

**Report of the  
Comptroller and Auditor General of India  
on  
General and Social Sector**

**FOR THE YEAR ENDED 31 MARCH 2016**

**Government of Uttar Pradesh  
Report No. 02 of the year 2017**



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## **PREFACE**

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

The Report contains significant results of the performance audit and compliance audit of the Departments of the Government of Uttar Pradesh under the General and Social Sector Services/Economic Services including Departments of Agriculture, Backward Class Welfare, Basic Education, Home, Horticulture, Irrigation and Water Resources, Judiciary, Labour, Medical Education & Training, Minor Irrigation and Ground Water, Minority Welfare and Waqf, Public Works, Revenue, Social Welfare, Technical Education and Vocational Education.

The instances mentioned in this Report are those, which came to notice in the course of test-audit for 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 the Auditing Standards issued by the Comptroller and Auditor General of India.



## OVERVIEW

This Report of the Comptroller and Auditor General of India on General and Social Sector for the year ending 31 March 2016 includes one Performance Audit (*'Right of Children to Free and Compulsory Education Act, 2009'*), one IT Audit (*'End-to-End Computerisation of Targeted Public Distribution System Operations'*), three audits (on *'Implementation of Food Safety and Standards Act, 2006'*, *'Modernisation of Judicial Infrastructure-Lower Courts'* and *'Equipment Management in Medical Colleges of Uttar Pradesh'*) and 26 draft paragraphs dealing with the results of performance audit of selected programmes and departments as well as audit of the financial transactions of the Government departments/ autonomous bodies, societies, etc. A summary of the important audit findings is given below.

### Performance Audits

Performance audits were undertaken to ensure whether the Government programmes had achieved the desired objectives at the minimum cost and the intended benefits had accrued to the targeted beneficiaries.

#### Right of Children to Free and Compulsory Education Act, 2009

The Right of Children to Free and Compulsory Education (RTE) Act became effective from April, 2010. The Act provides that every child of the age of 6 to 14 years shall have a right to free and compulsory education in a neighbourhood school till completion of elementary education. The Sarva Shiksha Abhiyan (SSA), launched by Government of India (GoI) in 2000-01 was modified (March 2011) to correspond to the provisions of RTE Act and made the main vehicle for the implementation of the Act. An expenditure of ₹ 47,403.24 crore was incurred on implementation of RTE Act through SSA during 2010-16.

Important findings of the performance audit are given below:

#### Schools for eligible habitations

Despite six years of implementation of the Act, 2,055 habitations in the State did not have a school. Further 230 habitations did not have an Upper Primary School. As a result, 1.79 lakh children residing in these habitations did not have access to the neighborhood schools.

(Paragraph 2.1.8.1)

#### Admission for children from poor/disadvantaged sections/SCs/STs/MCs

Lack of coordination between Implementing Society and district planning officers resulted in negligible enrolment of children from poor and disadvantaged sections of Society. Household survey conducted by the Department could identify only 75 per cent / 9 per cent / 67 per cent of Scheduled Castes/Scheduled

Tribes/Minority Community children identified by the survey conducted by GoI. As a result, schemes for these sections of society could not be implemented adequately.

*(Paragraph 2.1.9.2)*

### **Enrolment of Children**

Comparison of District Information System for Education (DISE) data with House Hold Survey data through data analytics indicated that on an average, there were 20 lakh drop-out children per year. But, as per the data provided by the State Government, the average drop out was 0.63 lakh children per year only during 2011-16.

In comparison to total drop out of children from schools, dropout rate was high in transition from class-5 to class-6. It ranged from 38 *per cent* (2013-14) to 100 *per cent* (2011-12) of the overall drop outs. This was due to engagement of children in domestic and agriculture works, traditional crafts, poverty, etc.

During 2012-16, 71 to 74 out of 75 districts in the State retained children in the same class which violated the provisions of the Act.

*(Paragraph 2.1.8.2)*

### **Infrastructure for schools**

Despite availability of funds, 1,366 schools in the State were running without requisite buildings/under thatched roof/rented/dilapidated buildings.

Out of 1.6 lakh schools in the State, 2,978 schools did not have drinking water facility and about 1,734 schools did not have separate toilets for boys and girls. About 50,849 and 35,995 schools did not have play grounds and library facilities respectively. Further, there was no electricity in 34,098 schools despite incurring an expenditure of ₹ 64.22 crore on wiring/electrical fittings.

*(Paragraph 2.1.8.3)*

### **GIS mapping of schools**

GIS mapping to identify the neighbourhood schools for a child was done in respect of 30 *per cent* of the schools only despite availability of funds.

*(Paragraph 2.1.8.3)*

### **Distribution of Books and Uniform for children**

Free text books were not provided to 6.22 lakh children in the State during 2012-16 by GoUP though adequate funds were received under *Sarva Siksha Abhiyan*. Further, free text books were provided with delays ranging from one month to over three months due to delayed tendering process and transportation issues.

Uniforms were not provided to 97 lakh children during 2012-16 by GoUP though adequate funds were received under *Sarva Siksha Abhiyan*. Though session started from April/July each year, GoUP fixed target day for supply of uniforms as November. This along with delay in distribution resulted in supply of uniforms after November in each academic session during 2010-16.

*(Paragraph 2.1.8.2)*

### **Children with Special Needs**

Benefits to children with Special Needs were also extended to those children who were not having a disability certificate.

(Paragraph 2.1.9.2)

### **Qualification of teachers**

Even after six years of commencement of the Act, 18,119 teachers posted in PSs and 30,730 teachers posted in UPSs did not possess the required qualifications.

(Paragraph 2.1.8.4)

### **Fund management**

As on March 2016, ₹ 39.20 crore remained unreconciled in the accounts maintained by State Project Officer, out of this ₹ 1.82 crore was pending for over five years. Further, State Implementing Society maintained 10 bank accounts against the permissible three.

(Paragraph 2.1.7.3)

### **Planning**

The planning for implementation of RTE Act was neither comprehensive nor involved any community participation. Core teams for conducting household surveys were not constituted and the School Management Committees did not prepare school development plans.

