corruption and loss to public exchequer.

As per instructions issued by Finance and Planning Department in November 1993, administrative Departments are required to submit Explanatory Notes on paragraphs and performance reports included in Audit Reports within three months of their presentation to Legislature, without waiting for any notice or call from Public Accounts Committee, duly indicating action taken or proposed to be taken. However, as of 30 November 2016, 13 Departments have not submitted Explanatory Notes in respect of 37 paragraphs/ Performance Audit reports that featured in the Audit Reports for the years 2006-07 to 2014-15. Details are given in *Appendix-1.2*.

As per the Finance Department's Handbook of Instructions and their U.O. dated 3 November 1993, all Departments are required to send their responses to draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India, within six weeks of their receipt. During 2016-17, 12 draft paragraphs were forwarded to the Special Chief Secretaries/ Principal Secretaries/ Secretaries of the Departments concerned, drawing their attention to the audit findings and requesting them to send their response within six weeks. It was brought to their personal attention that in view of likely inclusion of these paragraphs in the Audit Report of the Comptroller and Auditor General of India, which would be placed before the State Legislature, it would be desirable to include their comments/responses to the audit findings. Despite this, seven Departments<sup>5</sup> did not furnish replies to draft paragraphs as on the date of finalisation of this Report. The responses of the Departments, where received, have been appropriately incorporated in the Report.

<sup>5</sup> (i) Backward Classes Welfare, (ii) Health, Medical and Family Welfare, (iii) Higher Education, (iv) Home (Police), (v) Municipal Administration and Urban Development, (vi) School Education and (vii) Women, Children, Differently Abled and Senior Citizens Departments



## 1.7 Significant Audit observations

This Report contains findings of Audit from a test-check of accounts and transactions of eight Departments of State Government during 2015-16. Audit focus during the year has been primarily on evaluating implementation of specific Government programmes and initiatives covering mainly ‘Backward Classes Welfare’, ‘Health, Medical and Family Welfare’, Higher Education, Home, ‘Municipal Administration and Urban Development’, Revenue, School Education, ‘Women, Children, Differently Abled and Senior Citizens’ Departments under General and Social Sector so as to aid Government in taking necessary corrective action to improve service delivery levels to citizens. Towards this end, 12 compliance audit paragraphs have been issued to the Government.

Significant results of audit featured in this Report are summarised below:

### 1.7.1 Compliance Audit Observations

#### 1.7.1.1 *Functioning of Andhra Pradesh Residential Educational Institutions Society*

Government had established ‘Andhra Pradesh Residential Educational Institutions Society’ (APREIS) in the year 1972 with the primary objective of imparting quality education to talented rural children of all categories of society, the annual income of whose parents did not exceed ₹60,000. Government had issued instructions (February 2008) stipulating that all residential schools in the State should be provided adequate infrastructure facilities in a phased manner over a period of four to five years.

However, APREIS had not prepared the budget estimates on the basis of need assessment. Dietary items were not supplied to the students as per the scales fixed by Government. Creation of infrastructure was not given adequate attention. Shortages were observed in test-checked institutions with regard to provision of infrastructure/basic amenities like buildings, classrooms, dormitories, dining halls, staff quarters, toilet facilities, etc. The declining trend in percentage of students achieving higher grades in Secondary School Certificate (SSC) examinations from 90 *per cent* in 2013 to 74 *per cent* in 2016 was an ample indicator of the falling quality of education. Vacancies in the posts of Principals and teaching staff coupled with ineffective monitoring mechanism led to deteriorating quality of education in these institutions.

*(Paragraph 2.1)*

#### 1.7.1.2 *Welfare of Senior Citizens*

Government of India (GoI) had enacted (December 2007) ‘Maintenance and Welfare of Parents and Senior Citizens Act’ to provide welfare measures to senior citizens in consonance with the National Policy on Senior Citizens. The Commissioner and Director of Welfare of Differently Abled and Senior Citizens is the Nodal Officer responsible for implementation of the schemes and programmes for welfare of senior citizens in the State.

While the initiative taken in terms of old age pension disbursement was commendable, the overall implementation of the various programmes emanating from the Maintenance and Welfare of Parents and Senior Citizens Act, 2007 and the Rules framed thereunder were found to be deficient on many fronts of implementation, be it infrastructure of old age homes or protective measures to ensure the prevention of atrocities and crimes against the aged. The chief underlying factor behind the shortcomings in implementation was seen to be the lack of awareness and action required on the part of civil societies and Government stakeholders like Health, Police Departments, etc.

*(Paragraph 2.2)*

### **1.7.1.3 Infrastructure in Backward Classes Welfare Residential Educational Institutions**

Mahatma Jyotiba Phule Andhra Pradesh Backward Classes Welfare Residential Educational Institutions Society (Society) was constituted in April 2012 with the prime objective of rendering quality education to students belonging to the Backward Classes and other weaker sections of the Society. Although, Government had decided (February 2008) to strengthen all the residential schools in the State and provide adequate infrastructure facilities, there were significant deficiencies in classrooms and other infrastructure in the schools. Academic monitoring of the schools was poor since Academic Guidance Officer was not designated and a large number of vacancies were existing in the posts of Principals. The objective of devoting six periods per week for other activities did not materialise due to dearth of relevant staff. The percentage of students achieving higher grade points has been steadily declining from 93 *per cent* in 2013 to 76 *per cent* in 2016 indicating the deterioration in the quality of education, defeating the main objective of the Society.

*(Paragraph 2.3)*

### **1.7.1.4 Medical equipment lying unutilised**

Medical equipment costing ₹16.43 crore procured by the Andhra Pradesh Medical Services and Infrastructure Development Corporation (APMSIDC) were lying idle due to lack of space and infrastructure constraints, thereby depriving the patients of the Health Care Institutions of the intended benefits.

*(Paragraph 2.4)*

### **1.7.1.5 Unproductive expenditure**

Inaction of Sri Venkateswara University authorities resulted in non-completion of 'Rajiv Gandhi Memorial Golden Jubilee Seminar Complex' construction even after a lapse of almost a decade, rendering the expenditure of ₹1.71 crore unproductive.

*(Paragraph 2.5)*

### **1.7.1.6 Deficient planning for Agriculture Science Park**

Lack of integrated planning in execution of the ‘Agriculture Science Park’ project in Yogi Vemana University, Kadapa (YSR district) led to undue time overruns in project completion and, as a consequence, the expenditure of ₹2.31 crore incurred on the project remained unproductive. Besides, the intended objective of transferring agri-biotech applications to farmers and industries in the area for their benefit also remained unachieved.

*(Paragraph 2.6)*

### **1.7.1.7 Unfruitful expenditure**

Government had initially permitted the Yogi Vemana University, Kadapa (YSR district) to take up building works at a cost of ₹71.61 crore but later it did not release the full funds. As a result, the works were stopped midway leaving the University with deficient infrastructure. Further, the expenditure of ₹29.50 crore incurred on incomplete buildings remained unfruitful.

*(Paragraph 2.7)*

### **1.7.1.8 Execution of works without approval**

Taking up of construction work of a barrack in Police Training Centre, Vizianagaram, out of the XIII Finance Commission grants without obtaining the approval of GoI/State Government had resulted in closure of work midway, rendering the entire expenditure of ₹2.44 crore incurred on the work unfruitful.

*(Paragraph 2.8)*

### **1.7.1.9 Wasteful expenditure**

Failure to secure requisite clearance, non-compliance with Municipal Solid Waste (Management and Handling) Rules, 2000 and proceeding with the execution of works despite litigation hurdles, resulted in the Solid Waste Management project remaining incomplete even after nine years from its sanction, rendering expenditure of ₹89 lakh incurred on construction of compost yard and landfill unit in Chirala municipality wasteful.

*(Paragraph 2.10)*

### **1.7.1.10 Loss on alienation of land**

Alienation of land in Visakhapatnam at a price much less than the market value, in violation of land allotment policy, resulted in a loss of at least ₹8.97 crore to Government.

*(Paragraph 2.11)*

### **1.7.1.11 Loss on alienation of land at nominal value**

Alienation of land in a prime commercial area in Visakhapatnam to a private institution at a nominal price resulted in loss of ₹63.89 lakh to Government.

*(Paragraph 2.12)*



# Chapter II

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## **Compliance Audit Observations**

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## School Education Department

### 2.1 Functioning of Andhra Pradesh Residential Educational Institutions Society

#### 2.1.1 Introduction

Government had established ‘Andhra Pradesh Residential Educational Institutions Society’ (APREIS) in the year 1972 with the primary objective of imparting quality education to the talented rural children of all categories of society, the annual income of whose parents did not exceed ₹60,000. As of April 2016, the APREIS was running 50 residential schools (schools), ten residential junior colleges (junior colleges) and one residential degree college (degree college) with English as medium of instruction. Admissions to these institutions into Class V, Intermediate 1<sup>st</sup> year and Degree 1<sup>st</sup> year are made through admission test.

#### 2.1.2 Audit Framework

Audit of APREIS was conducted from December 2015 to June 2016 covering the period 2013-14 to 2015-16. Audit was conducted with the objective of assessing the state of these institutions in terms of facilities and faculty available, i.e., whether adequate infrastructure was provided in the schools and quality education was imparted to students. Accordingly, records of the APREIS including 16 schools, four junior colleges and one degree college (*Appendix-2.1*), selected on the basis of highest student strength, were examined. Significant audit findings are discussed below.

#### 2.1.3 Management of APREIS

The management of the affairs of the APREIS is vested in a Board of Governors consisting of 17 members headed by the Minister for School Education as Chairman and the Principal Secretary to Government in School Education Department as Vice Chairman, Member Secretary (responsible for the proper functioning of the APREIS), other ex-Officio<sup>1</sup> and nominated members. The Principal is the head of the institution and is responsible for functioning of the institution.

### ***Audit Findings***

#### 2.1.4 Budget and Expenditure

The APREIS was funded by Government through budgetary support in the form of i) grants-in-aid towards salaries and ii) other grants-in-aid. As verified from the budget proposals of APREIS, the funds released as ‘other grants-in-aid’ are meant for ‘diet and other charges’ i.e., food expenses of students, maintenance of institutions, furniture, capital works (minor repairs to buildings), capital grants (for construction of buildings) etc.

<sup>1</sup> Secretary to Government, Finance Department; Director of Higher Education; Director of Intermediate Education; Director of School Education; Managing Director, AP Education and Welfare Infrastructure Development Corporation, etc.

APREIS spent an amount of ₹289.05 crore towards salaries and another amount of ₹76.16 crore on diet and other charges during the three years period 2013-16. The details are given in **Appendix-2.2**.

Audit observed the following.

- (i) Although there was immediate requirement of funds for construction of school buildings, additional classrooms, dormitories etc., in the APREIS schools (as detailed in subsequent paragraphs) the Secretary, APREIS had not included the component 'Capital grant' in the budget proposals in respect of schools<sup>2</sup> submitted to Government in any of the years during 2013-16. The Secretary, APREIS did not furnish specific reasons for non-inclusion of Capital grants in the budget proposals up to 2015-16. Thus, the APREIS did not avail of the opportunity of Government's consideration for provision of funds for this purpose.
- (ii) Although Government had not released funds to the extent sought by APREIS under salaries, there were savings under this head in all the years during 2013-16. The Secretary, APREIS stated that vacant posts were also included in projections in the budget proposals which resulted in savings. During audit it was seen that the savings under salaries head were utilised to meet the deficit under 'diet and other charges'. The APREIS attributed the diversion to non-release of funds for diet and other charges by Government on time.
- (iii) As per Government orders (April 2000) on Personal Deposit (PD) accounts read with provisions of AP Financial Code funds released during a particular financial year should lapse by 31 March of the next financial year and the Administrators of PD accounts (lapsable deposits) are required to close such accounts and transfer the unspent balances back to Government account. It was observed in audit that there was an unspent balance of ₹85.98 crore lying in the Personal Deposit (lapsable deposits) account of the Secretary, APREIS to end of March 2016 out of which an amount of ₹22.74 crore pertained to the period up to March 2015. The APREIS stated (October 2016) that unspent balances were not surrendered as the APREIS was in dire need of funds to meet expenses on 'diet and other charges'. Contrary to Government orders, the unspent balances were not surrendered to the Government account and the amount was held back in the APREIS account.

Thus, the budget estimates of the APREIS were not prepared on a realistic need based assessment. The APREIS had not paid adequate attention to creation of infrastructure in its schools. The APREIS had not refunded unspent balances to the Consolidated Fund.

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<sup>2</sup> Budget proposals were submitted separately for schools, junior colleges and the degree college through respective Heads of Departments. The Society included this item as 'Capital grant' under the head 'diet and other charges' in respect of junior colleges and the degree college



### 2.1.5 Provision of diet

As per norms<sup>3</sup> stipulated (December 2012) by Government, APREIS was required to spend an amount of ₹60.07 crore towards food expenses for 77,988 boarders from Class V to Degree course of its institutions for the three years period 2013-16. Against this, the APREIS spent only an amount of ₹51.37 crore during the period indicating that dietary items were not supplied to the boarders as per norms. The details are given in *Appendix-2.3*.

Further, it was observed in 19<sup>4</sup> out of the 21 test-checked institutions that dietary items viz., rice (3,339 quintals), toor dal (769 quintals), milk (1.42 lakh liters) and eggs (21.40 lakh numbers) were short supplied to the boarders during 2013-16 as detailed in Table-2.1.

**Table-2.1**

Item	No. of meals taken by boarders (No. of schools/ colleges)	Scale (quantity per student per day)	Requirement as per scale (Col.2*3)	Actual consumption	Short supply (Col.4-5)
1	2	3	4	5	6
<b>Schools</b>					
Rice (in quintals)	47,83,967 (15)	375 gm for lunch and dinner	17,941	14,987	2,954
Toor dal (in quintals)	47,90,733 (15)	35 gm for lunch and dinner	1,676.75	915.35	761.41
Milk (in liters)	32,49,683(10)	160 ml	5,19,948	3,78,113	1,41,835
Eggs (in numbers)	51,22,642 (16)	1 No.	51,22,642	32,38,564	18,84,078
<b>Colleges</b>					
Rice (in quintals)	4,19,882 (2)	400 gm for lunch and dinner	1,679	1,294	385
Toor dal (in quintals)	3,79,907 (2)	30 gm for lunch and dinner	113.97	106.36	7.61
Eggs (in numbers)	6,10,197 (3)	1 No.	6,10,197	3,54,485	2,55,712

Source: Records of test-checked institutions

The Principals of these institutions and the Secretary, APREIS stated that monitoring of preparation and supply of food to the boarders was poor as the post of Deputy Warden in the institutions was not sanctioned requiring one of the lecturers/teachers to be entrusted with the job in addition to their regular work. Thus, food was not supplied to the students as per scales fixed by Government thereby depriving the students of the prescribed nutritional levels in the diet made available to them.

<sup>3</sup> Classes V-VII: ₹750 per month per boarder; Classes VIII-X: ₹850 per month per boarder; Intermediate and Degree courses: ₹1,050 per month per boarder

<sup>4</sup> schools: 16 and junior colleges: 3

## 2.1.6 Infrastructure

To improve the enrolment and retention of students and to provide improved quality of education at the high school level, as part of Millennium Development Goals at the State level, Government had issued instructions (February 2008) stipulating that all residential schools in the State should be strengthened through various initiatives *inter alia* provision of adequate infrastructure facilities *viz.*, buildings, laboratory, library, sports and games, hostels and dining arrangements, staff quarters, etc., in a phased manner over a period of four to five years.

The results of Audit scrutiny of data furnished by the APREIS and physical verification of 16 residential schools showed the following:

### 2.1.6.1 Buildings

Out of 50 residential schools run by APREIS in the State, 34 were functioning in their own buildings and three were functioning in other<sup>5</sup> government buildings. The remaining 13 schools including nine<sup>6</sup> established prior to 2008-09 were functioning in rented buildings.

- Although land was available in respect of five<sup>7</sup> schools, they were functioning in private buildings due to non-construction of buildings. It was seen in audit that construction of school building including dormitories and staff quarters was sanctioned (2012-13) in respect of APRS (Girls), Atmakur at an estimated cost of ₹13 crore. However, the works were not commenced till June 2014 due to non-release of funds by State Government. Although, the works were entrusted to a contractor in June 2014 with a stipulation to complete the work by December 2015, the works remained incomplete (September 2016), due to non-release of funds, after incurring an expenditure of ₹6.26 crore. It was further seen that an amount of ₹6.96 crore was required to complete the balance works. The construction works in the remaining four schools had not even started due to non-release of funds by Government.
- Construction of dormitories and staff quarters for APRS, Vayalpadu (Chittoor district) was sanctioned in 2012-13 at an estimated cost of ₹1.98 crore. The works were scheduled to be completed by July 2014 and extension of time was granted up to August 2015. However, as of May 2016, an amount of ₹1.25 crore was only released against ₹1.98 crore. Thus, the works remained incomplete (June 2016) for want of funds after expending ₹1.25 crore.