(Paragraph 2.1.6.1)

### **Information System Audit on End-to-End Computerisation of Targeted Public Distribution System Operations**

*End-to-end Computerization of Targeted Public Distribution System (TPDS) Operations* scheme was envisaged by Department of Food and Public Distribution (DoF&PD), Government of India (GoI) with a view to address various challenges of the existing system such as leakages and diversion of foodgrains, fake and bogus ration cards, inclusion and exclusion errors and lack of transparency in the system. The key activities of the scheme included digitization of ration cards/ beneficiary databases; computerisation of supply-chain; setting up of transparency portal and grievance redressal mechanism. The administrative approval for the scheme was accorded by GoI in December 2012 for its implementation under the 12th Five Year Plan (2012-17) on cost sharing basis (50:50). GoI approved ₹108.53 crore under various heads of the scheme for its implementation in the State. A total expenditure of ₹ 54 crore had been incurred on the scheme by GoUP as of March 2016. However, against the target date of completion (October 2013), none of the key activities as envisaged were completed even after the extended period of June 2015.

Information system audit of the scheme revealed the following:

**Project Planning, Implementation and operationalization**

Project planning suffered from delays and deficiencies due to delayed signing of the MoU with GoI, late constitution of the State Project Management Unit (SPMU) and key activities not being executed by SPMU.

*(Paragraphs 2.2.8.1 & 2.2.8.2)*

Timeline set for computerisation of TPDS operations was not achieved due to inconsistent strategy adopted by the Department.

*(Paragraph 2.2.8.4)*

Application software developed by State NIC failed to address the entire spectrum of the TPDS operations as manual intervention still existed in the system. Neither application software documentation was ensured nor was Service Level Agreement executed with State National Informatics Centre (NIC) unit.

*(Paragraph 2.2.8.6)*

**Computerisation of TPDS operations**

There were deficiencies in digitization of stakeholders database and beneficiary database due to incorrect mapping of master codes and presence of duplicate records of beneficiaries in the database.

*(Paragraph 2.2.9.1)*

The objective of eliminating fake/bogus cards from the system for better targeting of subsidy through cross verification with other databases and capturing of beneficiary bank account number and Aadhaar number to eliminate all bogus beneficiaries and those claiming benefit more than once could not be achieved because of not verifying and updating the database.

*(Paragraph 2.2.9.2)*

Computerisation of supply chain management was not fully functional as system generated allocation orders based on the beneficiary database count was not achieved.

*(Paragraph 2.2.9.3)*

Details of actual offtake of food-grain commodities, master stock register of State godowns and sales register were not available on the transparency portal. Mobile SMS alerts to inform all pre-registered beneficiaries about availability of foodgrains at the FPS were not issued in the test-checked districts.

*(Paragraph 2.2.9.4)*

**Training**

No effective training plans were formulated for imparting training to the personnel engaged for carrying out day to day operations.

*(Paragraph 2.2.10)*

## Monitoring

The system was at risk in absence of system certification and security audit of TPDS application modules.

*(Paragraph 2.2.11)*

## Significant observations of Compliance Audit

Audit observed significant deficiencies in critical areas which impact the effectiveness of the State Government. Audit of financial transactions, test-checked in some departments of the Government and their field functionaries showed instances of not complying with rules and regulations, expenditure without adequate justification and failure of oversight and administrative control. The major audit observations are discussed below:

### Implementation of Food Safety and Standards Act, 2006

To ensure availability of safe and wholesome food for human consumption, the Government of India (GoI) enacted (August 2006) *Food Safety and Standards (FSS) Act, 2006 (Act)* and framed (May 2011) Rules and Regulations which were made effective from 5<sup>th</sup> August 2011 to the whole of India. The Government of Uttar Pradesh also implemented the FSS Act from 5<sup>th</sup> August 2011 and appointed the Commissioner Food Safety and Drug Administration for overall implementation of the provisions of the FSS Act 2006. Important audit findings are as follows;

Survey for identification of Food Business Operators (FBOs) was not carried-out by the DOs to assess actual number of FBOs running their business in the districts during 2011-16.

*(Paragraph 3.1.3.1)*

Audit examined 1,250 cases of samples collected by DOs/FSOs from the FBOs for analysis and found that 335 (27 *per cent*) FBOs were operating their business without valid license/registration certificates. No information was available in respect of 844 FBOs (68 *per cent*) regarding their registration/license with DOs.

*(Paragraph 3.1.3.4)*

The Department did not fix any criteria/norm/periodicity for collection of samples from FBOs and, therefore, system for selection of samples was not transparent and did not provide adequate assurance.

*(Paragraph 3.1.4.2)*

Sixty three *per cent* sanctioned posts of senior Food Analyst and 78 *per cent* sanctioned posts of Lab technicians were vacant during the period 2011-16.

*(Paragraph 3.1.5.2)*

Due to tenders not being finalised, ₹ 20.20 crore (58 *per cent*) of funds allotted under capital outlay for up-gradation of labs, purchases of machineries, etc., were

surrendered despite insufficient infrastructure in the test-checked districts and state laboratories during 2012-16.

*(Paragraph 3.1.5.4)*

Five out of the six State laboratories were functioning without recognition of National Accreditation Board for Testing and Calibration Laboratories (NABL) and having large shortage of essential equipment and, therefore, not able to conduct all the prescribed tests of food articles.

*(Paragraph 3.1.6.1)*

Penalty amounting to ₹ 15.70 crore imposed by the Adjudicating Officers on the defaulting FBOs remained unrecovered during 2011-16 due to inaction by the department. This not only extended undue favour to FBOs but also resulted in loss of revenue to the Government.

*(Paragraph 3.1.7.2)*

### **Modernisation of Judicial Infrastructure in Lower Courts**

A Centrally Sponsored Scheme (CSS) for the development of infrastructure facilities for the judiciary was started by the Government of India (GoI) in 1993-94. An expenditure of ₹ 827.50 crore was incurred by the Government on construction of court rooms and residential accommodations for judicial officers during 2011-16.

Major deficiencies noticed in the audit are as below:

The State Government could not utilise 33 *per cent* (₹ 401 crore) of budget allocations for construction of Court rooms and residential buildings for judicial officers during 2011-16.

*(Paragraph 3.2.2.2)*

Against the targets projected by the Government, construction of only 37 *per cent* Court rooms and 28 *per cent* residences could be completed as of March 2016. Inadequate survey, delayed approval of maps and slow progress of execution of works were main reasons for delay in construction of court rooms and residential buildings.

*(Paragraph 3.2.3.1)*

Government awarded 43 works costing ₹ 234.83 crore to different Public Sector Undertakings (PSUs) on nomination basis. These works were awarded without inviting tenders and without execution of agreements/ memorandum of understanding (MoUs) in the sampled districts and, therefore, accountability of these executing agencies could not be ensured.

*(Paragraph 3.2.3.5)*

Out of 468 thin client machine sets supplied in four sampled districts under e-court scheme, 208 sets (44 *per cent*) amounting to ₹ 27.87 lakh were lying idle without utilisation for more than five years.

*(Paragraph 3.2.4.1)*



### Equipment Management in Medical Colleges of Uttar Pradesh

Government Medical Colleges (GMCs) did not procure clinical and teaching equipment though adequate funds were provided by the Government, resulting in shortages of equipment.

*(Paragraph 3.3.2.1)*

The GMCs failed to provide adequate treatment to cancer/heart patients as equipment such as Cobalt Teletherapy, Brachytherapy unit, Left Ventricular Assist Device, etc. were not being operated in hospitals due to lack of doctors/technical personnel/infrastructure. The GMCs did not execute Annual Maintenance Contract for equipment. As a result, the machines were not functional and tests for cervix cancer, foetal monitoring, prenatal diagnosis, bio-chemical and hormonal tests etc. could not be conducted.

*(Paragraphs 3.3.3.3 & 3.3.3.4)*

GMCs violated the provisions of General Financial Rules while procuring equipment by extending undue favour to suppliers and purchasing equipment at a higher rate.

*(Paragraph 3.3.3.5)*

Financial management of the GMCs was not adequate as there were instances of retention funds for long periods in Personal Ledger Account, diversion of funds, etc. This not only violated the provisions of financial rules but also deprived the patients of adequate health care as essential equipment were not procured in time.

*(Paragraphs 3.3.2.1 & 3.3.2.2)*

### Transaction Audit Paragraphs

Failure to realise royalty on water supplied to four thermal power stations in Sonbhadra district led to loss of ₹ 444.82 crore to the Government.

*(Paragraph 3.10)*

Excess payment of ₹ 6.89 crore was made to a contractor by Madhya Ganga Canal Construction Division-5, Bijnor in violation of the conditions of the contract.

*(Paragraph 3.12)*

Irregular expenditure of ₹ 3.13 crore was incurred on the construction (₹ 2.69 crore) and energisation (₹ 0.44 crore) of 22 tube wells in five over-exploited blocks and six tube wells in two critical blocks in districts of Aligarh, Etah, Firozabad, Hathras, and Kasganj in contravention of the Government order.

*(Paragraph 3.13)*

Avoidable expenditure of ₹ 15.06 crore was incurred on organising functions to handover cheques valuing ₹ 20.58 crore to beneficiaries of *Berojgari Bhatta* (Unemployment allowance) *Yojna* in 69 districts though the unemployment allowance was to be credited to the beneficiaries bank accounts directly.

*(Paragraph 3.16)*

Due to lack of required technical manpower and not procuring the required chemicals in State Drug Testing Laboratory, Lucknow, an expenditure of ₹ 1.78 crore incurred on strengthening of the laboratory remained unfruitful as no drug samples could be tested in the lab during last six years.

*(Paragraph 3.17)*

The Government incurred loss of ₹ 1.04 crore due to execution of contracts at higher rate by the Executive Engineer, Minor Irrigation Division, Hamirpur by rejecting lower bids for construction of 26 check dams.

*(Paragraph 3.19)*

Unauthorised payment of ₹ 2.35 crore was made to contractors by Provincial Divisions Mau and Varanasi for excess use of bitumen content in laying of Dense Graded Bitumen Macadam (DBM) layer for strengthening of the road, in violation of IRC norms and Engineer-in-Chief's orders.

*(Paragraph 3.22)*

In violation of Departmental orders, two Public Works Divisions of Jhansi district overlaid 150 mm of Granular Sub Base (GSB) as drainage layer in construction of 71 km road resulting in avoidable expenditure of ₹ 12.72 crore.

*(Paragraph 3.24)*

Failure of the Social Welfare Department to make the hostel functional at University campus, Agra and construction of hostel building at Bjinore in remote area and not posting of required staff, resulted in expenditure of ₹ 1.74 crore being rendered unfruitful, as both hostels remained unoccupied by SC girls for last 11 and six years respectively.

*(Paragraph 3.27)*

# **Chapter 1**

## **Introduction**



## Chapter 1- Introduction

### 1.1 Budget profile

There are 65 departments in the State. The position of budget estimates and actuals there against by State Government during 2011-16 is given in Table 1.

**Table 1: Budget and expenditure of the State Government during 2011-16**

(₹ in crore)

Particulars	2011-12		2012-13		2013-14		2014-15		2015-16	
	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals
<b>Revenue expenditure</b>										
General services	52,787.37	52,946.92	62,175.69	59,906.72	64,697.36	61,983.49	74,325.18	64,305.73	80,923.25	72,227.92
Social services	51,259.27	47,390.94	59,081.49	53,300.32	65,749.29	60,756.28	75,478.78	60,905.78	84,969.91	82,486.46
Economic services	20,290.65	18,292.21	23,639.78	21,337.36	26,393.20	25,710.72	36,582.55	34,885.24	39,686.37	47,881.29
Grants-in-aid & contributions	5,308.25	5,255.10	6,244.67	6,179.24	9,777.74	9,696.38	11,038.37	10,930.57	10,176.65	10,140.28
<b>Total (1)</b>	<b>1,29,645.54</b>	<b>1,23,885.17</b>	<b>1,51,141.63</b>	<b>1,40,723.64</b>	<b>1,66,617.59</b>	<b>1,58,146.87</b>	<b>1,97,424.88</b>	<b>1,71,027.32</b>	<b>2,15,756.18</b>	<b>2,12,735.95</b>
<b>Capital expenditure</b>										
Capital Outlay	25,959.72	21,573.96	26,147.20	23,834.29	30,052.82	32,862.65	55,986.16	53,297.28	63,154.26	64,422.72
Loans and advances disbursed	1,240.15	975.57	1,167.73	1,003.24	1,779.71	1,473.34	1,909.67	1,872.64	2,792.99	9,117.91
Repayment of Public Debt	8,397.88	8,287.61	8,821.50	8,909.04	8,097.86	8,166.74	19,383.88	9,411.21	20,983.89	17,672.76
Contingency Fund	-	309.64	-	262.45	-	86.55	-	203.15	-	44.07
Public Accounts disbursements	-	1,30,970.76	-	1,29,471.51	-	2,20,459.29	-	2,28,014.45	-	2,64,293.87
Closing Cash balance	-	13,446.70	-	15,172.42	-	4,020.63	-	(-)401.32	-	-200.21
<b>Total (2)</b>	<b>-</b>	<b>1,75,564.24</b>	<b>-</b>	<b>1,78,652.95</b>	<b>-</b>	<b>2,67,069.20</b>	<b>-</b>	<b>4,85,819.01</b>	<b>-</b>	<b>3,55,351.12</b>
<b>Grand Total (1+2)</b>	<b>-</b>	<b>2,99,449.41</b>	<b>-</b>	<b>3,19,376.59</b>	<b>-</b>	<b>4,25,216.07</b>	<b>-</b>	<b>6,56,846.33</b>	<b>-</b>	

(Source: Annual Financial Statements and Explanatory Memorandum of the State Budget.)