The Secretary, APREIS stated (September 2016) that Government had been addressed for release of funds and the works would be completed after receipt of funds.

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<sup>5</sup> APRS, Gurazala at Tadikonda is running in RCE, Tadikonda; APRS, Nutimadugu is sharing the accommodation of ZP High School, Nutimadugu; APRS, Tuni is accommodated in Social Welfare Department building

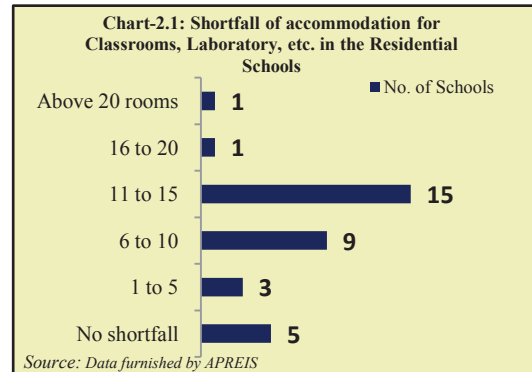
<sup>6</sup> APRS (Boys): Santhanuthalapadu, Nellore (Minority), Ananthapuramu (Minority), Machilipatnam (Minority), Guntur (Urdu); APRS (Girls): Kurnool (Minority), Chittoor (Minority), Vijayawada (Urdu) and Guntur (Minority)

<sup>7</sup> Machilipatnam (Minority Boys); Nellore (Minority Boys); Atmakur (Girls); Kurnool (Minority Girls) and Nutimadugu (Boys)

### 2.1.6.2 Classrooms, laboratory and other rooms

As per the formulation of the Engineering wing of APREIS, each residential school is required to be provided with 27 rooms for accommodating classes, laboratories, library, etc. Audit scrutiny/physical verification showed the following.

- i) In 29 out of 34 residential schools (functioning in own buildings) in the State, there was a shortage of 314 rooms (34 per cent) against the requirement of 918 rooms intended for classrooms, laboratory, library, etc. In 17 out of 34 schools, the shortfall was more than 10 rooms as shown in *Chart-2.1* alongside.



- ii) During test-check of APRS (Girls), Venkatagiri, it was observed that two additional classrooms were sanctioned (2010-11) under Rajiv Vidya Mission (RVM) at an estimated cost of ₹8.00 lakh. An amount of ₹7.40 lakh was released between November 2010 and March 2011. After incurring an amount of ₹7.29 lakh the works were stopped in July 2011 for want of funds for completion of the balance works i.e., flooring, fitting of doors and windows and electrical works.

Further, it was observed that four additional classrooms were sanctioned (2010-11) to APRS (Girls), Ammanabrolu under RVM at an estimated cost of ₹16 lakh against which RVM released only an amount of ₹12 lakh (2010). The contractor stopped the works in July 2011 after execution of works up to lintel level. Although the construction was resumed in March 2014, the works remained incomplete (January 2016) with balance works pending completion viz., flooring, fitting of doors and windows and electrical works after incurring the amount of ₹12 lakh already released.

Thus, the construction of additional classrooms in the two schools remained incomplete due to non-release of balance funds rendering the expenditure of ₹19.29 lakh incurred on the classrooms, unfruitful. The Principals of schools accepted (January-February 2016) the audit observation and stated that action would be taken to complete the works.

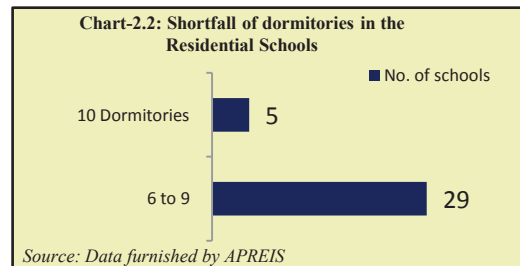
### 2.1.6.3 Dormitories

Government instructions (February 2008) stipulated that all residential schools should be provided with adequate dormitories, recreation hall, etc., for the students.

As per the data furnished by the Engineering wing of APREIS, each residential school is required to be provided with 10 dormitories to accommodate the children. Audit scrutiny/physical verification showed the following:

Shortage of dormitories was noticed in all the 34 residential schools. There was shortage of 257 dormitories (76 per cent) against the requirement of 340 dormitories to accommodate the children in these schools.

Dormitories were not at all provided in five<sup>8</sup> out of 34 schools, and in 29 schools the shortage was more than five against 10 dormitories required as shown in *Chart-2.2* alongside. As a result, the existing classrooms were used as dormitories during night.



#### 2.1.6.4 Dining hall

Government instructions (February 2008) stipulated that all residential schools should be provided with adequate dining halls, kitchen, stores, etc.

As per the Engineering wing of APREIS, each residential school is required to be provided with three halls and one kitchen.

Audit scrutiny/physical verification showed that there was shortage of dining halls in all the 34 schools. There was shortage of 69 dining halls (68 per cent) against the requirement of 102 halls in the 34 schools. As a result, it was noticed that the boarders were dining in open spaces available in the school premises.



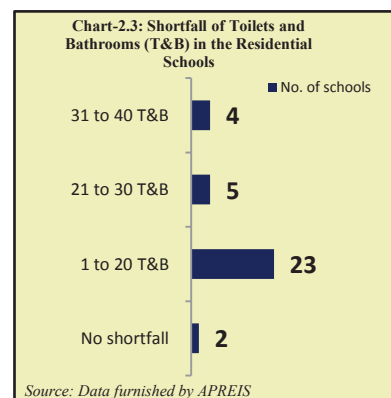
Boarders of APRS(Boys), Tadikonda taking meal in open ground

#### 2.1.6.5 Toilets and bathrooms

Government stipulated (February 2008) that all residential schools should be provided with adequate toilets and bathrooms, etc., for the students.

As per the Engineering wing of APREIS, each residential school is required to be provided with 40 toilets and bathrooms. Audit scrutiny/physical verification showed the following.

- i) In 32 out of 34 residential schools, there was a shortage of 605 toilets and bathrooms (47 per cent) against the requirement of 1,280 toilets and bathrooms.
- ii) In nine out of 34 schools (26 per cent) the shortfall was more than 20 against 40 toilets and bathrooms required as shown in *Chart-2.3* alongside. The shortfall was particularly high in four<sup>9</sup> residential schools, where only less than five toilets were provided against the requirement of 40.



<sup>8</sup> APRS (Girls): Vayalpadu (Minority), Yelamanchili, Vempalli; APRS (Boys): Chilamanchenu, Pathikonda

<sup>9</sup> APRS (Boys): S.M. Puram, Kalvabugga, Kurnool (Urdu) and APRS (Girls): Banavasi

### 2.1.6.6 Staff Quarters

In the Residential school pattern, the children were to be supervised round the clock by the teachers where they were treated as House master<sup>10</sup> of the students. The House master is attached with a group of students to supervise overall welfare of these students including health, career guidance, counseling, etc. Staff quarters are very much essential to serve this purpose. Government also stipulated (February 2008) that all residential schools should have adequate staff quarters for Principal, Vice-Principal, teaching and non-teaching staff.

As per the formulation of Engineering wing of APREIS, each residential school is required to be provided with a Principal's quarter along with 24 teaching and 16 non-teaching staff quarters. Audit scrutiny showed that quarters were not at all provided to Principals in 14 out of 34 residential schools. In four out of 20 schools where available they were in dilapidated condition. The Principals of these schools were residing away from the school premises. Further, majority of the school buildings did not have quarters for teaching staff (18 schools) and non-teaching staff (31 schools).

The shortage of quarters in all the 34 schools are as detailed in the Table-2.2 alongside.

During test-check, it was observed in APRS (Girls), Venkatagiri that construction of 16 staff quarters was taken up in 2006 at an

estimated cost of ₹1.15 crore. However, construction remained incomplete at basement/pillars/slab level and works were abandoned (January 2008) for want of funds after incurring ₹33 lakh. Further, it was also observed that the 'overhead tank', constructed during 2008-09 at a cost of ₹9.50 lakh, was not put to use for want of new bore well and pipeline works which would cost another ₹1.50 lakh. Thus, due to the failure in providing a bore well, the tank built at a cost of ₹9.50 lakh remained unutilised.

The Principal, APRS (Girls), Venkatagiri stated (February 2016) that the matter was brought to the notice of the Secretary, APREIS for release of funds, however, the funds had not been released for completion of works.

### 2.1.6.7 Compound wall

As per Government's stipulation, all residential schools should have a compound wall all around the school.

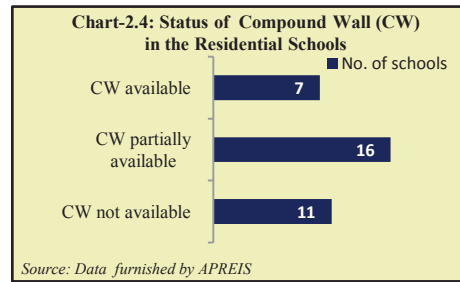
**Table-2.2**

Quarters intended for	R	A	S
Principal	34	20	14
Teaching Staff	794	128	666
Non-teaching Staff	544	8	536

R:Requirement, A:Available and S:Shortfall  
Source: Data furnished by APREIS

<sup>10</sup> The Society used the term 'Loco parent' in respect of colleges

Audit scrutiny/physical verification by Audit team showed that compound wall was not provided in 11 out of 34 residential schools including four<sup>11</sup> girls' schools. In another 16 schools including six<sup>12</sup> girls' schools, compound wall was only partially available as shown in *Chart-2.4* alongside.



### **2.1.6.8 Infrastructure in Residential Degree/Junior Colleges**

Nine out of 11 Residential colleges (degree college: 1, junior colleges: 10) were functioning in own buildings. The remaining two<sup>13</sup> colleges were running in rented buildings. Audit scrutiny of data/details furnished by APREIS and physical verification of five out of 11 colleges showed that adequate infrastructure facilities were not provided in the colleges. There was shortage of classrooms (91 against 203 required), dormitories (39 against 58 required), toilets & bathrooms (224 against 360 required).

In test-checked APRJC (Boys), Gyarampalli, nine staff quarters were constructed (December 2008) at a cost ₹25 lakh. However, only four out of the nine were completed fully and occupied by staff. The remaining five quarters which remained incomplete without amenities like toilets, water facility etc., were being used as dormitories as there was shortage of dormitories for boarders. Thus, the purpose of constructions was not achieved and the students were forced to stay in accommodation without basic amenities.

Thus, Government's intention to strengthen the residential schools through provision of adequate infrastructure facilities was not fulfilled even after eight years of issue of instructions (February 2008). As a result, congenial learning environment was not ensured for the students of these institutions. Further, in the absence of required number of staff quarters the desired objective of overall supervision of welfare of the boarders i.e., academic, health, could not be ensured.

## **2.1.7 Manpower**

### **2.1.7.1 Principals**

Principal of the school is responsible for overall development of the institution on various fronts like academic, non-academic, infrastructural and co-curricular activities. However, the post of Principal was not at all sanctioned in four schools<sup>14</sup> and two junior colleges<sup>15</sup>. Though sanctioned posts were available, they were not filled in 46 out of the remaining 55 institutions. The APREIS was operating the vacant posts of Principals by giving 'full additional charge' to one of the lecturers/teachers. Such arrangement was

<sup>11</sup> Thatipudi, Nagireddygudem, Venkatagiri and Gooty

<sup>12</sup> Yelamanchili, Bhimuniapatnam, Ammanabrolu, Musunuru, Banavasi and Thummalapenta

<sup>13</sup> Junior colleges at Guntur (Urdu) and Kurnool (Urdu)

<sup>14</sup> Gurazala-Boys at Tadikonda, Kalyandurg-Boys and Pileru-Girls (established in 2012-13) and Gurrankonda-Girls (established in 2013-14)

<sup>15</sup> APRJC (Urdu Boys): Guntur (1997-98) and Kurnool (1997-98)



bound to adversely impact the efficiency in school management and that of the teaching faculty assigned to act as principal of the institution.

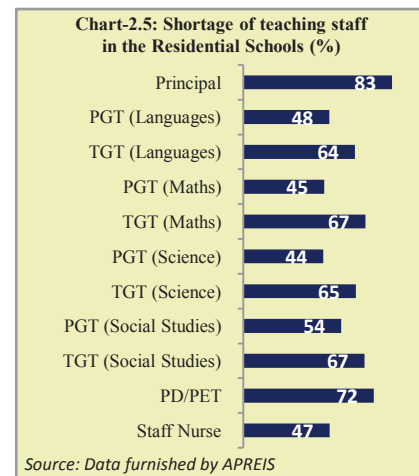
### 2.1.7.2 Shortage of teaching staff

It was also observed that there was large number of vacancies of teaching staff in the APREIS institutions. In the residential institutions, qualified and talented Post Graduate Teachers (PGTs) and Trained Graduate Teachers (TGTs) are appointed for imparting quality education.

As of June 2016, as against 707 sanctioned posts in 47 residential schools<sup>16</sup>, 329 (47 per cent) posts were filled on regular basis and the remaining 378 (53 per cent) posts were filled on contract/guest basis.

The vacancies were more than 50 per cent in vital posts such as TGTs (Languages), TGTs (Social Studies), PGT (Social Studies), TGTs (Maths), TGTs (Science) and Physical Director/Physical Education Teacher as shown in *Chart-2.5* alongside.

Further, teaching staff in each institution would be entrusted with hostel duties as there was no separate post of Deputy Warden to monitor preparation and supply of food to boarders. This *ad hoc* arrangement too has affected the efficiency in dietary managements, a fact which was admitted by the Principals.



Non-availability of required number of teaching staff in the schools had also deprived the students from quality education and this has been reflected in terms of grading in Secondary School Certificate (SSC) examinations as discussed in succeeding paragraph.

The Secretary, APREIS and the Principals of test-checked institutions accepted the audit contention and stated that due to low remuneration, meritorious/experienced faculty were not showing interest in joining as contract or guest faculty. The Secretary, APREIS and the Principals further opined that the regular teaching staff is required for better results.

### 2.1.7.3 Computer education

The academic calendar of the school is required to devote ten periods in a week for computer education. However, it was observed that computer education instructors were not in position in any of the test-checked schools and junior colleges during 2015-16. In the absence of computer instructor, computer classes were not conducted in the institutions and computers available in the institutions were lying idle. In the circumstances, the intended objective of imparting computer skills to students could not be achieved.

<sup>16</sup> No posts were sanctioned in Tadikonda (Boys), Kalyandurg (Boys) and Pileru (Girls)

The Secretary, APREIS replied (June 2016) that proposals for filling up of posts were submitted to Government in May 2016 and were pending with Government.

## 2.1.8 Monitoring

### Board of Governors and Standing Committees

*Board of Governors perform the functions inter alia to prepare and execute detailed plans and programmes for furtherance of the objectives of the APREIS, to administer the funds of the Society, sanction and appoint the personnel required for efficient management of the affairs of the Society, etc. Rule 11 of APREIS Rules stipulate that the Board should meet at least once in a year and if necessary more than once.*

*As per Bye-Laws 2014 (4) of APREIS, two Standing Committees on 'Administrative and Financial Matters' and 'Academic Matters' have to be formed for discharging the functions assigned by the Board i.e., administering the funds and determining the curriculum, syllabus, co-curricular activities, evaluation procedures, etc.*

Audit scrutiny however, showed that General Body meetings were not conducted during 2013-14 to 2015-16. Further, Government had not nominated general members<sup>17</sup> of the Board for its full level functioning. Audit further observed that APREIS had not constituted the two Committees.

Due to non-conducting of General Body meetings coupled with non-formation of the committees APREIS lacked guidance in planning and development of adequate accommodation, infrastructure and teaching staff in the residential institutions for imparting quality education to the targeted children.

The Secretary, APREIS accepted the audit observation; however, specific reasons for the lapses were not furnished.

### Submission of Annual reports

*As per Rule 16 the Society shall prepare an annual statement of accounts showing the income and expenditure of the Society. Rule 18 envisages that the Society shall submit Annual Report on the working of the Residential Institutions to Government along with audited annual statement of accounts within six months of the closing of the previous year.*

Audit observed that Annual Reports for the years 2013-14 to 2014-15 had not been submitted to Government as of June 2016. The Department replied (June 2016) that audit of annual statements for the year 2014-15 was under progress and audit report for 2013-14 was yet to be received from the Statutory Auditor i.e., Director of State Audit.

As a consequence of non-submission of Annual Report, the Government is in no position to review the functioning and performance of the Society with reference to its financial and academic functions.

<sup>17</sup> One principal of Residential schools; one representative of NCERT, New Delhi; two distinguished educationalists; one lady representative; one representative of SC/ST and one representative of teachers



### Academic Monitoring Cell

APREI Society constituted (May 2001) an Academic Monitoring Cell (AMC) with six Academic Guidance Officers (AGOs). The AGOs were entrusted with conduct of periodical inspections of the institutions to sort out the problems and to give academic guidance.

It was observed that though the AGOs conducted inspections of all the 16 test-checked schools, the results of inspection were not communicated either to the APREIS or to the institutions for taking remedial action which defeats the very objective of constitution of AMC. This also leads to poor academic guidance resulting in deterioration of quality education as discussed in paragraph 2.1.9 *infra*.

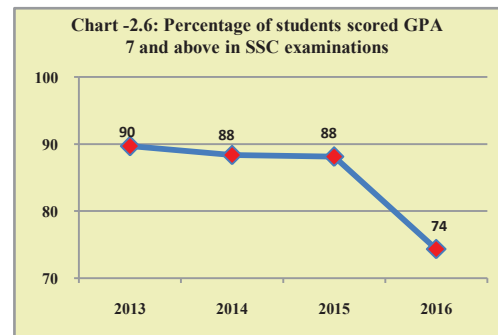
The Society replied that instructions would be issued to Regional Deputy Secretaries/ AGOs/Principals to submit the inspection reports to rectify mistakes.

#### 2.1.9 Performance of Students

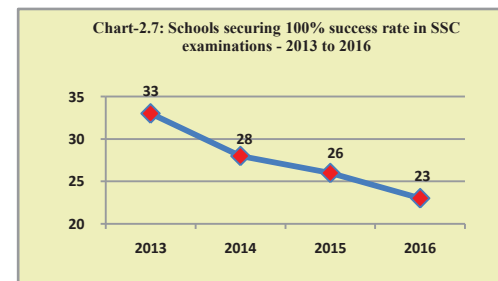
With English as medium of instruction, the APREIS schools follow the State Government syllabus and the students attend the examination conducted by the State 'Board of Secondary Education' for the 10<sup>th</sup> standard. An analysis of the outcome of the students of residential schools in SSC examination showed the following:

- i) The overall pass percentage of the students in SSC examinations was high and ranged between 97.88 *per cent* (2015) and 99.16 *per cent* (2013) during the years from 2013 to 2016 against the State average which ranged between 90.34 (2013) and 94.52 (2016) during the period. However, the performance of students was on a declining trend as seen from the grade points scored by the students. The percentage of students who got Grade Point Average (GPA) seven and above<sup>18</sup> had gradually declined as shown in the *Chart-2.6* alongside.
- ii) The number of schools securing 100 *per cent* SSC results also declined from 33 (2013) to 23 (2016) as shown in the *Chart-2.7* alongside.

Thus, notwithstanding the figures of overall pass percentages, the declining grades of students were ample indicators of the falling quality of education and thus the quality of faculty.



Source: Data furnished by APREIS



Source: Data furnished by APREIS

<sup>18</sup> A1: 10, A2: 9, B1: 8, B2: 7, C1: 6, C2: 5, D1: 4 and D2: 3

The Principals attributed poor performance of students to huge vacancies in teaching staff and operating vacant teaching posts on contract/guest basis. Thus, the prime objective of providing quality education to the students of these schools in a congenial learning environment replete with all infrastructure facilities still remains to be achieved.

### **2.1.10 Conclusion**

APREIS had not prepared the budget estimates on the basis of need assessment. Dietary items were not supplied to the students as per the scales fixed by Government. Creation of infrastructure was not given adequate attention. The declining trend in percentage of students achieving higher grades in SSC examinations was an ample indicator of the falling quality of education as well as of the quality and availability of faculty. Vacancies in the posts of Principals and teaching staff coupled with ineffective monitoring mechanism led to deteriorating quality of education in these institutions.

The matter was reported to Government in August 2016; reply has not been received (November 2016).

## **Women, Children, Differently Abled and Senior Citizens; Home; Health, Medical and Family Welfare Departments**

### **2.2 Welfare of Senior Citizens**

#### **2.2.1 Introduction**

The traditional norms and values of the Indian society laid stress on showing respect and providing care for the aged. However, in recent times, there has been a gradual but definite withering of the joint family system, as a result of which a large number of older persons are being neglected by their families exposing them to lack of emotional, physical, social and financial support. These older persons are left with a number of problems in the absence of adequate social security. Moreover, there has been a steady rise in the population of older persons in India. As per Census 2011, the population of senior citizens (persons aged 60 years and above) in the State was 50.09<sup>19</sup> lakh (10 per cent of total population), of which 22 lakh senior citizens were under below poverty line (BPL) category<sup>20</sup>.

#### **2.2.2 Maintenance and Welfare of Parents and Senior Citizens Act**

Ministry of Social Justice & Empowerment, the nodal Ministry, had announced National Policy on Older Persons in 1999, renewed as National Policy on Senior Citizens (Policy) in 2011, to address the concerns and promote well being of the senior citizens, covering various aspects like financial security, health care, safety and security, housing, etc.

<sup>19</sup> Urban: 12.29 lakh; Rural: 37.80 lakh

<sup>20</sup> beneficiaries under Old Age Pension scheme

Government of India (GoI) had enacted (December 2007) ‘Maintenance and Welfare of Parents and Senior Citizens’ (Act) to provide welfare measures to senior citizens in consonance with the Policy. Under Section 32 of the Act, State Government had notified ‘Andhra Pradesh Maintenance and Welfare of Parents and Senior Citizens Rules 2011’ (Rules) in December 2011.

These rules deal with claims of senior citizens for maintenance, appeals, management of Old Age Homes, protection of life and property of senior citizens and establishment of State Council and District Committees for effective and coordinated implementation of the Act. The Commissioner and Director of Welfare of Differently Abled and Senior Citizens (Director) under the ‘Department for Women, Children, Differently Abled and Senior Citizens’ (Department) is the Nodal Officer responsible for implementation of the schemes and programmes for welfare of senior citizens in the State. At the district level, Assistant Director of the Department is the nodal officer and is responsible for implementation of the Act and Rules.

### **2.2.3 Audit framework**

An Audit was conducted to assess whether the provisions of the Act/ Rules were being complied with. Audit verified (February-March 2016) records covering the period 2013-16 at the Directorate and offices of Assistant Directors in four<sup>21</sup> districts selected on the basis of highest number of old age homes receiving grant-in-aid (GIA) from GoI. Physical verification of 24<sup>22</sup> Old Age Homes (OAHs), 11<sup>23</sup> Day Care Centres (DCCs) and two Mobile Medicare Units (MMUs) was also conducted in the test-checked districts (details are given in *Appendix-2.4*). Information was also obtained from district authorities of Police and Health Departments so as to cover the relevant provisions of the Act.

## ***Audit Findings***

### **2.2.4 Allocation and Utilisation of funds**

#### **2.2.4.1 Old Age Pensions**

State Government has been providing financial assistance to older persons of BPL category in the form of Old Age Pension (OAP) under the name 'NTR Bharosa'. Government enhanced the OAP from ₹200 to ₹1,000 per month (GoI: ₹200 under NOAP<sup>24</sup> and State Government: ₹800) from October 2014 onwards. Details of coverage of beneficiaries under the scheme during the period 2013-16 are given in Table-2.3.

<sup>21</sup> Chittoor, East Godavari, Guntur and Prakasam

<sup>22</sup> Chittoor (10), East Godavari (3), Guntur (5), Prakasam (5) and Government old age home at Machilipatnam

<sup>23</sup> Chittoor (6), East Godavari (2), Guntur (1) and Prakasam (2)

<sup>24</sup> National Old Age Pension

**Table-2.3**

Year	No. of Senior Citizens (in lakh)	Amount released (₹ in crore)	No. of Senior Citizens covered (in lakh) (%)	Amount distributed (₹ in crore) (%)
2013-14	24.67	701.82	21.96 (89)	612.38 (87)
2014-15	23.74	1913.43	21.29 (90)	1659.99 (87)
2015-16	21.79	2697.81	20.81 (95)	2533.31 (94)

Source: Information furnished by Society for Elimination of Rural Poverty (SERP)<sup>25</sup>

Performance Audit report on 'Implementation of Social Security Pension Schemes' in the State covering the period 2008-13 had featured in Chapter-2 of the CAG's Audit Report for the year ended March 2013. Some of the significant audit findings included in the Report in relation to OAP were as follows:

- (i) OAP was sanctioned to 5,754 persons with less than 60 years of age. (Paragraph 2.5.1.2);
- (ii) Several bundles of applications were lying in the test-checked offices of Mandal Parishad Development Officers/ Municipal Commissioners in Srikakulam and SPS Nellore districts awaiting sanction of pension (Paragraph 2.5.2).

#### **2.2.4.2 Meagre allocations by the Government**

During the audit period 2013-16, Government made a meagre allocation of ₹17 lakh for the welfare of senior citizens (apart from the money spent on OAP scheme) intended towards creating awareness; monitoring the implementation of the Policy and for organising the World Elder's Day. Of the allocation of ₹17 lakh, the Department had spent ₹11.37 lakh towards celebration of World Elder's Day alone (year-wise details are given in Table-2.4).

**Table-2.4**

Year	Allocation	Utilisation (%)
2013-14	7.50	4.54 (61)
2014-15	2.18	1.90 (87)
2015-16	7.40	4.93 (67)

Source: Records of the Department

No other activities/programmes were formulated by the Department for welfare of senior citizens.

Besides this, 83 Non-Governmental Organisations (NGOs) in the State had received GIA of ₹10.48 crore from GoI during 2013-16 for providing services (OAH: 71; DCC: 30; MMU: 6; MFCC<sup>26</sup>: 1; Respite Care Home: 1) to senior citizens. Audit findings in connection with the NGOs in receipt of GIA are included in Paragraph 2.2.5.5 *infra*.

<sup>25</sup> The number of OAP beneficiaries decreased due to elimination of ineligible pensioners and disbursement of pension through Aadhar authentication (from 2015)

<sup>26</sup> Multi Facility Care Centre intended for full time shelter and care to older widowed women

## 2.2.5 Implementation of provisions of Act and Rules

### 2.2.5.1 Lack of Publicity about the provisions of Act etc.

As per Rule 20(2)(iv), the District Magistrate should ensure regular and wide publicity of the provisions of the Act and Government programmes for the welfare of senior citizens. Thus the Government should have drawn up appropriate plans for publicity and allocated specific budget for it.

However, audit found no evidence of any publicity, particularly relating to the ‘maintenance’ of senior citizens, in any of the test-checked districts. The district authorities stated that no funds were provided for publicity of the Act and Rules. This was also evident from the budget provision commented upon in Paragraph 2.2.4.2 *supra*.

Although the Government had forwarded the Rules to the Commissioner, Information and Public Relations, Hyderabad (I&PR) for giving publicity, the Commissioner, I&PR stated that no funds were provided for publicity on the subject under ‘print and outdoor media’ during 2013-16.

It is evident that without any publicity about the benefits and facilities available to the senior citizens, like old age homes, day care centers, etc. within their reach, they would remain unaware of the intended benefits of the programme. The children of indigent senior citizens would also not be aware of their obligations towards their parents and the senior citizens would also remain unaware of their legitimate rights and options available to them when maintenance service is not provided to them.

It is pertinent to note that 197 out of the total 321 maintenance cases received in the Tribunals during 2013-16 relate to West Godavari district alone (*Paragraph 2.2.5.2(i) refers*). The Assistant Director, Welfare of Differently Abled and Senior Citizens, West Godavari district attributed (December 2016) the large number of maintenance cases to the awareness programmes being conducted in the district in co-ordination with the Senior Citizens Associations, which confirmed the above audit observation.

### 2.2.5.2 Maintenance of Parents and Senior Citizens

As per the Section 4 of the Act, a senior citizen including parent who is unable to maintain himself from his own earning or out of the property owned by him, shall be entitled to make an application under Section 5 of the Act in case of (i) parent or grandparent, against one or more of his children not being a minor; and (ii) a childless senior citizen, against such of his relatives referred to in clause (g) of Section 2 of the Act.

According to Section 7 of the Act, State Government had issued orders (August 2008) to constitute the Maintenance Tribunals (Tribunals) for each sub-division headed by Revenue Divisional Officer (RDO) with Assistant Director, Department for the Welfare of the Differently Abled and Senior Citizens as Member Convenor for the purpose of adjudicating and issuing order on matters relating to the maintenance of senior citizens.

The following are the Audit observations.

**(i) Pendency of Maintenance claims**

Rule 4(4) stipulates that the claim of a senior citizen for maintenance should be disposed off within 90 days (extendible by maximum 30 days) from the date of service of notice of the application to the opposite party. As per Rule 7, in case the opposite party fails to show cause in response to a notice, the Tribunal shall proceed *ex parte*, by taking evidence of the applicant and making such other inquiry as it deems fit and shall pass an order disposing of the application.

During the three year period 2013-16, a total of 321 maintenance cases were received in the Maintenance Tribunals in five (out of 13) districts. Out of the above, 162 (50 per cent) cases were pending as of March 2016. Year-wise details are given below.

**Table-2.5**

Year	Opening Balance	Receipts	Total	Disposal	Rejected	Closing Balance
2013-14	10	105	115	32	38	45
2014-15	45	82	127	34	16	77
2015-16	77	134	211	37	12	162
<b>Total</b>		<b>321</b>		<b>103</b>	<b>66</b>	

Source: Details furnished by the Department

District-wise status of pending cases showed that 134 (83 per cent) out of the 162 cases pending were in West Godavari district alone. The details are shown in Table-2.6.

**Table-2.6**

District	Opening Balance	Receipts	Total	Disposal	Rejected	Closing Balance
West Godavari	4	197	201	65	2	134
Guntur	0	17	17	5	12	0
Krishna	0	69	69	9	47	13
Srikakulam	0	6	6	6	0	0
Chittoor	6	32	38	18	5	15
<b>Total</b>		<b>321</b>		<b>103</b>	<b>66</b>	

Source: Details furnished by the Department

The Director of the Department attributed (February 2016) the pendency to failure on the part of the parties to be present on the dates of hearing and stated (November 2016) that trials were under progress in these cases.

It was also observed in audit that the maintenance case particulars were not maintained in prescribed format (Form-N<sup>27</sup> appended to Rules) in the two (Guntur and Chittoor) test-checked districts. As such, the extent of delay in pending cases could not be ascertained in audit. It was observed that the monthly progress reports forwarded by district authorities depicted the number of pending claims only, without particulars of dates of filing of case, sending of notice etc. Thus, the Director was not in a position to monitor disposal/finalisation of cases in time.

<sup>27</sup> which contains all the particulars of the case from date of receipt of application to its final outcome



Incidentally, from the claim details made available to audit in Chittoor Revenue Division, it was observed that the delay ranged from five to eighteen months in six cases. Due to pendency of cases beyond the stipulated time, the grievances of the senior citizens were not being addressed in a timely manner, adding to the hardship caused to them.

**(ii) Panel of Conciliation Officers**

As per Rule 3, every Tribunal should prepare a panel of persons suitable for appointment as Conciliation Officers, which should include the Maintenance Officers designated under Section 18 of the Act.

It was observed that against four revenue divisions in Guntur district, a Conciliation Officer was appointed in Guntur Revenue Division only, and of the three revenue divisions in Chittoor district, a Conciliation Officer was appointed in Madanapalle Revenue Division only. Conciliation Officers were not appointed in Chittoor Revenue Division of Chittoor district, though there were cases pending for disposal. Although Conciliation Officers were appointed in two Revenue Divisions as mentioned above, panel of persons suitable for appointing as Conciliation Officer was not prepared in any of the four test-checked districts.

**2.2.5.3 Establishment of Old Age Homes**

As per Section 19(1) of the Act, the State Government may establish and maintain such number of Old Age Homes at accessible places, as it may deem necessary, in a phased manner, beginning with at least one in each district to accommodate in such homes a minimum of 150 senior citizens who are indigent<sup>28</sup>. Further, Integrated Programme for Older Persons (IPOP<sup>29</sup>) guidelines stipulated 25 senior citizens as the minimum capacity for an Old Age Home run by NGO.

It was seen in audit that there existed only one Government Old Age Home (at Machilipatnam in Krishna district) in the State. Besides this, another 71 old age homes run by NGOs were assisted by GoI (as of March 2016) in the form of GIA.

During the period 2013-16, the Department had submitted proposals to the State Government for GIA for establishment of Government Old Age Homes in all the districts of the State.

However, the Government had not established any new old age home in the State. It was seen in audit that there were no old age homes in two (Vizianagaram and Srikakulam) out of the 13 districts in the State, run by either the Government or NGOs. The Department stated (May 2016) that the services of old age home at Visakhapatnam were available for these two districts. Proximity to other districts should not be a reason

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<sup>28</sup> Any senior citizen who is not having sufficient means, as determined by the State Government, from time to time, to maintain himself

<sup>29</sup> IPOP is a central sector scheme to improve quality of life of the older persons by providing basic amenities like shelter, food, medical care, etc.

for leaving these districts without old age home depriving the indigent senior citizens of these two districts of the services in their vicinity.