### 1.2 Application of resources of the State Government

As against the total budget outlay of ₹ 2,81,703 crore, total expenditure was ₹ 2,86,277 crore. While the total expenditure<sup>1</sup> of the state increased from ₹ 2,26,197 crore to ₹ 2,86,277 crore during 2015-16, the revenue expenditure of the State increased by 24 per cent from ₹ 1,71,027 crore in 2014-15 to ₹ 2,12,736 crore in 2015-16. Non-Plan revenue expenditure increased by 67 per cent from ₹ 1,01,269 crore to ₹ 1,69,485 crore and capital expenditure increased by 199 per cent from ₹ 21,574 crore to ₹ 64,423 crore during the period 2011-16.

<sup>1</sup> Total expenditure includes revenue expenditure, capital expenditure and loans and advances.

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The revenue expenditure constituted 84 *per cent* of the total expenditure during the year 2011-12 which declined to 74 *per cent* in 2015-16, whereas capital expenditure constituted 15 *per cent* to 23 *per cent* during 2011-16. During this period, total expenditure increased at an average rate of 17 *per cent*, whereas revenue receipts grew at an average growth rate of 15 *per cent* during 2011-16.

### 1.3 Persistent savings

In 18 cases involving 16 grants, there were persistent savings of more than ₹ 100 crore in each during the last five years as per the details given in Table 2.

**Table 2: Grants indicating Persistent Savings**

(₹ in crore)							
Sl. No.	Grant No.	Name of the Grant	Amount of Savings				
			2011-12	2012-13	2013-14	2014-15	2015-16
<b>Revenue – Voted</b>							
1	11	Agriculture and other Allied Departments (Agriculture)	766.37	644.92	596.10	425.39	438.74
2	13	Agriculture and other Allied Departments (Rural Development)	134.31	103.79	201.09	399.75	208.61
3	14	Agriculture and other Allied Departments (Panchayati Raj)	211.63	907.53	462.21	2,368.27	3,117.69
4	32	Medical Department (Allopathy)	145.70	403.79	471.31	672.14	938.53
5	37	Urban Development Department	625.51	238.51	654.69	2,762.12	1,390.72
6	42	Judicial Department	172.36	178.52	223.31	330.65	329.12
7	49	Women and Child Welfare Department	636.11	372.97	271.58	370.04	1,058.88
8	54	Public Works Department (Establishment)	238.54	681.45	1,041.27	1,265.68	1,384.03
9	71	Education Department (Primary Education)	888.00	1,865.81	2,567.23	4,390.54	3,229.85
10	72	Education Department (Secondary Education)	582.87	1,276.77	874.11	787.75	918.15
11	73	Education Department (Higher Education)	745.76	816.09	348.28	422.39	278.80
12	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	792.46	1,762.10	1,315.74	2,509.94	2,306.78
13	94	Irrigation Department (Works)	504.35	198.79	738.76	745.95	766.33
<b>Total</b>			<b>6,443.97</b>	<b>9,451.04</b>	<b>9,765.68</b>	<b>17,450.61</b>	<b>16,366.23</b>
<b>Capital – Voted</b>							
14	11	Agriculture and other Allied Departments (Agriculture)	100.86	177.73	470.53	286.17	533.67
15	26	Home Department (Police)	488.36	363.24	126.51	110.84	282.44
16	48	Minorities Welfare Department	373.36	164.73	148.22	640.44	635.44
17	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	415.46	588.84	524.04	1,634.76	1,357.70
<b>Total</b>			<b>1,378.04</b>	<b>1,294.54</b>	<b>1,269.30</b>	<b>2,672.21</b>	<b>2,809.25</b>
<b>Capital – Charged</b>							
18	61	Finance Department (Debt Services and other Expenditure)	9,999.25	9,934.16	9,840.02	9,971.46	3,711.90
<b>Total</b>			<b>9,999.25</b>	<b>9,934.16</b>	<b>9,840.02</b>	<b>9,971.46</b>	<b>3,711.90</b>

(Source: Appropriation Accounts of respective years)

## 1.4 Grants-in-aid from the Government of India

The grants-in-aid received from the GoI during the years 2011-12 to 2015-16 have been given in Table 3.

**Table 3: details of grants-in-aid received from the GoI**

(₹ in crore)					
Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Non Plan Grants	4,396.73	4,341.00	7,933.79	6,808.88	8,273.90
Grants for State plan Schemes	6,813.40	5,518.39	6,595.22	6,576.02	1,933.17
Grants for Central Plan Schemes	212.45	12.31	225.90	17.37	16.30
Grants for Centrally Sponsored Plan Schemes	6,337.44	7,466.09	7,650.26	19,289.20	21,637.97
<b>Total Grants</b>	<b>17,760.02</b>	<b>17,337.79</b>	<b>22,405.17</b>	<b>32,691.47</b>	<b>31,861.34</b>
Percentage of increase/decrease over previous year	15.07	(-)2.38	29.22	45.91	(-) 2.54
Revenue Receipts	1,30,869	1,45,904	1,68,214	1,93,422	2,27,076
Total grants as a percentage of Revenue Receipts	13.57	11.88	13.32	16.90	14.03

(Source: Finance Accounts of respective year)

## 1.5 Utilisation Certificates not submitted

The State Government rules (Para 369-H of FHB Volume 5 Part I) prescribe that where grants are sanctioned for specific purposes, the departmental officers concerned should obtain Utilisation Certificates (UCs) from grantees which after verification should be forwarded to the Accountant General (A&E). In the absence of submission of UCs it was difficult to ensure that the funds released have been utilised for the intended purposes. The position of outstanding UCs as on 31 March, 2016 is given in Table 4.