#### **2.2.5.4 Registration of Old Age Home with the Department**

Rule 19 stipulated that the old age home in the State, whether already in existence or proposed to be established, other than those run by the State Government, should register with the Assistant Director of Welfare of Differently Abled and Senior Citizens of each District i.e., the Registration Authority, and obtain a Registration Certificate to run the institution. Further, any person who continues to run an old age home in violation of orders issued under this rule was liable for punishment with fine up to ₹25,000.

The NGOs were required to be inspected by designated State Government officers as a prerequisite for sanction of GIA by GoI based on recommendation by the State Government.

It was seen in audit that 33 NGOs in the test-checked districts of Guntur (15) and Prakasam (18) were not yet registered with the Department. Although the Department has been recommending GIA proposals of the NGOs to GoI, the Departmental authorities had not ensured their registration with the Department.

Further, the amenities and facilities to be provided to residents of the old age homes were not specifically defined in the Rules. As a result, audit could not assess adequacy or otherwise of the amenities and facilities provided to the inmates of old age homes run by either Government or by NGOs receiving GIA from Government.

#### **2.2.5.5 Observations relating to test-checked institutions**

##### **(i) Government Old Age Home, Machilipatnam**

The Old Age Home was providing services to both aged and differently abled people. The capacity of the home was 65 and there were 47 inmates (including 12 differently abled persons) accommodated in the home. During physical verification it was observed that:

- a) There were only three toilets and three bathrooms available for 47 inmates and the toilets were not suitable for differently abled persons.
- b) Two nurses have been appointed to look after the medical needs of inmates as per sanctioned strength. However, services of one nurse were being utilised in the Assistant Director's office temporarily on deputation basis, depriving the inmates of the services.

##### **(ii) Absence of counseling facility in Old Age Homes**

Rule 19(3)(i) and (ii) enumerated various facilities with hygienic and sanitary conditions in the entire premises including kitchen, bathrooms, toilets; quality drinking water; recreational activities; counseling etc.



During physical verification, it was observed that counseling facility was not provided in any of the five test-checked old age homes of Guntur district. The NGOs of other sampled old age homes stated that counseling service was provided as and when required.

**(iii) Quality of water not tested**

In 10 old age homes of Chittoor district, bore well water was being used for drinking purpose. The quality of water was not tested by five<sup>30</sup> homes to ascertain its suitability for human consumption as per Rule 19(3)(i). In other institutions municipal water/ safe drinking water was being provided.

**(iv) Home committees not established**

As per Rule 19(3)(viii), formation of Home Committees of Inhabitants, to encourage their participation and to respect the opinion of the residents of the home with a redressal mechanism to sort out the problems of all residents in a speedy and systematic manner, is to be ensured by the Department.

It was however, observed that Home Committees were not formed in any of the test-checked old age homes, thereby limiting the scope for redressal of the grievances of the inmates of these homes.

**(v) Maintenance of website for Old Age Home**

As per Rule 19(3)(x), objectives of old age home, details of name, address, occupation, qualifications of the Directors/Board Members and staff/employees working in the institution, details of inmates, monthly charges from inmates, etc., should be displayed on their website, duly updating the same every year.

It was observed that website was not maintained by any of the test-checked NGOs except by one NGO<sup>31</sup> in Chittoor district. Even this NGO had not uploaded the details of inmates on the website.

**(vi) Non-intimation of death of inmates to the Department**

As per Rule 19(3)(xi), the chief functionary of the old age home should send a written report to the Police immediately after the occurrence of any death among the inmates/residents of the home, with a copy thereof to the Registration Authority explaining the cause of death to the best of his/her knowledge.

It was observed in Audit that 46 death cases occurred in seven<sup>32</sup> (out of 24) test-checked old age homes during 2013-16. However, none of the NGOs complied with the above provision. The NGOs attributed this lapse to their lack of awareness of Rules. This indicated the failure of monitoring mechanism by district authorities who were competent to conduct inspection of the homes.

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<sup>30</sup> old age homes at Puttur, Vadamalapet, Savatapalli, Kammappalli and Korlakunta

<sup>31</sup> Rashtriya Seva Samiti (RASS)

<sup>32</sup> Chittoor: 2 old age homes (7 cases); East Godavari: 2 old age homes (14 cases) and Guntur: 3 old age homes (25 cases)

### **(vii) Temporary closure of an institution by NGO**

As per Rule 19(14)(ii), in case any old age home ceases to function for want of Registration/ Renewal of registration, the Registration Authority may direct any inmate of such home to be – (a) restored to the custody of his/her child, relative or legal heir, as the case may be, provided the Registration Authority satisfies itself of proper protection and care of such person and the person to be restored is willing for such restoration or (b) transferred to another suitable old age home.

It was observed that one old age home<sup>33</sup> in East Godavari district suspended its activities during 2015-16 due to financial problems. However, the NGO had not intimated the fact to the district nodal officer (Assistant Director). The Rules were also silent about prior intimation by the NGOs in the cases of homes closed/ activities suspended voluntarily. As a result, the restoration of the inmates of the old age home was not ensured. Although the NGO stated that the inmates were handed over to their families, there was no evidence to this effect with the NGO.

### **(viii) Observations on Mobile Medicare Unit**

GoI releases GIA to NGOs under Integrated Programme for Older Persons (IPOP) for maintenance of MMUs to provide medical care to the older persons living in rural, isolated and backward areas. The objective is to enable older people to assume an active role in maintaining and improving their own health and in encouraging others to do the same. Each MMU is to cover at least 400 older persons per month. During verification of records of MMU run by an NGO<sup>34</sup> the following were observed.

- a) As per IPOP guidelines, an amount of ₹33 per person per month would be released towards medicines and pathological tests. The monthly coverage of MMU functioning in Puttur was 1,500 persons (₹5.94 lakh per year). However, it was noted that no pathological tests were conducted by the MMU in the last four years. No reason for this was intimated to Audit.
- b) The NGO claimed that it had provided services to 14 villages (seven in Vadamalapet mandal and seven in Puttur mandal) against the eight villages in Vadamalapet mandal sanctioned by GoI. However, it had not maintained any register bearing the details of date-wise, village-wise coverage of beneficiaries. Register of issue of medicines was also not maintained. Acquittance register for payment of monthly honorarium to staff working in the MMU was also not maintained by the NGO.

Due to non-maintenance of records of the beneficiaries and medicines issued etc., audit could not assess the authenticity of coverage of beneficiaries as claimed by the NGO, which is a significant issue since the GIA was linked to the number of beneficiaries covered.

<sup>33</sup> Help the Women, Pithapuram (GIA claim was not submitted for the year)

<sup>34</sup> Mother India Community Development Association, Puttur, Chittoor district

### 2.2.5.6 Health care

As per Section 20(iii) of the Act, facility for treatment of chronic, terminal and degenerative diseases should be expanded for senior citizens.

State Government had been implementing 'NTR Vaidya Seva' (erstwhile 'Rajiv Aarogyasri') in the State for providing health care services to the people including senior citizens, under BPL category. However, State Government had not formulated any health care programme to provide services to all the senior citizens in general.

**Non-establishment of geriatric wards:** As per Section 20(v) of the Act, earmarked facilities are to be provided for old people in every district hospital. These were meant for providing regular dedicated services to the elderly for examination and management of their illnesses.

GoI had released funds amounting to ₹6.40 crore during 2011-13 for establishment of geriatric wards in Government Hospitals in eight<sup>35</sup> districts. It was observed in audit that the geriatric wards were not established in any of the eight hospitals as of March 2016. The funds remained unutilised with the Director, Public Health and Family Welfare. The Director replied (June 2016) that it was a new initiative and proposals for construction of geriatric wards would be taken up after visiting the Regional Geriatric Centre at Chennai. Thus, despite availability of funds, the facility was not provided in these hospitals, depriving the senior citizens of the special care required at that age.

### 2.2.5.7 Protection of life and property of Senior Citizens

As per Rule 21, district Police authorities should prepare action plans for protection of life and property of the senior citizens. Each police station should maintain the list of senior citizens living in its jurisdiction, and visit them as quickly as possible on receipt of a request for assistance, and complaints/problems of senior citizens should be promptly attended to by the local police. Voluntary Committees<sup>36</sup> were to be formed for each police station to ensure regular contact between the senior citizens living by themselves and the police. The Police station should send a monthly report to higher authorities (District Police Superintendent/Police Commissioner) and to the District Magistrate for placing before State Council.

Audit observed that,

- (i) The district police authorities in two (Guntur and Chittoor) out of the four test-checked districts had not prepared any action plans.
- (ii) The police stations in Guntur and Chittoor districts had not maintained any list of senior citizens living in their jurisdiction to ensure quick response to their requests and prompt attendance to their complaints and problems.

<sup>35</sup> Chittoor, Krishna, Kurnool, SPS Nellore, Praksam, Srikakulam, Vizianagaram and YSR

<sup>36</sup> Consisting of a respectable senior citizen, member of an accredited NGO, a woman member, etc.

- (iii) Voluntary committees were not constituted in two (Prakasam and Guntur) out of the four test-checked districts. In Chittoor, voluntary committees were formed only in 37 out of 89 Police stations in the district.
- (iv) Monthly reports pertaining to crimes against senior citizens were not forwarded to the higher authorities in the test-checked districts of Guntur and Chittoor.

Thus, the initiative on protection of life and property of senior citizens was not accorded due attention by the Police authorities. Further, it was observed from the annual crime report that the police authorities did not analyse the crimes from the perspective of senior citizens thereby limiting the scope for special attention to their protection and maintenance needs.

The Principal Secretary, Home Department, while accepting the audit observations as apt and timely, expressed (October 2016) difficulty in maintaining the list of senior citizens in police stations in view of their large number. However, the reply was silent on concrete steps taken for strengthening of the system for protection of life and property of senior citizens.

### **2.2.5.8 Monitoring and Supervision**

As per Rule 19 (10), the Assistant Director for Welfare of Differently Abled and Senior Citizens in the District, any member of the District Committee/ State Council of Older Persons or any person authorised by the District Collector/ State Nodal Officer for Senior Citizens/ State Government is empowered to inspect any old age home maintained by the individuals/ a group of individuals/ voluntary organisations/ institutions/ charitable trusts/ statutory bodies etc., and call for any information or record from the management of the home for the purpose of implementation of Rules.

It was, however, observed that despite provision for surprise check, the Department had carried out inspections<sup>37</sup> of old age homes run by NGOs only at the time of forwarding of the GIA proposals to GoI. By failing to conduct surprise checks of old age homes, the Department failed in turn to ensure satisfactory functioning of NGOs in delivery of services to beneficiaries.

#### **(i) State Council of Senior Citizens**

As per Rule 22, State Government may, by order, establish a State Council<sup>38</sup> of Senior Citizens under the Chairmanship of Minister in charge of welfare of senior citizens to advise the State Government on effective implementation of the Act and to perform such other functions in relation to senior citizens as the State Government may specify.

It was observed in audit that Government had not yet constituted the State Council. As a result, Government was deprived of an effective mechanism to draw valuable advice and suggestion for effective implementation of the Act.

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<sup>37</sup> conducted yearly once in Guntur; twice/ thrice in other test-checked districts

<sup>38</sup> consists of members from relevant Departments like Health, Home, Publicity, Pensions etc., dealing with the concerns of Senior Citizens, Activists, Specialists, eminent Senior Citizens and Commissioner/ Director in charge of Senior Citizens as Member-Convenor

## **(ii) District Committees**

As per Rule 23, the State Government may, by order, establish District Committees<sup>39</sup> of Senior Citizens, headed by District Collector, for each district to advise on the effective and coordinated implementation of the Act at the district level and to perform such other functions in relation to senior citizens at the district level, as the State Government may specify. The Committees should meet once in every three months.

It was observed that District Committees were constituted in all the four test-checked districts belatedly during 2013 (Rules were promulgated in December 2011). It was however, observed that the District Committees in three (Chittoor, Guntur and Prakasam) out of the four test-checked districts had never met so far, while the Committee in the other district (East Godavari) had met only once (January 2016) during 2013-16.

The Director of the Department stated (May 2016) that though some of the Assistant Directors were not aware of the Rules in the initial year 2011, the Rules were now being implemented by them effectively. However, the reply was not convincing in view of non-conducting of the District Committee meetings even now, which is an indicator of the lack of seriousness in the effective implementation of the Act.

## **(iii) Online application facility not provided**

As per Rule 25, Commissioner/ Director in charge of senior citizens should facilitate online applications, disposal thereof and monitoring etc.

It was however, observed that the online facility was yet to be in place. The Director replied (February 2016) that the online submission of application through implementation of e-office was under process.

## **2.2.6 Conclusion**

While the initiative taken in terms of old age pension disbursement was commendable, the overall implementation of the various programmes emanating from the Maintenance and Welfare of Parents and Senior Citizens Act, 2007 and the Rules framed thereunder were found to be deficient on many fronts of implementation, be it infrastructure of old age homes or protective measures to ensure the prevention of atrocities and crimes against the aged. The chief underlying factor behind the shortcomings in implementation was seen to be the lack of awareness and action required on the part of civil societies and Government stakeholders like Health, Police Departments, etc.

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<sup>39</sup> consists of Superintendent of Police, District Medical & Health Officer, District Coordinator Hospital Services, Project Director (District Rural Development Agency), Revenue Divisional Officers, three members from NGOs/Specialists/Activists in the field of Welfare of Senior Citizens (of whom one should be woman) as members and Assistant Director (Welfare of Differently Abled and Senior Citizens) as Member Secretary

## 2.2.7 Recommendations

- (i) Government should give adequate publicity on the legitimate rights of senior citizens and facilities available to indigent senior citizens.
- (ii) Government should establish Old Age Home(s) in each district as provided in the Act.
- (iii) Monitoring mechanism must be strengthened to ensure effective implementation of provisions of Act and Rules by the implementing agencies.

The matter was reported to Government in September 2016; reply has not been received (November 2016).

## Backward Classes Welfare Department

### 2.3 Infrastructure in Backward Classes Welfare Residential Educational Institutions

#### 2.3.1 Introduction

Backward Classes constitute 43.16<sup>40</sup> per cent of the State population. Mahatma Jyotiba Phule Andhra Pradesh Backward Classes Welfare Residential Educational Institutions Society (Society) was constituted in April 2012 with the prime objective of rendering quality education to students belonging to the Backward Classes (BC) and other weaker sections of the Society. In April 2012, 27 BC Residential Schools, functioning under the management of AP Residential Educational Institutions Society (APREIS), Hyderabad up to the academic year 2011-12, were brought under the control of the Society. Further, the Society started five<sup>41</sup> new schools during 2012-16. At present, there are 32 (Boys: 17; Girls: 15) BC Welfare Residential Schools (schools) in the State imparting education to the children from Class V to X.

The main objectives of the Society are to establish, maintain, control and manage schools for the children belonging to Backward Classes; ensure that curriculum and teaching standards in these schools were at par with other general educational institutions and adequate skills were imparted to the Backward Classes children.

The Society is headed by the Minister for BC Welfare as Chairman with Principal Secretary to Government in BC Welfare Department as Vice-Chairman. The Secretary to the Society is responsible for the functioning of the Society. At the School level, Principal of the School is the head of the institution and is responsible for the functioning of the School.

Audit of the Society was conducted during the period from September 2015 to February 2016 covering the period from 2012-13 to 2015-16 with a view to assessing whether adequate infrastructure was provided in the schools and quality education was being imparted to the students. Accordingly, records of the Society and 21 schools (**Appendix-2.5**) selected through cluster sampling strategy were examined. Joint

<sup>40</sup> Source: AP Commission for Backward Classes, projected data as of September 2009

<sup>41</sup> Nasannakota (Ananthapuramu), Kalikiri, Piler, Udayamanikyam (Chittoor) and Golagamudi (SPS Nellore)



physical verification of the sampled schools was conducted along with the Principals to assess the status of infrastructure and other amenities provided to the students. Significant findings that emerged as a result of the audit are discussed in the following paragraphs.

## ***Audit findings***

### **2.3.2 Infrastructure**

Government had decided (February 2008) to strengthen all the residential schools in the State and provide adequate infrastructure facilities. Further, as per the Right to Education Act 2009, the schools were to be provided with all weather building, safe and adequate drinking water facility to children, play ground, arrangements to secure the school premises by boundary wall or fencing and functional Library providing newspapers, magazines, books, etc. The Board of Governors of the Society had also resolved (November 2012) to provide necessary facilities and infrastructure, duly assessing the requirement for each school. Audit assessed the availability of infrastructure and manpower in the schools with reference to the prescribed infrastructural facilities spelt out above and observed the following.