**Table 4: Outstanding Utilisation Certificates**

(₹ in crore)		
Period	Number of Utilisation Certificates awaited	Amount
Upto 2013-14	3,61,489	1,00,539.80
2014-15	18,440	19,914.15
2015-16	19,630	25,847.63
<b>Total</b>	<b>3,99,559</b>	<b>1,46,301.58</b>

(Source: Finance Accounts 2015-16)

Table 4 reveals that a large number of UCs in respect of substantial amounts were outstanding at the close of 2015-16.

Major cases of UCs not submitted relates to Social Welfare Department (49,349 cases - ₹ 22,104 crore), Primary Education Department (45,107 cases - ₹ 19,818 crore), Panchayati Raj (10,937 cases - ₹18,287 crore), Power Department (186 cases - ₹ 18,065 crore) and Social Welfare and Welfare of Scheduled Castes (29,767 cases - ₹ 14,181 crore). These constitute 63 per cent of the total outstanding Utilisation certificates.

During test check (September 2016) of records of the Agriculture and Social Welfare Department major instance of UCs not submitted was seen. The Department replied that collection of Utilisation Certificates is in process. The reply of the Department is not acceptable as Department is not following up the collection and sending of Utilisation Certificates within the stipulated time to the AG (A&E).

## **1.6 Financial Health of the State**

The various parameters such as Fiscal Deficit and Fiscal Liabilities are the important indicators to determine the financial health of the State Government. The position of these parameters together with their growth rates during 2011-16 is given in Table 5.

**Table 5: Financial Health of the State**

(₹ in crore)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
GSDP	7,24,049	8,22,903	9,44,146	10,43,371	11,53,795
Revenue Receipts	1,30,869	1,45,904	1,68,214	1,93,422	2,27,076
Fiscal Deficit (-)	(-) 15,433	(-) 19,238	(-) 23,680	(-) 32,513	(-)58,475
Fiscal Deficit/ GSDP	(-) 2.13	(-)2.34	(-)2.51	(-) 3.12	(-) 5.07
Growth Rate of Fiscal Deficit (Per cent)	13 (1,23,885)	25 (1,40,724)	23 (1,58,147)	37 (1,71,027)	80 (2,12,736)
Fiscal Liabilities	2,43,229	2,59,621	2,81,709	3,07,859	3,67,252
Fiscal Liabilities/GSDP	34	32	30	30	32
Growth Rate of Fiscal Liabilities (Per cent)	8	7	9	9	19
Fiscal Liabilities / Revenue Receipts (Per cent)	186	178	167	159	162

(Source: Finance Accounts of the respective years)

The fiscal deficit during 2015-16 stood at 5.07 per cent of GSDP, which exceeded the target set by FRBM Act, three per cent, by 2.07 per cent. The rate of increase in fiscal deficit was 80 per cent in 2015-16, compared to only 13 per cent in 2011-12, indicating increased fiscal imbalance. The higher level of fiscal deficit is attributed to higher revenue expenditure and increase in allocation to Economic Services mainly due to meeting the liability of UDAY scheme. The fiscal deficit of ₹ 58,475 crore was financed through increased market borrowings and loans from financial institutions, etc. The ratio of fiscal liabilities to revenue receipts shows decreasing trend during 2011-15 from 186 per cent (2011-12) to 159 per cent (2014-15). However, it increased slightly to 162 per cent in 2015-16 and still indicates improved debt sustainability on account of higher revenue receipts.

## **1.7 Planning and conduct of audit**

Audit process starts with the risk assessment of various departments, autonomous bodies, schemes/projects, etc. based on expenditure, criticality/complexity of activities, level of delegated financial powers, internal controls, concerns of stakeholders and previous audit findings. On the basis of this risk assessment, the frequency and extent of audit is decided and an Annual Audit Plan is formulated.



After completion of audit, Inspection Reports containing audit findings are issued to the head of the office with a request to furnish replies within one month. When the replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations pointed out in these Inspection Reports are processed for inclusion in the Audit Reports of the Comptroller and Auditor General of India which are submitted to the Governor of Uttar Pradesh under Article 151 of the Constitution of India.

During 2015-16, compliance audit of 1,651 drawing and disbursing officers and 139 autonomous bodies of the State Government was conducted by the office of the Principal Accountant General (G&SSA), Uttar Pradesh. Besides, one Performance Audit (*'Right of Children to Free and Compulsory Education Act, 2009'*), one IT Audit (*'End-to-End Computerisation of Targeted Public Distribution System Operations'*) and three audits (on *'Implementation of Food Safety and Standards Act, 2006'*, *'Modernisation of Judicial Infrastructure-Lower Courts'* and *'Equipment Management in Medical Colleges of Uttar Pradesh'*) for the State Audit Report were also conducted.

### **1.8 Lack of responsiveness of the Government to Inspection Reports**

The Principal Accountant General (G&SSA), Uttar Pradesh conducts periodical inspection of Government Departments by test-check of transactions and verifies the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed by issue of Audit Inspection Reports (IRs). When important irregularities detected during audit inspection are not settled on the spot, these IRs are issued to the heads of offices inspected, with a copy to the higher authorities.

The heads of offices and higher authorities are required to report their compliance to the office of the Principal Accountant General (G&SSA) within four weeks of receipt of IRs. Serious irregularities are also brought to the notice of the heads of the departments by the office of the Principal Accountant General (G&SSA), through a half yearly report of pending IRs sent to the Principal Secretary (Finance).

Based on the results of test-audit, 31,638 audit observations contained in 8,145 IRs<sup>2</sup> were outstanding as of 31 March 2016. During 2015-16, two meetings of the Audit Committee were held in which no IRs and 15 paragraphs were settled.

The departmental officers did not take action on observations contained in IRs within the prescribed time-frame, resulting in erosion of accountability.

It is recommended that the Government may look into the matter to ensure prompt and proper response to audit observations.

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<sup>2</sup> Including IRs and paragraphs issued upto 30 September 2015 and outstanding as on 31 March 2016.

## **1.9 Follow-up on Audit Reports**

According to the Rules of procedure for the internal working of the Committee on Public Accounts, the Administrative Departments were to initiate, *suo moto* action on all Audit Paragraphs and Reviews featuring in the Comptroller and Auditor General's Audit Reports (ARs), regardless of whether these are taken up for examination by the Public Accounts Committee or not. They were also to furnish detailed Action Taken Notes (ATNs), duly vetted by audit, indicating the remedial action taken or proposed to be taken by them. However, 683 ATNs in respect of paragraphs included in ARs up to the period ended 31 March 2015 were pending as on 31 August 2016.

### **1.10 Government response to significant audit observations (draft reports paragraphs)**

In the last few years, Audit has reported several significant deficiencies in implementation of various programmes/activities as well as on the quality of internal controls in selected departments, which have negative impact on the success of programmes and functioning of the departments. The focus was on auditing specific programmes/schemes and to offer suitable recommendations to the executive for taking corrective action and improving service delivery to the citizens.

As per the provision of the Comptroller and Auditor General of India's Regulations on Audit and Accounts, 2007, the departments are required to send their responses to draft reports and paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within one month. It was brought to their personal attention that in view of likely inclusion of such paragraphs in the Reports of the Comptroller and Auditor General of India to be placed before the State Legislature, it would be desirable to include their comments on the matter. They were also advised to have meeting with the Principal Accountant General to discuss the draft reports.

For the present Audit Report, draft reports on one Performance Audit (*'Right of Children to Free and Compulsory Education Act, 2009'*), one IT Audit (*'End-to-End Computerisation of Targeted Public Distribution System Operations'*), three audits (on *'Implementation of Food Safety and Standards Act, 2006'*, *'Modernisation of Judicial Infrastructure-Lower Courts'* and *'Equipment Management in Medical Colleges of Uttar Pradesh'*) and 26 draft paragraphs were forwarded to the concerned Administrative Secretaries and all the cases have been discussed with the Government, except Paragraph 3.8 in respect of which Principal Secretaries could not confirm their availability for discussion despite repeated requests from Audit.

# **Chapter 2**

# **Performance Audit**



## **Chapter - 2**

### **Performance Audit**

This chapter contains results of Performance Audit of ‘Right of Children to Free and Compulsory Education Act, 2009’ and Information System Audit of ‘End-to-End Computerisation of Targeted Public Distribution System Operations’.

#### **BASIC EDUCATION DEPARTMENT**

### **2.1 Performance Audit on Implementation of Right of Children to Free and Compulsory Education Act in Uttar Pradesh**

#### **Executive Summary**

The Right of Children to Free and Compulsory Education (RTE) Act became effective from April, 2010. The Act provides that every child of the age of 6 to 14 years shall have a right to free and compulsory education in a neighbourhood school till completion of elementary education. The *Sarva Shiksha Abhiyan* (SSA), launched by Government of India (GoI) in 2000-01 was modified (March 2011) to correspond to the provisions of RTE Act and made the main vehicle for implementation of the Act. An expenditure of ₹ 47,403.24 crore was incurred on implementation of RTE Act through SSA in Uttar Pradesh during 2010-16.

Important findings of the performance audit are given below:

#### **Planning**

The planning for implementation of RTE Act was neither comprehensive nor involved any community participation. Core teams for conducting household surveys were not constituted and the School Management Committees did not prepare school development plans.

*(Paragraph 2.1.6.1)*

#### **Fund Management**

GoI and GoUP did not release their shares of funds in full resulting in shortfalls of ₹ 11,176.84 crore (32.1 *per cent*) and ₹ 2,765.41 crore (13.9 *per cent*) during 2010-16.

*(Paragraph 2.1.7.1)*

Funds totaling ₹ 39.20 crore pertaining to the period 2002-16 were still being shown in transit in the accounts of the State Implementing Society.

*(Paragraph 2.1.7.3)*

#### **Schools for eligible habitations**

As per the State Government report, 2,055 and 230 eligible habitations were yet to be provided with primary and upper primary schools

respectively. As a result, 1,79,054 children residing in these habitations did not have access to the neighbourhood schools.

*(Paragraph 2.1.8.1)*

In test checked districts of Gorakhpur, Mau, Sultanpur and Jhansi, 465 private schools were running without recognition.

*(Paragraph 2.1.8.3)*

### **Enrolment of children**

The total number of children enrolled in Primary and Upper Primary Schools declined from 3.71 crore in 2012-13 to 3.64 crore in 2015-16.

Enrolment in Government/Government aided schools declined (18.6 per cent) while enrolment in private unaided schools increased (36.5 per cent) during 2010-16.

Comparison of District Information System for Education (DISE) data with HHS data through data analytics indicated that on an average, there were 20 lakh drop-out children per year. But, as per the data provided by the State Government, the average drop out was 0.63 lakh children per year only during 2011-16.

In 428 schools test checked by audit, against the enrolment of 51,649 children, the attendance on the day of joint physical verification by audit was just 13,861 children (27 per cent).

*(Paragraph 2.1.8.2)*

### **Distribution of books and uniform for children**

About 6.22 lakh children were not provided books during the period 2012-16. Further, in test checked districts, out of books purchased for 18.35 crore, 5.91 crore (32.21 per cent) books were distributed to children in August or in subsequent months only during 2010-16.

GoUP provided only one set of uniform to its children under SSA during 2011-12, though two sets of uniform were approved by the Project Approval Board and funds were released accordingly. Uniforms to 10.06 lakh children were provided after delays ranging between 20 and 230 days from the prescribed date for distribution of uniforms during 2011-16. Further, 0.97 crore eligible children were not provided uniforms despite availability of sufficient funds.

*Paragraph 2.1.8.2)*

### **Deployment of teachers and their qualifications**

Against the sanctioned strength of 7.60 lakh teachers, there was shortage of 1.75 lakh teachers. Further, teachers were not deployed rationally as 17,732 PSs and 1,349 UPSs having enrolment of more than 150 students did not meet Pupil Teacher Ratio (PTR) while 7,264 PSs and 2,377 UPSs having enrolment of less than 50 students exceeded PTR.

The Act (April 2010) required that all teachers, not possessing minimum qualification should acquire the same within 5 years (March 2015). Audit analysis revealed that even after six years of commencement of the Act, 18,119 teachers posted in PSs and 30,730 teachers posted in UPSs were not possessing the required qualifications.

*(Paragraphs 2.1.8.4)*

### **Admission for children from poor/disadvantaged section**

Against the intake capacity of 6.16 lakh children and 6.46 lakh children from poor and disadvantaged sections, only 108 and 3,278 children were provided admission during 2014-15 and 2015-16 respectively.