#### **2.3.2.1 Classrooms**

As per Government orders (February 2008), at least one classroom is required for each section. It was observed in audit that there was shortage of classrooms in seven<sup>42</sup> out of 21 schools test-checked. Against the requirement of 84 classrooms in these schools, only 49 classrooms were available. In Onipenta school in YSR district there were only two halls for 256 students studying in classes V to X, with each hall accommodating three classes. As a result, some classes were conducted in the open.



**Classes in open ground in Onipenta school (YSR district)**

**Construction of additional classrooms:** Based on the proposals (June 2014) of the Secretary of the Society, the State Project Director of Rajiv Vidya Mission (RVM) had sanctioned (December 2014) funds (₹91 lakh) for construction of 14 additional classrooms in two test-checked schools at Onipenta and Rajampeta each at ₹6.50 lakh. However, it was seen that construction of classrooms has not been taken up in these schools so far. Further enquiries showed that the RVM authorities had wrongly mentioned (December 2014) the DISE<sup>43</sup> code of the schools in the sanction orders, as a result of which funds were not transferred to the schools. The Principals of the schools and the Secretary of the Society had not taken immediate action for rectification of the

<sup>42</sup> Thanam (Visakhapatnam), Vetapalem (Prakasam), Golagamudi (SPS Nellore), Onipenta (YSR), Tekulodu (Ananthapuramu), Udayamanikyam and Kalikiri (Chittoor)

<sup>43</sup> District Information System for Education

error and to ensure release of funds. The Secretary of the Society addressed RVM authorities only in February 2016 for rectification of error and for release the funds to the schools. However, funds were yet to be released. Thus, due to lack of immediate action on the part of the society and the schools in rectification of errors, construction of additional classrooms have not been taken up so far. As a result, despite acute requirement of classrooms the targeted construction of classrooms, for which funds were made available has remained unachieved.

### 2.3.2.2 Dormitories

Out of 21 test-checked schools, it was noticed that no dormitories were provided in five<sup>44</sup> (Girls: 4; Boys: 1); and in 10<sup>45</sup> (Girls:5; Boys:5) schools, where dormitories existed, the facilities were inadequate. As a result, the existing classrooms were used as dormitories during the night.



Classroom-cum-Dormitory in Vetapalem school (Prakasam District)

### 2.3.2.3 Other facilities

Besides the classrooms and dormitories, the schools were to be provided with the dining hall, toilets and bathrooms, play ground, compound wall, full fledged library, furniture, etc. Adequacy of these facilities in the test-checked schools is discussed below.



Dining in open space Golagamudi (SPS Nellore District)

**Dining hall:** As per norms dining hall should be provided in each school with adequate space. However, there was no dining hall in six<sup>46</sup> out of the 21 test-checked schools and in seven<sup>47</sup> other schools, the facility was inadequate. As a result, the students were forced to take food in open spaces.

**Library:** As per the norms separate room should be available for the library in residential schools. However, it was observed that there was no separate library room in nine<sup>48</sup> out of 21 test-checked schools.

<sup>44</sup> Kalikiri, Sodum and Udayamanikyam (Chittoor), Onipenta and Rajampet (YSR)

<sup>45</sup> Kakinada, Amalapuram (East Godavari), Golagamudi, Kota (SPS Nellore), Narsapur (West Godavari), Vetapalem (Prakasam), Tekkali (Srikakulam), Nellimarla (Vizianagaram), Thanam and Simhachalam (Visakhapatnam)

<sup>46</sup> Kakinada (East Godavari), Sodum (Chittoor), Gorantla (Kurnool), Rajampet (YSR), Vetapalem (Prakasam) and Golagamudi (SPS Nellore)

<sup>47</sup> Tekulodu, Lepakshi (Ananthapuramu), Amalapuram (East Godavari), Nizampatnam (Guntur), Onipenta (YSR), Tekkali (Srikakulam) and Thanam (Visakhapatnam)

<sup>48</sup> Kalikiri, Sodum, Udayamanikyam (Chittoor), Kakinada (East Godavari), Doravarisatram, Golagamudi (SPS Nellore), Vetapalem (Prakasam), Tekkali (Srikakulam) and Rajampet (YSR)





Sitting on the floor, Nizampatnam school  
(Guntur District)

**Dual desks:** Dual desks were not at all available in 10<sup>49</sup> out of the 21 test-checked schools. As a result, the students were forced to sit on the floor.

**Play Ground and Compound Wall:** Though required in each school as per norms, play ground was not available in six<sup>50</sup> out of 21 test-checked schools. Compound wall is essential for security of the students, particularly for girls' schools. However, there were no compound walls in six<sup>51</sup> schools including two girls' schools. In another girls' school at Tekulodu in Ananthapuramu district, compound wall was partially constructed.

**Safe drinking water:** The norms require supply of safe drinking water to the students. Audit observed that safe drinking water was provided only in four<sup>52</sup> out of 21 test-checked schools. In the remaining test-checked schools, bore well water was used for the purpose. However, it was seen that there was no evidence of water quality getting tested for its suitability for human consumption.

**Bathrooms and Toilets:** As per norms every residential school has to provide one toilet and one bathroom for every eight students. Audit observed that against 1,052 toilets and bathrooms required for the existing strength in the test-checked schools, only 707 toilets (67 per cent) and 489 bathrooms (47 per cent) were available. Out of these, 239 toilets and 213 bathrooms were not in usable condition. Thus, there were shortages of 584 toilets (56 per cent) and 776 bathrooms (74 per cent) in the test-checked schools for the existing strength. On average, there was one usable toilet for every 18 students and one bathroom for every 29 students in these schools against the norm of one each for every eight students. In two schools<sup>53</sup> there were no bathrooms at all. In three other schools<sup>54</sup>, none of the existing bathrooms and toilets were in usable condition. As a result, the students had to resort to



Open bathing in Vetapalem school  
(Prakasam District)

<sup>49</sup> Amalapuram, Kakinada (East Godavari), Narsapur (West Godavari), Nizampatnam (Guntur), Vetapalem (Prakasam), Golagamudi (SPS Nellore), Onipenta (YSR) and Sodum, Kalikiri, Udayamanikyam (Chittoor)

<sup>50</sup> Kakinada (East Godavari), Sodum (Chittoor), Nizampatnam (Guntur), Vetapalem (Prakasam), Golagamudi (SPS Nellore) and Rajampet (YSR)

<sup>51</sup> Sodum (Chittoor), Srisailam, Gorantla (Kurnool), Onipenta(G), Rajampet(G) (YSR) and Simhachalam (Visakhapatnam)

<sup>52</sup> Lepakshi (Ananthapuramu), Udayamanikyam (Chittoor), Nizampatnam (Guntur) and Thanam (Visakhapatnam)

<sup>53</sup> Amalapuram (East Godavari) and Doravarisatram (SPS Nellore)

<sup>54</sup> Srisailam (Kurnool), Vetapalem (Prakasam) and Simhachalam (Visakhapatnam)

open defecation and bathing. Further, there was no drainage system in 10<sup>55</sup> test-checked schools leading to unhygienic living conditions for the boarders.

The Secretary stated (February 2016) that the facilities would be provided in a phased manner.

### **2.3.2.4 Principal/Staff Quarters**

As per the norms, Principal's quarter/staff quarters should be available in the premises of the school for effective monitoring of the students. Principal's quarters were not available in 14 out of 21 test-checked schools; staff quarters were not available in 17 out of 21 test-checked schools, limiting the scope for effective monitoring of students in these schools.

### **2.3.3 Health check up**

As per the orders of the Secretary, part time doctors are required to visit the school every fortnight for general check-up of the students and to guide the Staff Nurse about the health of the students. It was observed that the frequency of doctors' visits was far below the required number of visits prescribed in all the test-checked schools. In 12 out of the 21 schools test-checked, doctor's visits were less than 50 *per cent*.

Further, in order to have close watch on the health of the students, a separate Health Card is required to be maintained for each student. It was seen that although such cards were maintained there were no entries in these cards except personal details, height and weight, which raises doubt on whether medical checkups were conducted at all or not defeating the very purpose of doctors' visits and maintenance of health cards. The Secretary of the Society stated (February 2016) that instructions would be issued to the Principals of all the schools to ensure minimum two visits of doctors in a month and to maintain Health Cards properly.

### **2.3.4 Man power**

#### **2.3.4.1 Principals**

The Principal of the school is responsible for overall functioning of the institution in respect of academic, non-academic and co-curricular activities. Thus, it is imperative that the post of Principal is not left vacant. However, the posts were filled only in two out of the 32 schools in the State. During audit, it was seen that Principals posts were vacant in all the 21 test-checked schools and they were being run by In charge Principals (PG Teacher). Further, it was also seen that there was no separate post to look after the hostel affairs. The Principal of that school being the 'hostel warden', the hostel duties were entrusted to one of the teaching staff on rotation basis. Such arrangement

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<sup>55</sup> Amalapuram (East Godavari), Golagamudi (SPS Nellore), Lepakshi (Ananthapuramu), Srisailam (Kurnool), Nizampatnam (Guntur), Onipenta (YSR), Sodum, Udayamanikyam (Chittoor), Vetapalem (Prakasam) and Tekkali (Srikakulam)

was bound to have an adverse impact not only on the effective management of the school and hostel affairs but also on the efficiency of the officiating teaching functionary.

The Secretary stated (September 2016) that ‘Service rules’ for the staff of the Society were yet to be approved by the Government after which action would be taken for filling up of the posts.

#### **2.3.4.2 Academic Guidance Officer Posts**

There are four zones in the State and the 32 schools in the State are distributed in these four zones. The Society in its resolution (November 2012) had decided to designate the Senior amongst the Principals of the schools in a zone as Academic Guidance Officer for the schools in the zone and entrust him with the role of conducting periodical inspections of the institutions with the objective of sorting out issues and problems that were required to be addressed and also to give academic guidance wherever felt wanting.

It was however, observed that Academic Guidance Officer was not designated in any of the zones during the period covered by audit. As a result there was little or no scope of reviewing.

#### **2.3.4.3 Shortages in staff for other activities**

The academic calendar of the school is to devote six periods in a week to other activities like computer education, music, library, sports, etc. This implies that faculty meant for such activities and classes are in place to impart the intended lessons. Audit observed the following.

- Ninety one *per cent* (39 posts) of Arts/Crafts/Music Teacher posts were vacant.
- Only in three schools the posts of Librarian was sanctioned and that too on contract basis, which remained unfilled as of July 2016.
- Fourteen out of 29 posts of Physical Director/Physical Education Teacher were vacant.
- Except for Amalapuram school, Computer Education tutors were not available in any of the institutions. During audit it was seen that computer classes were not conducted in 20 (out of 21) test-checked schools.

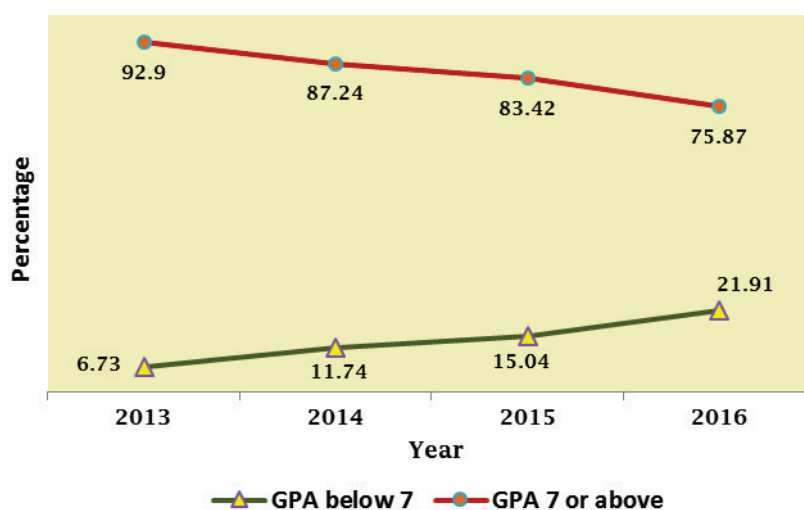
Absence of faculty would adversely affect the intended objective of imparting skills to the students through co-curricular activities.

### **2.3.5 Curriculum and standards of education**

With English as the medium of instruction these BC Welfare Residential Educational Institutions Society schools follow the State Government syllabus and the students enroll and appear in the examinations conducted by the ‘Board of Secondary Education’ for the 10<sup>th</sup> standard. An analysis of the results of the students of these schools in the

10<sup>th</sup> class examination indicate that pass percentage of students ranged between 97.78 per cent and 99.63 per cent in these examinations during the years from 2013 to 2016 against the State average of 90.34 per cent to 94.52 per cent. While the overall pass percentage *prima facie* attests to the fact that the performance of the students in these institutions has been of a relatively high order, qualitatively the trend in recent years in terms of grade points has declined. The percentage of students who scored GPA<sup>56</sup> score of seven or above declined from 93 per cent in 2013 to 76 per cent in 2016.

**Chart-2.8: GPA trend**



To this extent, overall high pass percentage notwithstanding, this trend of falling grades and qualitative decline in performance is an indicator of the fact that the teaching standards and thus quality of faculty and facilities in place have been deficient. To this extent, the prime objective of providing the desired teaching standards and a congenial learning environment complete with all infrastructural arrangement and facility still remain unachieved.

### 2.3.6 Conclusion

There were significant deficiencies in classrooms and other infrastructure in the schools. Academic monitoring of the schools was poor since Academic Guidance Officer was not designated and a large number of vacancies were existing in the posts of Principals. The objective of devoting six periods per week for other activities did not materialise due to dearth of relevant staff. The percentage of students achieving higher grade points has been steadily declining indicating the deterioration in the quality of education defeating the main objective of the Society.

The matter was reported to Government in August 2016; reply has not been received (November 2016).

<sup>56</sup> Grade Point Average (Average of Grade points obtained by student in various subjects)

## Health, Medical and Family Welfare Department

### 2.4 Medical equipment lying unutilised

**Equipment procured by the Andhra Pradesh Medical Services and Infrastructure Development Corporation (APMSIDC) were lying idle due to lack of space and infrastructure constraints thereby depriving the patients of the intended benefits.**

Medical equipment is an essential component of public health service delivery. Procurement of medical equipment should be based on a sound need-based assessment keeping in view, availability of manpower along with suitable infrastructure facilities and other resources. Procurement and distribution of medical equipment to the Health Care Institutions (HCIs<sup>57</sup>) under the control of the Health, Medical and Family Welfare Department (Department) in the State is entrusted to the Andhra Pradesh Medical Services and Infrastructure Development Corporation (Corporation).

The Corporation procures equipment based on the indents and the funds received from the Heads of Departments (HoDs) as per the requirement of HCIs. Records of the Corporation were scrutinised during June - September 2016 to assess whether the equipment so procured by the Corporation were installed, adequately manned and effectively put to use. Audit observations are detailed in the succeeding paragraphs.

#### 2.4.1 Non-installation of equipment

Availability of space and infrastructure is a pre-requisite before acquiring equipment by the HCIs. Where additional space is required to accommodate the equipment construction of infrastructure should be in tandem with the procurement of equipment, so that the equipment procured does not remain idle for want of space for installation.

Scrutiny of the data provided by the Corporation showed that equipment worth ₹16.43 crore procured during the period 2015-16 for utilisation in 31 HCIs were lying uninstalled (December 2016) for want of space for installation. The equipment included high value equipment like Ultrasound Colour Doppler, X-ray machine, etc. A few important cases are discussed in Table-2.7.

<sup>57</sup> Primary Health Centres, Community Health Centres, Area Hospitals, District Hospitals, Government General Hospitals, etc.



Table-2.7

**District Hospital, Tenali, Guntur district**

During 2015-16, the Corporation procured 77 items of equipment<sup>58</sup> worth ₹3.10 crore for the Mother and Child Health care (MCH) Centre in the District Hospital, Tenali. However, due to non-completion of electrical and other works, the building constructed for the Centre at a cost of ₹6.02 crore could not be put to use. As a result, the equipment procured for the MCH Centre was dumped in various rooms of the hospital as illustrated in the photographs below.



The Superintendent replied (July 2016) that as the building was not handed over to them, the equipment was not installed and put to use.

**Visakha Institute of Medical Sciences (VIMS), Visakhapatnam**

The Corporation procured (March 2016) equipment viz., OT Light Double Dome, Ventilator, Defibrillator, etc., at a cost of ₹8.11 crore. It was seen in audit that the buildings required for installation of the equipment were not yet completed. The Corporation also confirmed (November 2016) that equipment was not installed due to non-completion of the construction of the buildings.

**Area Hospital, Anakapalli, Visakhapatnam district**

Construction of building for the MCH Centre in the Area Hospital, Anakapalli taken up in August 2012 was completed in July 2015 at a cost of ₹7.83 crore. Equipment<sup>59</sup> worth ₹2.28 crore were procured by the Corporation (March 2015-April 2016) from XIII Finance Commission grants for utilisation in the centre. It was seen that the equipment so procured were not installed in the Centre as of December 2016.

<sup>58</sup> major items include Operating Laparoscope Set: ₹26.95 lakh, Ultrasound Colour Doppler (3): ₹46.48 lakh, Neonatal Ventilator with UPS: ₹19.65 lakh and Multichannel Monitor (18): ₹30.92 lakh

<sup>59</sup> major items include Ultrasound Color Doppler (2): ₹30.99 lakh, Neonatal Ventilator with UPS: ₹19.65 lakh, Pulse Oxymeter Adult (14): ₹13.63 lakh and LDRP Beds (14): ₹16.82 lakh

The hospital authorities replied (December 2016) that the equipment would be installed and utilised after inauguration of the building. Thus, due to non-inauguration of the building even after 18 months from its completion, the equipment remained idle. The building completed at cost of ₹7.83 crore was also lying unutilised.

#### **King George Hospital, Visakhapatnam**

The Corporation procured (March 2016) six numbers of Haemodialysis units for Nephrology Department in the Hospital at a cost of ₹45.67 lakh. However, Audit observed that the equipment were not put to use (December 2016) due to non-availability of funds for construction of Reverse Osmosis (RO) plant required for functioning of the equipment.

#### **Community Health Centre (CHC), Kotauratla, Visakhapatnam district**

The Corporation procured (February - March 2016) equipment viz., Autoclaves, Heart Start ALS Monitor, suction apparatus etc., at a cost of ₹9.98 lakh. During audit, it was seen that construction of a new building was taken up by the Corporation in July 2015 and was scheduled to be completed by July 2016. However, as of September 2016, the works were still under progress and only an amount of ₹95 lakh was expended against the agreement value of ₹2.50 crore. The Medical Officer stated (September 2016) that there was no enough space in the existing CHC building for installation of the equipment. The equipment has remained uninstalled due to non-completion of the building.

#### **Government General Hospital, Vijayawada, Krishna district**

The Corporation supplied (April 2016) Auto-analyser for Bio-chemistry Department of the hospital at a cost of ₹29.93 lakh. However, the equipment was not installed (November 2016) and put to use. On an enquiry about reasons for non-installation of the equipment, the Hospital stated that the room with Air conditioner facility required for installation of the equipment was not available.

#### **Government General Hospital, Kakinada, East Godavari district**

The Corporation procured (March 2016) X-ray machine with image intensifier for the hospital, at a cost of ₹36.36 lakh. However, the equipment remained unutilised as of December 2016. The Superintendent of the hospital replied (December 2016) that the equipment was not installed due to non-completion of renovation work of rooms and due to non-availability of qualified technicians.

*Source: Records of Corporation and physical verification of HCIs*

It would be evident from above that a number of vital equipment could not be installed due to non-completion, non-availability of space and infrastructure in the HCIs.

### 2.4.2 Equipment procured in advance lying idle

The Corporation had procured (January 2016) kits required for utilisation in 419 ambulances (meant for 108 - emergency response service). Of these, 95 sets (costing ₹4.47 crore) of equipment remained idle due to non-procurement of Advanced Life Support (ALS) ambulances. The Corporation replied (October 2016) that the procurement process of ALS vehicles was in progress and the equipment would be utilised soon after purchase of the ambulances.

However, it was seen that process of procurement of ALS vehicles was initiated and the tenders were floated in October 2016 while the equipment to be fitted and installed were procured in advance in January 2016.

Thus, equipment procured by the Andhra Pradesh Medical Services and Infrastructure Development Corporation were lying idle due to lack of space and infrastructure constraints thereby depriving the patients of the intended benefits.

The matter was reported to Government in December 2016; reply has not been received.

### Higher Education Department

(Sri Venkateswara University)

## 2.5 Unproductive expenditure

**Inaction of Sri Venkateswara University authorities resulted in non-completion of 'Seminar Complex' construction even after a lapse of almost a decade, rendering the expenditure of ₹1.71 crore unproductive.**

A decision was made by Sri Venkateswara University, Tirupati in May 2006 to construct 'Rajiv Gandhi Memorial Golden Jubilee Seminar Complex' within its campus with the objective of providing a centralised facility to conduct seminars, workshops, meetings, etc., for its future requirements. The work was awarded (November 2006) to the lowest bidder, valued at ₹3.27 crore for completion within 12 months i.e., by November 2007. However, based on the requests of the contractor relating to his personal reasons like financial problems, ill health, etc., and keeping in view the slow progress of work, the University authorities granted extension of time (EoT) twice finally up to June 2012. Despite grant of EoTs, the contractor stopped<sup>60</sup> the work from June 2011 and the work remained incomplete as of May 2016 i.e., even after the lapse of more than nine years from the date of entrustment of work. The expenditure of ₹1.71 crore incurred on the work so far remained unproductive.

<sup>60</sup> The University authorities observed stoppage of work in September 2011





**Status of auditorium construction work (as of 10 June 2016)**

On audit scrutiny the following were observed:

- (i) Although the progress of work was sluggish from the time of commencement of work, for which the contractor was wholly responsible, the University authorities granted EoT up to June 2012. While the agreement period was only for one year, EoT was granted for four years seven months without justification.
- (ii) Provisions of Andhra Pradesh Standard Specifications and Clause 26 of the agreement stipulate that if the contractor suspends the work, the University authorities should take necessary steps for completion of the work without undue delay and expense by taking possession of the work site and by engaging another contractor/agency. Although the contractor had discontinued execution of work from June 2011, the University authorities had not taken any action towards completion of the work in compliance with the terms of agreement of the work.
- (iii) The Works and Buildings Committee responsible to oversee the progress of the work had recommended (December 2013) termination of contract to the Executive Council (EC). The EC passed a resolution in January 2014 to terminate the contract, duly forfeiting the Earnest Money Deposit (EMD) and other deposits of the contractor. Thus, it had taken 30 months after the contractor had discontinued the work for the University authorities to take a decision on the contract. Now, even after 30 months of passing of the above resolution, no concrete action has been taken to implement it.
- (iv) As per Clause 48 of agreement, if the contractor failed to complete the work within the stipulated period, including extension of time granted by the competent authority, liquidated damages (₹2,01,000 per day) were to be imposed for the period of delay, subject to a maximum of 10 *per cent* of contract price i.e., ₹32.72 lakh. However, no liquidated damages<sup>61</sup> were imposed on the contractor invoking this penal clause of the agreement.
- (v) Bank Guarantee (BG) for ₹8.18 lakh submitted by the contractor expired in March 2010. Despite this, the University had not ensured revalidation of the BG even though EoT was granted up to June 2012. It was, therefore, futile on the

<sup>61</sup> Total delay 565 days from expiry of the last EoT (30 June 2012) to the date of EC resolution (17 January 2014) for termination of contract

part of the University to resolve to forfeit the EMD when the validity of BG had in fact expired. Thus, the University authorities had not exercised prudence in protecting the financial interest of the institute and its stakeholders. Although the University stated (June 2016) that it had withheld an amount of ₹ 13.90 lakh from the work bills, it was way below the sum accruable had the liquidated damages been imposed.

Thus, in spite of the sluggish progress of execution of work for five years, the University authorities had not taken any action to terminate the contract and to impose penalties on the defaulting contractor. Consequently, the project envisaged in 2006 remained incomplete and the scholars and students were deprived of a centralised facility for conducting seminars, meetings, etc., even after a lapse of almost a decade after the awarding of the work for the project, rendering the expenditure of ₹ 1.71 crore unproductive.

The matter was reported to Government in July 2016; reply has not been received (November 2016).

(Yogi Vemana University)

## 2.6 Deficient planning for Agriculture Science Park

**Lack of integrated planning in execution of the 'Agriculture Science Park' project in Yogi Vemana University led to undue time overruns in project completion and, as a consequence, the expenditure of ₹2.31 crore incurred on the project remained unproductive. Besides, the intended objective of transferring agri-biotech applications to farmers and industries in the area for their benefit also remained unachieved.**

The Vice Chancellor (VC) of the Yogi Vemana University, Kadapa (University) had submitted proposals (December 2007) to the Government, Industries & Commerce (BT) Department to establish the 'Agriculture Science Park' project in the University at a cost of ₹5.00 crore<sup>62</sup>. The project was to serve as an interface platform for agricultural companies and researchers with a view to advancing their agri-business capabilities and technology. In the proposals the University had stated that it would provide space necessary for state-of-the-art laboratories (labs), incubator facilities, technical and business support facilities, services and tools needed for agri-business houses of the State to conduct research, field trials, generate products for sales under one roof. Based on the proposal, Industries & Commerce (BT) Department had released (March 2008) ₹2.46 crore towards the first instalment for establishment of Agriculture Science Park. During the period from March 2008 to February 2013 the University had procured some equipment (January 2009-December 2012) for laboratories, established instrumentation lab with tissue culture facility and conducted basic research activities (November 2010 - February 2013) with the assistance of co-investigators working in various Departments.

<sup>62</sup> Infrastructure: ₹ two crore, Working Capital: ₹ two crore and Overhead costs: ₹ one crore

For this purpose, the University utilised an amount of ₹2.31 crore leaving an unspent balance of ₹0.97 crore (which includes interest component of ₹82 lakh) to the end of June 2016. The balance funds (₹2.54 crore) were yet to be released by Government (September 2016).

However, it was seen in audit (February 2016) that all the project activities were stalled since February 2013 leaving the project incomplete till date (September 2016). The University attributed the failure in implementation of the project to lack of space or labs to carry out each specialised objective, non appointment of Assistant Director, research assistants and technical supporting staff, and lack of funds for completion of the remaining infrastructure and to meet the recurring expenditure requirement for staff salaries.

The success of a project depends on comprehensive planning incorporating requirement of physical infrastructure, financial and human resources. However, audit observed that such integrated planning was lacking which led to the present fate of the project as discussed below.

- (i) The project proposal was devoid of any time bound plan for procurement of equipment, establishment of laboratories and target date for completion of the project for its full-fledged functioning.
- (ii) The project proposals did not visualise the requirement of physical infrastructure like buildings to accommodate laboratories for the project. Although eight research centres were proposed to be established for the park, none of them were established except for one instrumentation lab with tissue culture facility (a part of one of the eight research centres envisaged). The equipment (worth ₹90 lakh) procured (January 2009 - December 2012) for various labs were dumped in this lab, unused. Although, the University, in its proposals submitted to Government in December 2007 had assured of providing necessary space for labs, it failed to do so and stopped the project midway. It is pertinent to note that construction of buildings for labs was not included even in the revised proposals submitted to Government in June 2016. The University had not specified any reason for non-inclusion of this component in the proposals.
- (iii) The project did not have its own researchers/dedicated staff. The project proposals did not include the staff requirement and recurring expenditure towards staff salaries. Although, the Executive Committee of the University had decided (June 2009) to engage staff, it finally recruited only non-technical<sup>63</sup> staff and the key posts of Assistant Director, Research Fellows etc., to carry out the research activity vital for achievements of the project were not filled. It was only in March 2016 that the University addressed the Government (Higher Education Department) for sanction of posts/ recurring expenditure towards staff salaries for the project which was yet to be sanctioned by Government (September 2016).

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<sup>63</sup> Lab attendant (3), Senior Assistant (1), Junior Assistant (1) and Attender (2)

- (iv) Although the Executive Committee of the University had resolved (January 2013) to resume with the project without financial assistance from Government, the University had not taken any tangible steps towards this end.

Thus, due to deficiencies and absence of integrated planning the Agriculture Science Park project remained incomplete even after nine years from sanction. The intended objective of transferring agri-biotech applications to farmers and agri-business industries remained unachieved, rendering the expenditure of ₹2.31 crore incurred on the project infructuous.

The matter was reported to Government in August 2016; reply has not been received (November 2016).

## 2.7 Unfruitful expenditure

**Government had initially permitted the Yogi Vemana University to take up building works at a cost of ₹71.61 crore but later it did not release the full funds. As a result, the works were stopped midway leaving the University with deficient infrastructure. Further, the expenditure of ₹29.50 crore incurred on incomplete buildings remained unfruitful.**

Government had established Yogi Vemana University (University) in Kadapa in March 2006. To provide infrastructure facilities required for the newly established University campus, Management and Development Committee of University accorded (December 2007) administrative sanction for construction of ten<sup>64</sup> buildings (6.00 lakh sft.) at a cost of ₹75 crore. The Registrar of the University entrusted (November 2008) the work to a contractor for ₹71.61 crore at 15.50 *per cent* excess over estimated contract value (₹62 crore). The work was to be completed within 18 months i.e., by May 2010.

Audit observed (February 2016) the following:

- (i) Government had provided an amount of ₹36 crore in the budget for the year 2008-09 for construction of buildings in the University and directed (November 2008) the University to include the balance requirement of funds in the budget proposals for 2009-10. Government had also provided ₹39 crore and ₹35 crore during the years 2009-10 and 2010-11 respectively for construction of buildings in the University. However, it was seen that Government had released only ₹17.50 crore, ₹9.75 crore and ₹17.63 crore during 2008-09, 2009-10 and 2010-11 respectively. Government had not released any funds for the purpose in the subsequent years. Thus, Government had assured funds for construction of buildings initially and had not released the funds to the extent of provisions made in the budget.

<sup>64</sup> Central Library building, Examination building, Arts & Commerce buildings, Administrative building, Humanities Block, Management Block, Teaching staff quarters, Non-teaching staff quarters, Campus School and Community Centre

- (ii) As per Government orders (July 2003/November 2004), the ceiling of tender premium was five per cent over estimated contract value. If the tender premium quoted was more than five per cent even after second call of tenders, the case was to be referred to the Government. Government might order for fresh call of tenders or might constitute a committee to award work on nomination basis to a reputed contractor.

In this case, the Registrar of the University had addressed (September 2008) Government for acceptance of tender with premium above the ceiling on first call itself, on the grounds that there was acute shortage of accommodation for class rooms, second call of tenders would delay the process by at least three months and would result in cost escalation. Accordingly, Government accepted (November 2008) the award of work with a tender premium of 15.50 per cent. Thus, Government's intention was to complete the work with due haste and to avoid cost escalation. However, Government released only ₹44.88 crore (April 2008 – November 2010) against the contract value of ₹71.61 crore. Government had not released any further amount despite persistent correspondence from the University leading to delay and also cost escalation.

- (iii) Out of ₹44.88 crore released by Government, the University incurred an expenditure of ₹43.67 crore to the end of March 2014. Although the University granted extension of time up to December 2015, the contractor stopped the work in February 2013 due to non-release of funds by the University and did not respond to the University's call (May 2015) to continue with the work.
- (iv) Out of buildings with 5,99,841 sft., only buildings (Examination and Library buildings) with 99,674 sft. were completed. Construction of buildings which are mainly residential blocks (90,824 sft.) for the University staff was not taken up. Although construction of remaining buildings (4,09,343 sft.) meant for academic activities (Arts & Commerce, Humanities block, Management block) and Administrative building were taken up, they remained incomplete as of June 2016 after incurring expenditure of ₹29.50 crore. As a result, the envisaged accommodation was not created to an extent of 5,00,167 sft. (4,09,343 sft.+90,824 sft.) and the expenditure of ₹29.50 crore incurred on incomplete buildings remained unfruitful. Further, this had resulted in cost escalation of ₹15 crore.

Thus, Government had initially permitted the University to take up works at a cost of ₹71.61 crore and later did not release funds fully. As a result, the building works were stopped midway leaving the University with deficient infrastructure. The main objective of acceptance of tender at a premium beyond the ceiling i.e., timely completion of buildings and to avoid cost escalation were defeated leaving the expenditure of ₹29.50 crore unfruitful.

The matter was reported to Government in August 2016; reply has not been received (November 2016).



## Home (Police) Department

### 2.8 Execution of works without approval

**Taking up of construction work of a barrack in Police Training Centre, Vizianagaram out of the XIII Finance Commission grants without obtaining the approval of GoI/State Government had resulted in closure of work midway, rendering the entire expenditure of ₹ 2.44 crore incurred on the work unfruitful.**

Government had accorded administrative sanction (July 2012) for upgradation of Police Training Centre (PTC), Vizianagaram at a cost of ₹9.60 crore out of the XIII Finance Commission grants. Under the project, eight<sup>65</sup> works were to be taken up in the PTC including one administrative block and one barrack for trainees. The works were entrusted to the AP State Police Housing Corporation (Corporation) for execution. However, it was seen in audit that out of the eight works sanctioned, five works including the barrack had been completed at a cost of ₹5.83 crore. The remaining three works i.e., the administrative block, WBM Roads and multipurpose grounds with obstacles were not taken up.

Article 3 of the Andhra Pradesh Financial Code stipulated that no expenditure should be incurred from public funds unless the expenditure was sanctioned by an order of the competent authority.