*(Paragraph 2.1.9.2)*

### **GIS Mapping of schools**

The State Government failed to complete GIS mapping of all the schools. Only 30 *per cent* schools had been mapped despite availability of funds..

*(Paragraph 2.1.8.3)*

### **Buildings for schools**

Norms developed by Bureau of Indian Standards were not adhered to while sanctioning new Primary and Upper Primary Schools and Additional Class Rooms, leading to construction of school buildings with inadequate space.

Joint physical verification of 428 schools in 15 test checked districts revealed shortage of 272 classrooms in 111 schools and excess of 442 classrooms in 166 schools.

*(Paragraph 2.1.8.3)*

Audit of test-checked districts of Maharajganj, Sonbhadra and Sultanpur revealed suspected misappropriation of funds in construction of school buildings and additional class rooms totaling ₹ 52.51 lakh. In district Sonbhadra, ₹ 19.25 lakh was drawn (2003-04) for construction of eight schools but the schools were not constructed/completed.

*(Paragraph 2.1.7.3)*

### **Facilities for children**

Out of 1.6 lakh schools in the State, 50,849 did not have play grounds, 57,107 had no boundary wall, 35,995 did not have library facilities, 2,978 schools did not have drinking water facility and about 1,734 schools did not have separate toilets for boys and girls.

There was no electricity in 34,098 Primary/Upper Primary Schools though internal electrification (wiring/electrical fittings) was carried out at the cost of ₹ 64.22 crore at the time of their construction.

*(Paragraph 2.1.8.3)*

### **Printing of Text Books**

The system adopted by the state government for placement of orders for printing of text books was not fair and adequately competitive. Criteria for distribution of quantities/number of districts to the publishers for printing and supply of books were not indicated in the notice inviting tender and/or tender documents. As almost all the bidders participating in the tender and willing to accept orders at L<sub>1</sub> rates were empanelled for supply of books, there was no incentive for the bidders to quote lower rates; and the participating bidders had no competitive tension which could force them to bring down the prices.

*(Paragraph 2.1.8.2)*

### **Children with Special Needs**

Against 18.76 lakh children enrolled as Children with Special Needs during 2010-16, only 2.09 lakh children were having disability certificate. Yet an expenditure of ₹ 287.88 crore was incurred considering all these children eligible.

*(Paragraph 2.1.9.2)*

### **Monitoring**

Monitoring of the scheme was not effective as the State Advisory Council was constituted after lapse of three years of implementation of the Act. Similarly, the State Commission for Protection of Child Rights was also constituted after seven years of promulgation of the Commission for Protection of Child Rights Act, 2005 and it received only five complaints upto March, 2016.

*(Paragraphs 2.1.10)*

## **2.1.1 Introduction**

The Right of Children to Free and Compulsory Education (RTE) Act became effective from 1 April 2010. RTE Act (Act) provides that 'every child of the age of 6-14 years shall have a right to free and compulsory<sup>1</sup> education in a neighbourhood school till completion of elementary education (Class 1 to 8). Under Section 38 of the Act, Government of Uttar Pradesh (GoUP) promulgated RTE Rules in July 2011 for carrying out the provisions of the Act. The *Sarva Shiksha Abhiyan* (SSA), launched by the Government of India (GoI) in 2000-01, was modified (March 2011) to correspond to the provisions of RTE Act and made it the main vehicle for implementation of the Act. Major interventions provided under SSA are given in *Appendix 2.1.1* and timeline set for completion of various activities under the Act are given in *Appendix 2.1.2*.

## **2.1.2 Organisational Structure**

At Government level, the overall responsibility for implementation of the Act was vested with the Secretary, Basic Education, GoUP. UP Education for All

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<sup>1</sup> 'Compulsory education' means obligation of the appropriate government to provide free elementary education and ensure admission and completion of elementary education to every child in the age group of 6 to 14 years.



Project Board (UPEFAPB), which functions as State Implementing Society (SIS) for SSA, also looks after the implementation of the Act in the State. The Executive Committee of UPEFAPB, headed by the Chief Secretary, provides guidelines and directions for the implementation of the Act. The State Project Director (SPD) was the member secretary of UPEFAPB. The State Project Office (SPO) headed by SPD looks after the overall implementation of the Act. At the district level, District Education Committee headed by District Magistrate (DM) was responsible for coordination and monitoring and the District Project Officer<sup>2</sup> for implementation of provisions of the Act.

### **2.1.3. Audit Objectives**

Performance audit of implementation of RTE Act was taken up to assess whether:

- a comprehensive plan for implementation of the Act, based on reliable data was prepared and executed in an efficient and effective manner;
- the financial resources required for implementation of the Act were properly assessed, timely released and efficiently utilised;
- provisions of RTE Act were complied to and timelines set for completion of various activities under the Act were adhered to;
- implementation of the Act significantly reduced the social and gender gaps and disparities and ensured universalisation of elementary education; and
- monitoring was adequate and effective and periodical evaluation of implementation of the provisions of the Act was carried out to assess its impact and need for further interventions.

### **2.1.4 Audit Criteria**

Provisions of RTE Act, Rules made thereunder and SSA guidelines issued from time to time formed the Audit Criteria for assessing implementation of the Act. The detailed audit criteria have been listed in **Appendix 2.1.3**.

### **2.1.5 Audit Scope and Methodology**

Entry conference was held on 4 April 2016 with the Secretary, Basic Education in which audit objectives, audit criteria and scope of performance audit were discussed and agreed to. Exit conference was held with the Special Secretary, Basic Education on 9 December 2016.

The records for the period 2010-16 were scrutinised in the following offices:

- The Secretary, Basic Education, GoUP, Lucknow; UPEFAPB, Lucknow and SPD, SSA, Lucknow; the Directorate of Basic Education, Lucknow; the State Council of Educational Research & Training (SCERT), Lucknow; the State Institute of Educational Technology (SIET), Lucknow; and the State Institute of Educational Management and Training (SIEMAT), Allahabad.

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<sup>2</sup> Basic Shiksha Adhikari (BSA) holds the post of DPO.