Scrutiny of records (December 2015) of PTC, Vizianagaram and further correspondence showed that instead of the administrative block sanctioned by Government at an estimated cost of ₹2.50 crore, the Department had decided (October 2013) to construct another barrack at an estimated cost of ₹3.20 crore on the ground that the PTC had sufficient office accommodation. The additional amount of ₹0.70 crore required was proposed to be met by dropping two sanctioned works i.e., WBM Roads (₹0.35 crore) and the multipurpose grounds with obstacles (₹0.40 crore). Accordingly, the Director General of Police addressed (February 2014) the State Government for revised administrative sanction for ₹3.20 crore and also for approval from GoI. However, the revised administrative sanction for the deviation in execution of work was not conveyed by the State Government as of September 2016.

It was seen in audit that although the Government had not sanctioned the construction of the second barrack in deviation from the original sanction, the Corporation proceeded with the construction work with the available funds. The Corporation entrusted (November 2013) the work to a contractor even before seeking revised administrative sanction from State Government in February 2014. The work scheduled to be completed by November 2014, was suspended and the work contract was terminated in March 2015 after incurring an expenditure of ₹2.44 crore due to non-receipt of revised

<sup>65</sup> Barrack (₹3.20 crore), administrative block (₹2.50 crore), computer lab (₹0.35 crore), kitchen (₹0.30 crore), laying of CC roads (₹0.50 crore) & WBM roads (₹0.35 crore), Multipurpose grounds with obstacles (₹0.40 crore) and accommodation for faculty (₹2 crore)

administrative sanction from the Government. The construction remained incomplete with balance works pending completion viz., the electrical works, sanitary, water supply works, etc., the cost of which was estimated at ₹ 63.20 lakh. Till date, the building had not been put to use (October 2016).

Thus, Government had sanctioned the construction works without need analysis as was apparent from the inclusion of administrative block component which was not required by the PTC. Further, in violation of provisions of the AP Financial Code, the Department had taken up construction of second barrack without obtaining requisite approval/ sanction from the State Government and the GoI. As a result, the construction work, which was scheduled to be completed by November 2014, remained incomplete, rendering the expenditure of ₹ 2.44 crore incurred so far on the construction unfruitful.

The matter was reported to Government in November 2016; reply has not been received (November 2016).

## **Municipal Administration and Urban Development Department** (Public Health and Municipal Engineering)

### **2.9 Water Supply Improvement Scheme not completed**

**Award of work despite non-availability of site for Head Water Works and time overruns resulted in the envisaged benefits of augmentation of water supply to the municipality not being achieved even after seven years from its sanction.**

With a view to augmenting drinking water supply to Vizianagaram Municipality, Government had accorded (August 2009) administrative sanction for ‘Water Supply Improvement Scheme of Vizianagaram with Tarakarama Thirthasagaram Project Reservoir (TTPR) as source’ under ‘Urban Infrastructure Development Scheme in Small and Medium Towns’ at an estimated cost of ₹ 38 crore<sup>66</sup>. Engineer-in-Chief (Public Health), Hyderabad accorded technical sanction in September 2009. The work was entrusted to a contractor in August 2010 with a stipulation to complete the work by February 2012. However, extension of time (EoT) was granted up to December 2012.

For the above mentioned Project, it was seen that the intake well was originally proposed at Kumili reservoir in Saripalli village limits. However, as the land acquisition process was not completed and due to technical constraints raised by Irrigation & Command Area Development (I&CAD) Department at this location, an alternate site was identified<sup>67</sup> (July 2010) at Chollangipeta on the grounds that (i) sufficient Government land was available for construction, (ii) adequate water head was available for pumping/drawal of water even in low pond levels and (iii) water could

<sup>66</sup> comprising Head Water Works at the location of source of water, pipelines for distribution, ELSRs, etc.

<sup>67</sup> after joint inspection (July 2010) by the Superintending Engineer (SE), PH, Visakhapatnam and SE, I&CAD Department, TTPR Circle, Vizianagaram

be drawn through an RCC barrel to avoid future maintenance. Consequently, the length of pumping mains and corresponding pump sets and transformers were suitably revised. Government accorded (September 2011) revised administrative sanction for ₹ 50.60 crore.

During scrutiny (March 2015) of records and further correspondence with the Department the following was observed.

- (i) For execution of water supply scheme, it is essential to ensure availability of land for both Head Water Works (HWWs) at the location of intake well/ source of water and also for pipelines for distribution of water. The site chosen for intake well i.e., Chollangipeta was not ready for execution of the project, as the TTPR project being executed by I&CAD Department was yet to be completed. Thus, water could not be drawn from the proposed source. Although land was not available for HWWs, the entire project work, which included HWWs, was entrusted to the contractor without restricting the scope of work to the balance work (construction of ELSRs<sup>68</sup>, distribution lines, etc.) where land was available for execution of work.
- (ii) The change of site for Head Water Works was suggested in July 2010 which entailed revision of scope of work as well as administrative sanction for the same. However, without waiting for the administrative approval and sanction of the revised project estimates, the Superintending Engineer, Public Health, Visakhapatnam (SE, PH) entrusted the work to the contractor in August 2010 on the basis of the original (2010) estimate.
- (iii) Although EoT was not granted beyond December 2012, the SE, PH allowed the contractor to work at site up to November 2013 instead of taking any action to close the contract forthwith and to have the work completed through another agency.
- (iv) The contractor executed (November 2013) the portion of work valued at ₹ 19.41 crore out of the estimated cost of ₹ 24.87 crore for the project work (i.e., excluding HWWs) where sites were handed over to the contractor. The ENC, PH stated that the distribution lines completed under the scheme would be interconnected with the existing lines and water would be supplied to the public. The functional utility of the pipelines for the water supply project remained doubtful as the contractor had left many gaps on the pipelines laid for want of Control Valves, Air Valves, Specials like bends, Tees, etc., which were required to be fixed while laying the pipelines.
- (v) Despite the sluggish pace of execution of work by the contractor, it was only after one year from expiry of EoT that the PH Department requested (January 2014) the Government to accord permission for termination of contract and call for fresh tenders for the balance components. Approval of Government was pending (August 2016).

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<sup>68</sup> Elevated Level Storage Reservoirs



(vi) Even though the I&CAD Department handed over advance possession of land in October 2015 for execution of HWWs, the execution of work was not commenced even as of May 2016 as the first contract was not terminated. While the Department should have been ready with approved drawings and designs for immediate execution of works after taking possession of the site, it was seen that these were not finalised even after lapse of about nine months.

Thus, awarding the entire project work despite non-availability of site for HWWs and delays in initiating corrective and penal action on slow progress of work by the contractor resulted in non-completion of the work. Further, the Department was not ready with drawings and designs for taking up of HWWs when land was finally made available for the work in October 2015. As a result, the envisaged benefit of augmentation of water supply to the municipality remained unachieved even after seven years from its sanction.

The matter was reported to Government in July 2016; reply has not been received (November 2016).

## 2.10 Wasteful expenditure

**Failure to secure requisite clearance, non-compliance with MSW-M&H Rules and proceeding with the execution of works despite litigation hurdles, resulted in the SWM project remaining incomplete even after nine years of its sanction, rendering expenditure of ₹ 89 lakh incurred on construction of compost yard and landfill unit in Chirala municipality wasteful.**

Government had accorded (May 2007) administrative sanction for ‘Solid Waste Management’ (SWM) project under 'Urban Infrastructure Development Scheme in Small and Medium Towns' at a cost of ₹3.87 crore<sup>69</sup> in Chirala Municipality of Prakasam district. Engineer-in-Chief, Public Health, Hyderabad had accorded technical sanction for the proposal in October 2008. The execution of work was entrusted to Public Health & Municipal Engineering (PH) Department and the Municipality handed over the site<sup>70</sup> for the project to the Deputy Executive Engineer, Public Health Sub-Division, Chirala in December 2010.

Municipal Solid Waste (Management and Handling) Rules, 2000 (MSW-M&H Rules, 2000) stipulate that the landfill site should be located at a prescribed distance from habitation clusters, forest areas, water bodies, etc. Authorisation from the AP Pollution Control Board (APPCB) should be obtained for setting up waste processing and disposal facility including landfills. As per CPHEEO<sup>71</sup> Manual the landfill site should be at least 500 metres away from notified habitations and a zone of 500 metres around the landfill boundary should be declared as no-development buffer zone.

<sup>69</sup> GoI share: ₹2.89 crore, State Government share: ₹0.36 crore and Urban Local Body share : ₹0.62 crore

<sup>70</sup> 15.60 Acres of land in Ramapuram of Kothapeta village, Vetapalem mandal

<sup>71</sup> Central Public Health and Environmental Engineering Organisation

As per AP Public Works Department Code the Superintending Engineer (SE) at Circle level and the Executive Engineer (EE) at Division level are responsible for obtaining all the requisite clearances before the estimates are submitted for technical sanction. It was seen (February 2015) that PH Department had approached APPCB in February 2011 for obtaining authorisation to establish SWM project in the above site. After conducting (August 2011) Joint Inspection<sup>72</sup>, APPCB had authorised (October 2011) the setting up of and operationalisation of compost yard and directed the Municipality to furnish proposals for landfill at any other location duly following the MSW-M&H Rules, 2000. However, the EE, PH handed over (May 2011) the site to the contractor for execution of the project work, including landfill unit, even before inspection by APPCB in August 2011.

Further, on examination of the petition filed (November 2010) by a nearby village represented by its Sarpanch, Hon'ble High Court had set aside (March 2012) the authorisation given by the APPCB as the proposed site was located in close proximity to human habitation, agricultural lands, etc. In view of the High Court judgement the Department had to stop the execution of work in December 2012 at that site. By that time, the Department had already executed work worth ₹1.73 crore<sup>73</sup>, including landfill.

APPCB held consultations with local village representatives and petitioners and issued fresh authorisation for establishment of compost yard<sup>74</sup> (October 2015) and landfill facility (February 2016) stipulating that the facility should be 500 metres away from the village habitations. Based on the latest authorisation of APPCB, Government has accorded (February 2016) revised administrative sanction for ₹5.80 crore for the project.

Thus, due to failure of the Department in securing requisite clearance from APPCB, non-compliance with MSW-M&H Rules and proceeding with execution of work despite litigation hurdles, the SWM project remained incomplete even after lapse of nine years of its sanction. The compost yard and landfill unit are to be reconstructed at a new location leaving the basic aim of the project to prevent the waste from causing pollution and health hazards unachieved. Thus, ₹89 lakh incurred on landfill unit and compost yard out of ₹173 lakh hitherto expended on the project proved to be wasteful. Moreover, the upward revision of the project cost (₹5.80 crore) from the original estimate<sup>75</sup> meant that additional financial burden of ₹1.93 crore will have to be borne by the Chirala municipality.

The matter was reported to Government in July 2016; reply has not been received (November 2016).

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<sup>72</sup> comprising Environmental Engineer, APPCB, Nellore; Municipal Commissioner, Chirala; Deputy Executive Engineer, Public Health Department, Chirala; District Town and Country Planning Officer, Ongole and Representative of Ground Water Department, Ongole

<sup>73</sup> Compost yard: ₹43.03 lakh, Landfill: ₹46.19 lakh, Segregation yard: ₹9.70 lakh, Internal roads: ₹14.01 lakh, Compound wall: ₹17.99 lakh, Vermi compost unit: ₹39.57 lakh and Office building/watchman quarters: ₹2.45 lakh

<sup>74</sup> with a condition to shift the location of the yard to other location in the same land

<sup>75</sup> Original approved cost of project ₹3.87 crore

## Revenue Department

### 2.11 Loss on alienation of land

**Alienation of land at a price much less than the market value, in violation of land allotment policy, resulted in a loss of at least ₹ 8.97 crore to Government.**

As per the new land allotment policy formulated by Government (September 2012) land may be allotted to various organisations/individuals only on collection of market value as recommended by the District Collector and AP Land Management Authority. Further, the market value should be ascertained by conducting local enquiry and the land value should not be less than the basic value. During audit (June 2016) it was observed that Government alienated (February 2016) 3.71 Acres of land to a private organisation in Visakhapatnam district at a price much less than the market value, causing loss to Government, as discussed below.

Sringeri Sankar Mutt (Mutt), Visakhapatnam (applicant) had requested (May 2013) the District Collector, Visakhapatnam for alienation of 2.33 Acres of land in survey No. 32 Bakkannapalem village in Visakhapatnam Rural Mandal for construction of temple complex and for developing Mutt activities. Later, the applicant submitted revised requisition (July 2015) for alienation of 3.83 Acres of land in the same survey number. The applicant also stated (July 2015) that the cost of the land was ₹50,000 per acre in 1993 and requested allotment of land at a nominal value of ₹30,000 per acre.

The Tahasildar, Visakhapatnam inspected the land, conducted local enquiries and observed (June 2015) that the Mutt was already established in the said land since 1990 and reported that basic value of the land was ₹5,000 per sq. yd. (₹2.42 crore per acre) and the prevailing market value was ₹15,000 per sq. yd. (₹7.27 crore per acre). The District Collector, Visakhapatnam forwarded (August 2015) the alienation proposal to the Special Chief Secretary to Government and the Chief Commissioner of Land Administration (CCLA) for approval. The CCLA recommended (December 2015) to Government for alienation of land, duly considering the prevailing market value of ₹15,000 per sq. yd.

However, in violation of the land allotment policy, Government alienated (February 2016) 3.71 Acres of land sought by the applicant on payment of ₹ 30,000 per acre, instead of the prevailing market value of ₹ 7.27 crore per acre, causing a loss of ₹ 26.96 crore<sup>76</sup> to Government. Even computed with reference to the basic value of the land, the loss would amount to ₹ 8.97crore<sup>77</sup>.

Government accepted the deviation and stated (September 2016) that it had alienated the land in relaxation of its policy as the institution was a non-profit charitable organisation

<sup>76</sup> (₹ 7,27,00,000 – ₹ 30,000) X 3.71 (Acres)

<sup>77</sup> (₹ 2,42,00,000 – ₹ 30,000) X 3.71 (Acres)

doing public service with limited resources and hence unable to afford the cost computed at market value and that from the point of view of easy accessibility, they had required the land near the town for their activities. Reply of the Government was not convincing as the policy<sup>78</sup> was formulated (September 2012) to address the issues in the management of Government lands; and to bring uniformity both in terms of extent and rate by adopting the fundamental principles of judicious allotment of land to various Government departments/private organisations. In the absence of specific provision on relaxation or waiver of the norms contained in the 2012 policy on fixation of cost of land, non-compliance with the provisions of land policy under reference defeats its purpose and is liable to lead to recurrence of such instances.

## 2.12 Loss on alienation of land at nominal value

**Alienation of land in a prime commercial area in Visakhapatnam to a private institution at a nominal price resulted in loss of ₹ 63.89 lakh to Government.**

Standing orders of the erstwhile Board of Revenue (BSO) stipulate that alienation of land to a company/ private individual or institutions for any public purpose should be made against collection of its market value<sup>79</sup>. Further, as per the Government orders (February 2005) regarding allotment of land to various categories and fixation of price also, the lands should be alienated to the institutions<sup>80</sup> only on payment of market value.

Ramakrishna Service Society (Applicant), Visakhapatnam had requested (February 2005) the District Collector, Visakhapatnam for allotment of land (0.30 Acre) in survey No. 89/5 of Kurmannapalem village in Gajuwaka Mandal for construction of training centre and office building on payment of market value.

The Joint Collector, Visakhapatnam had inspected (February 2008) the land and observed that the land was in prime area, suitable for commercial purpose, and reported that the market value was ₹ 5,000 per sq. yd. Considering the upward trend in the local market the District Collector, Visakhapatnam had proposed (March 2008) to alienate the land at market value of ₹ 6,000 per sq. yd. Accordingly, the Empowered Committee had recommended (July 2009) to Government for allotment of land at ₹ 6,000 per sq. yd.

It was observed in audit (June 2016) that contrary to the land allotment policy stipulated in the BSO and Government orders, Government alienated (March 2011) 0.24 Acre (1,161.60 sq. yd.) of land to the applicant at a nominal price of ₹ 500 per sq. yd. against the market value of ₹ 6,000 per sq. yd., resulting in loss of ₹ 63.89 lakh<sup>81</sup> to Government.

<sup>78</sup> G.O.Ms.No. 571 of Revenue (Assignment. I) Department dated 14 September 2012

<sup>79</sup> The BSO defined the Market value as the value that the land would fetch in the open market

<sup>80</sup> Educational/ Charitable/ Religious

<sup>81</sup> 1,161.60 sq. yd. X (₹ 6,000 – ₹ 500)

Government accepted the deviation and stated (September 2016) that it had alienated the land in relaxation of its policy as the institution was a non-profit charitable organisation doing public service with limited resources and hence unable to afford the cost computed at market value and that from the point of view of easy accessibility, they had required the land near the town for their activities. Reply of the Government was not acceptable as the Government orders (February 2005) had considered the issue and specifically stipulated to allot land to Educational/Charitable/Religious institutions on payment of market value; moreover, the applicant had requested for allotment of land on payment of market value.

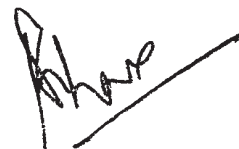


**(L. TOCHHAWNG)**

**Principal Accountant General (G&SSA)  
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**Hyderabad  
The**

**Countersigned**



**(SHASHI KANT SHARMA)**

**Comptroller and Auditor General of India**

**New Delhi  
The**



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# **Appendices**

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**Appendix-1.1**  
**(Reference to paragraph 1.6, page 4)**

**Department-wise break-up of outstanding Inspection Reports and Paragraphs**

Department	Number of IRs/Paragraphs pending as of 30 September 2016	
	IRs	Paragraphs
Backward Classes Welfare	84	736
Consumer Affairs, Food and Civil Supplies	27	172
Finance	12	107
General Administration	26	152
Health, Medical and Family Welfare	294	3000
Higher Education	649	3318
Home	129	747
Housing	19	153
Labour, Employment, Training and Factories	65	296
Law	53	195
Minorities Welfare	26	160
Municipal Administration and Urban Development	216	3784
Panchayat Raj and Rural Development	428	3111
Planning	19	199
Revenue	82	479
School Education	219	2872
Social Welfare	128	1259
Tribal Welfare	130	1335
Women, Children, Differently Abled and Senior Citizens	315	1461
Youth Advancement, Tourism and Culture	80	495
<b>Total</b>	<b>3001</b>	<b>24031</b>

**Appendix-1.2**  
**(Reference to paragraph 1.6, page 4)**  
**Position of Pending Explanatory Notes (as of 30 November 2016)**

**A. Exclusively pertaining to the State of Andhra Pradesh**

Department	2012-13	2014-15	Total
Backward Classes Welfare		1	1
Minorities Welfare		1	1
Municipal Administration and Urban Development		2	2
Revenue	2	1	3
School Education		2	2
Social Welfare		1	1
Tribal Welfare		1	1
Department for Women, Children, Differently Abled and Senior Citizens		1	1
<b>Total</b>	<b>2</b>	<b>10</b>	<b>12</b>

**B. Pertaining to both the States of Andhra Pradesh and Telangana**

Department	2006-07	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Backward Classes Welfare	-	-	-	1	-	-	1
Finance	-	1 <sup>\$</sup>	-	1	1	-	3
Higher Education	-	-	-	1	-	3	4
Home	1 <sup>\$</sup>	-	-	1	1	1	4
Minorities Welfare	-	-	-	1	-	1	2
Municipal Administration and Urban Development	-	-	-	1	-	-	1
Rural Water Supply and Sanitation	-	-	-	1	-	-	1
School Education	-	-	-	-	2	1	3
Social Welfare	-	-	-	1	-	-	1
Tribal Welfare	-	-	1	1	-	1	3
Youth Advancement, Tourism and Culture	-	1	-	-	-	1	2
<b>Total</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>4</b>	<b>8</b>	<b>25</b>

<sup>\$</sup> Paragraphs featured in Audit Report on Revenue Receipts

**Appendix-2.1**  
**(Reference to paragraph 2.1.2, page 9)**  
**List of institutions selected for test-check**

S. No.	Name of the Institute
1	AP Residential School (Boys), Kodigenahalli
2	AP Residential School (Boys), Gyarampalli
3	AP Residential School (Boys), Bobbili
4	AP Residential School (Boys), Bhoopathipalem
5	AP Residential School (Boys), Puligadda
6	AP Residential School (Boys), Tadikonda
7	AP Residential School (Boys), Kalvabugga
8	AP Residential School (Boys), Appalarajugudem
9	AP Residential School (Girls), Bheemunipatnam
10	AP Residential School (Girls), Vomaravalli
11	AP Residential School (Girls), Thatipudi
12	AP Residential School (Girls), Venkatagiri
13	AP Residential School (Girls), Gooty
14	AP Residential School (Girls), Banavasi
15	AP Residential School (Girls), Ammanabrolu
16	AP Residential School (Girls), Kavur
17	AP Residential Junior College (Boys), Nagarjunasagar
18	AP Residential Junior College (Boys), Gyarampalli
19	AP Residential Junior College (Girls), Banavasi
20	AP Residential Junior College (Co-edu), Nimmakuru
21	AP Residential Degree College, Nagarjunasagar

**Appendix 2.2**  
**(Reference to paragraph 2.1.4, page 10)**  
**Year-wise details of budget and expenditure\***

(₹ in crore)

Year	Head of Department	Salaries					Diet and other charges				
		Budget proposals	Budget provision	Funds released	Expenditure	Unspent balances (-)/ Excess expenditure(+) (Col. 6-5)	Budget proposals	Budget provision	Funds released	Expenditure	Unspent balances (-)/ Excess expenditure(+) (Col. 11-10)
1	2	3	4	5	6	7	8	9	10	11	12
2013-14	DSE	124.35	124.35	100.81	88.64	-12.17	15.65	15.65	13.36	25.56	12.20
	DIE	22.38	22.38	22.38	19.77	-2.61	2.73	2.73	2.73	3.64	0.91
	CCE	5.94	5.94	5.94	2.90	-3.04	0.04	0.04	0.03	0.63	0.60
	<b>Total</b>	<b>152.67</b>	<b>152.67</b>	<b>129.13</b>	<b>111.31</b>	<b>-17.82</b>	<b>18.42</b>	<b>18.42</b>	<b>16.12</b>	<b>29.83</b>	<b>13.71</b>
2014-15	DSE	139.73	89.27	72.70	68.59	-4.11	40.12	11.99	9.76	15.15	5.39
	DIE	27.58	16.06	16.06	18.09	2.03	6.41	1.78	2.21	2.96	0.75
	CCE	4.34	4.26	4.26	2.92	-1.34	0.65	0.03	0.27	0.63	0.36
	<b>Total</b>	<b>171.65</b>	<b>109.59</b>	<b>93.02</b>	<b>89.60</b>	<b>-3.42</b>	<b>47.18</b>	<b>13.80</b>	<b>12.24</b>	<b>18.74</b>	<b>6.50</b>
2015-16	DSE	90.93	98.19	79.97	59.87	-20.10	28.47	64.04	52.15	18.54	-33.61
	DIE	26.01	17.67	17.67	17.26	-0.41	5.32	2.58	2.58	2.61	0.03
	CCE	4.52	4.00	4.00	2.83	-1.17	0.66	0.35	0.35	0.39	0.04
	<b>Total</b>	<b>121.46</b>	<b>119.86</b>	<b>101.64</b>	<b>79.96</b>	<b>-21.68</b>	<b>34.45</b>	<b>66.97</b>	<b>55.08</b>	<b>21.54</b>	<b>-33.54</b>
<b>Grand Total</b>		<b>445.78</b>	<b>382.12</b>	<b>323.79</b>	<b>280.87</b>		<b>100.05</b>	<b>99.19</b>	<b>83.44</b>	<b>70.11</b>	

DSE: Director of School Education, DIE: Director of Intermediate Education; CCE: Commissioner of Collegiate Education

Source: Annual accounts of Society and budget proposals of the Department

\*Excluding schools funded by Minorities Welfare Department

**Minorities Welfare Department**

(₹ in crore)

Year	Budget proposals			Funds released#	Expenditure			Unspent balances (-)/ Excess expenditure(+) (Col. 8 minus Col. 5)
	Salaries	Diet and other charges	Total		Salaries	Diet and other charges	Total	
1	2	3	4	5	6	7	8	9
2013-14	6.59	9.50	16.09	4.00	3.97	3.35	7.32	3.32
2014-15	3.49	5.01	8.50	8.50	2.34	1.34	3.68	(-) 4.82
2015-16	3.54	5.53	9.07	3.94	1.87	1.36	3.23	(-)0.71
<b>Total</b>	<b>13.62</b>	<b>20.04</b>	<b>33.66</b>	<b>16.44</b>	<b>8.18</b>	<b>6.05</b>	<b>14.23</b>	<b>(-)2.21</b>

# Break-up for releases towards 'Salaries' and 'diet and other charges' is not available in respect of grants released by Minorities Welfare Department

Source: Information furnished by the APREIS

**Appendix-2.3**  
**(Reference to paragraph 2.1.5, page 11)**  
**Year-wise details of diet charges**

Year	Class	Student strength	Number of working days in a year	Amount to be spent per boarder per day (₹)	Total amount to be spent (₹)	Actual Expenditure (₹)	Shortfall (₹)
2013-14*	V to VII	16,774	290	24.19	11,76,71,287	22,33,12,797	4,90,84,614
	VIII to X	19,458	290	27.42	15,47,26,124		
	Intermediate	3,285	280	33.87	3,11,53,626	2,65,90,057	45,63,569
	Degree	380	280	33.87	36,03,768	29,66,044	6,37,724
	<b>Total</b>	<b>39,897</b>			<b>30,71,54,805</b>	<b>25,28,68,898</b>	<b>5,42,85,907</b>
2014-15	V to VII	9,356	290	24.19	6,56,33,276	9,43,02,972	2,65,47,603
	VIII to X	6,944	290	27.42	5,52,17,299		
	Intermediate	2,393	280	33.87	2,26,94,255	1,79,73,432	47,20,823
	Degree	389	280	33.87	36,89,120	39,93,608	-3,04,488
	<b>Total</b>	<b>19,082</b>			<b>14,72,33,950</b>	<b>11,62,70,012</b>	<b>3,09,63,938</b>
2015-16	V to VII	9,467	290	24.19	6,64,11,952	12,09,32,078	2,59,824
	VIII to X	6,889	290	27.42	5,47,79,950		
	Intermediate	2,269	280	33.87	2,15,18,288	2,00,54,241	14,64,047
	Degree	384	280	33.87	36,41,702	36,00,799	40,903
	<b>Total</b>	<b>19,009</b>			<b>14,63,51,892</b>	<b>14,45,87,118</b>	<b>17,64,774</b>
<b>Grand total</b>	<b>77,988</b>			<b>60,07,40,647</b>	<b>51,37,26,028</b>	<b>8,70,14,619</b>	

\* Details reported for combined State of Andhra Pradesh

Source: Information furnished by the APREIS

**Appendix-2.4**  
**(Reference to Paragraph 2.2.3, page 21)**  
**List of test-checked institutions**

District	Location	Name of the NGO	Institution type
Chittoor	(i) Puttur	Mother India Community Development Association (MICDA)	Old age home
	(ii) Vadamalapet		Old age home and Mobile Medicare Unit (MMU)
	(i) Savatapalli	People's Action for Social Service (PASS)	Old age home
	(ii) Kammappalli		Old age home
	(iii) Irala		MMU
	(i) Vanasthali (ii) Gudimallam (iii) Velur (iv) KarvetiNagaram (v) Tapovanam	Rashtriya Seva Samiti (RASS)	Old age home
	Korlakunta	Sarvodaya Women Welfare Society (SWWS)	Old age home
	(i) Karakambadi (ii) Marrimanda (iii) Sadasivapuram (iv) Musilipedu (v) Pichatur	RASS	Day care centre
	Kalikiri	Sarvodaya Women Welfare Society (SWWS)	Day care centre
	East Godavari	Pithapuram	Help The Women
Dowlaiswaram		Sanjay Gandhi Memorial Orphanages Boarding Home	Old age home
Kakinada		Sarada Educational Society	Old age home
Pithapuram		Help The Women	Day care centre
Rajamahendravaram		Pushkaramatha Convent Committee	Day care centre
Guntur	Pyaparru	Indira Priyadarsini Girijana Backward Class Mahila Mandali	Old age home
	Narasaraopet	Narasaraopet Taluka Scheduled Tribes Youth Club	Old age home
	Bapatla	Sree Sarada Mahila Vignana Samiti	Old age home
	Phirangipuram	Kandrika Mahila Mandali	Old age home
	Guntur	Kothapet Mahila Mandali	Old age home
	Bapatla	Sree Sarada Mahila Vignana Samiti	Day care centre
Prakasam	Chinnaganjam	Valmiki Seva Sangham	Old age home
	Nuthalapadu	3 Men Academics	Old age home
	Kothapet (V), Perala-Chirala	Lakshmi Mahila Mandali	Old age home
	Ongole	Prakasam Zilla Balaheena Vargala Colony Varala Seva Sangham	Old age home
	Ongole	Samatha MahilaVedika	Old age home
	Ongole	Prakasam Zilla Balaheena Vargala Colony Varala Seva Sangham	Day care centre
	Ongole	Samatha Mahila Vedika	Day care centre
Krishna	Machilipatnam	Government Home for Aged and Disabled	Old age home

**Appendix-2.5**  
**(Reference to paragraph 2.3.1, page 32)**  
**List of sampled Residential Schools**

S.No.	Name of the District	Name of the School
1	Ananthapuramu	1. Lepakshi (B)
		2. Tekulodu (G)
2	Chittoor	3. Kalikiri (G)
		4. Sodum (B)
		5. Udayamanikyam (G)
3	East Godavari	6. Amalapuram (B)
		7. Kakinada (B)
4	Guntur	8. Nizampatnam (B)
5	Kurnool	9. Gorantla (B)
		10. Srisailam (B)
6	Prakasam	11. Vetapalem (B)
7	Srikakulam	12. Tekkali (G)
8	SPS Nellore	13. Doravarisatram (B)
		14. Golagamudi (G)
		15. Kota (B)
9	Visakhapatnam	16. Simhachalam (B)
		17. Thanam (G)
10	Vizianagaram	18. Nellimarla (G)
11	YSR	19. Onipenta (G)
		20. Rajampet (G)
12	West Godavari	21. Narsapur (G)

**B: Boys**

**G: Girls**





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# **Glossary**

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<b>AGO</b>	:	Academic Guidance Officer
<b>AMC</b>	:	Academic Monitoring Cell
<b>APPCB</b>	:	Andhra Pradesh Pollution Control Board
<b>APREIS</b>	:	Andhra Pradesh Residential Educational Institutions Society
<b>APRJC</b>	:	Andhra Pradesh Residential Junior College
<b>APRS</b>	:	Andhra Pradesh Residential School
<b>BPL</b>	:	Below Poverty Line
<b>BSO</b>	:	Board of Revenue Standing Orders
<b>CCLA</b>	:	Chief Commissioner of Land Administration
<b>CPHEEO</b>	:	Central Public Health and Environmental Engineering Organisation
<b>DCCs</b>	:	Day Care Centres
<b>EC</b>	:	Executive Council
<b>ELSRs</b>	:	Elevated Level Storage Reservoirs
<b>EMD</b>	:	Earnest Money Deposit
<b>ENC</b>	:	Engineer-in-Chief
<b>EoT</b>	:	Extension of Time
<b>GIA</b>	:	Grant-in-Aid
<b>gm</b>	:	Gram
<b>GoI</b>	:	Government of India
<b>GPA</b>	:	Grade Point Average
<b>HWWs</b>	:	Head Water Works
<b>I&amp;CAD</b>	:	Irrigation and Command Area Development
<b>I&amp;PR</b>	:	Information and Public Relations
<b>IPOP</b>	:	Integrated Programme for Older Persons
<b>LDRP</b>	:	Labour Delivery Recovery Postpartum
<b>MICDA</b>	:	Mother India Community Development Association
<b>MMUs</b>	:	Mobile Medicare Units
<b>MSW–M&amp;H Rules, 2000</b>	:	Municipal Solid Waste (Management & Handling) Rules, 2000
<b>NCERT</b>	:	National Council of Educational Research and Training
<b>NGOs</b>	:	Non-Governmental Organisations
<b>NOAP</b>	:	National Old Age Pension
<b>OAHs</b>	:	Old Age Homes
<b>PASS</b>	:	People’s Action for Social Service
<b>PD</b>	:	Physical Director
<b>PDA</b>	:	Personal Deposit Account
<b>PET</b>	:	Physical Education Teacher

<b>PGTs</b>	:	Post Graduate Teachers
<b>PH</b>	:	Public Health
<b>PTC</b>	:	Police Training Centre
<b>RASS</b>	:	Rashtriya Seva Samiti
<b>RCC</b>	:	Reinforced Cement Concrete
<b>RDO</b>	:	Revenue Divisional Officer
<b>RCE</b>	:	Regional Centre of Excellence
<b>RVM</b>	:	Rajiv Vidya Mission
<b>SC/ST</b>	:	Scheduled Castes/Scheduled Tribes
<b>SE</b>	:	Superintending Engineer
<b>Sft.</b>	:	Square feet
<b>Sq. yd.</b>	:	Square yard
<b>SSC</b>	:	Secondary School Certificate
<b>SWM</b>	:	Solid Waste Management
<b>TGTs</b>	:	Trained Graduate Teachers
<b>TTPR</b>	:	Tarakarama Thirthasagaram Project Reservoir
<b>VC</b>	:	Vice Chancellor
<b>WBM</b>	:	Water Bound Macadam
<b>ZP</b>	:	Zilla Parishad



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