- BSAs of 16 districts<sup>3</sup> out of 75 districts of the state, selected through Probability Proportional to Size without Replacement (PPSWOR) method of sampling for detailed scrutiny.
- In each selected district, four blocks (three rural and one urban) were selected by Simple Random Sampling without Replacement (SRSWOR) method of sampling. In the selected blocks, 16 and four Government/specified category schools as well as eight and two aided schools were selected from the rural and urban blocks respectively. District Institutes of Education and Training (DIETs) of selected districts were also covered.
- Besides analysis of data of Annual Work Plan & Budget (AWP&B) with that of District Information System for Education (DISE), Project Management Information System (PMIS) and Household Survey (HHS), Joint physical inspections of the selected schools and construction activities were also conducted in each selected district<sup>4</sup>. Beneficiary survey was also conducted to assess the effectiveness of the implementation of the Act.

### 2.1.6 Planning

For rights based planning to succeed, it is necessary that the plans were prepared comprehensively with community participation following bottom up approach.

#### 2.1.6.1 Community based decentralised planning

Section 21 of RTE Act requires preparation of a participative, decentralised and need based School Development Plan (SDP) by the School Management Committee (SMC) in each school which shall be the basis for plans and grants to be made by the government. The Manual on Financial Management and Procurement (MFMP) of SSA requires constituting planning teams<sup>5</sup> at habitation, block and district levels for conducting Household Survey (HHS) to identify children and their status of enrolment in schools, interact with community and prepare proposals for their education.

Audit observed that planning teams were not constituted at any level in the test checked districts during 2010-16. Further, SDP was not prepared in any of the selected schools in the test-checked districts. This indicated that participative, decentralised and need based planning process, as required under the Act and MFMP of SSA was not followed resulting in discrepancies in identification of out of school children, irrational deployment of teachers in schools, procurement of excess books, construction of excess class rooms and lack of infrastructure facilities in schools as discussed in paragraph 2.1.8.

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<sup>3</sup> Bahraich, Farrukhabad, Firozabad, Ghaziabad, Ghazipur, Gorakhpur, Jhansi, Kanpur Dehat, Lakhimpur Kheri, Maharajganj, Mau, Pilibhit, Rampur, Sonbhadra, Sultanpur and Unnao. Pilibhit and Rampur was selected at the instance of the Government.

<sup>4</sup> Joint Physical Verification of 2 schools in Farrukhabad, 3 schools in Ghaziabad, all selected 30 schools in Ghazipur, 14 schools in Gorakhpur, 1 school in Kanpur Dehat, 1 school in Pilibhit, 1 school in Unnao was not conducted due to summer vacations, closure of schools due to annual exams, etc.

<sup>5</sup> Consisting of members from Panchayati Raj Institutions Village Education Committees (VECs), community leaders, teachers and parents.

Government accepted the audit observation and stated that districts would be directed to ensure preparation of SDPs by ensuring community participation.

### **2.1.6.2 Reliability of data used for planning**

In the absence of micro planning and SDPs, districts prepared AWP&B mainly on the basis of data available on District Information System for Education (DISE), data available on Project Management Information System (PMIS) and gathered through HHS conducted by teachers.

Audit conducted joint physical verification of 134 schools in Kanpur Dehat, Gorakhpur, Pilibhit, Rampur and Sonbhadra districts to verify the reliability of data used in the preparation of AWP&B. The analysis disclosed that considerably higher enrolment of children, availability of toilets, Children with Special Needs (CWSN), library and classrooms; and lower number of teachers deployed were shown in DISE as compared to the data collected by audit in joint physical verification (*Appendix 2.1.4*). Audit also observed mismatch in two sets of data (*Appendix 2.1.5*), as detailed below:

Number of schools was more in DISE than the number of schools given in AWP&B, ranging between 2,799 and 42,032 during 2010-14, whereas number of school during 2014-16 was less in DISE than the number of schools reported in AWP&B, ranging between 94 and 3853; and

Number of children enrolled as per data collected in household survey was more than the number of children enrolled as per DISE ranging between 1.14 lakh and 3.32 lakh during 2011-16.

This indicated that the data was not reliable and impacted the planning process adversely.

Government replied that efforts were being made to correct DISE data.

#### ***Recommendations:***

*(i) Planning teams should be constituted immediately to identify children and their status of enrolment in schools and SMCs should be directed to prepare SDPs with community participation.*

*(ii) Government should ensure that reliable data is used for preparation of AWP&B.*

### **2.1.7 Financial Management**

#### **2.1.7.1 Funding pattern**

With the objective to implement RTE Act, funds were provided by GoI and GoUP under SSA in the ratio of 65:35 and 60:40 during 2010-15 and 2015-16 respectively. Besides, Thirteenth Finance Commission (TFC) also provided funds during 2010-15.

### Release of funds

Based on AWP&B submitted by GoUP, funds to be shared between by GoI and GoUP were approved by the Project Approval Board (PAB), Ministry of Human Resource Development (MHRD), GoI.

GoI releases grants-in-aid under general category, Special Component Plan for Scheduled Castes (Grant 83) and Special Component Plan for Scheduled Tribes (Grant 81) for implementation of SSA/RTE Act. The year-wise position of outlay approved by PAB and funds released thereagainst by GoI, TFC and GoUP during 2010-16 is given in Table 1.

**Table 1: Year-wise position of outlay and funds released during 2010-16**

(₹ in crore)

Year	Total approved outlay	Funds received from TFC	Government of India			Government of UP		
			Required share	Actual release	Shortfall in release (4)-(5)	Required share	Actual release	Shortfall in release (7)-(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2010-11	6,794.64	723.00	3,946.57	3,104.63	841.94	2,125.07	1,600.00	525.07
2011-12	9,408.05	871.00	5,549.08	2,636.83	2,912.25	2,987.97	1,355.68	1,632.29
2012-13	10,427.46	1,027.00	6,110.30	3,754.76	2,355.54	3,290.16	2,085.95	1,204.21
2013-14	9,178.31	1,192.00	5,191.10	4,666.98	524.12	2,795.21	2,512.99	282.22
2014-15	8,784.38	1,227.00	4,912.30	4,498.68	413.62	2,645.08	2,067.88	577.20
2015-16	15,139.52	0.00	9,083.71	4,954.34	4,129.37	6,055.81	7,511.39	(-)1,455.58
<b>Total</b>	<b>59,732.36</b>	<b>5,040.00</b>	<b>34,793.06</b>	<b>23,616.22</b>	<b>11,176.84</b>	<b>19,899.3</b>	<b>17,133.89</b>	<b>2,765.41</b>

(Source: Information furnished by State Project Office)

The details indicate that there were short releases, both from GoI (₹ 11,176.84 crore) and GoUP (₹ 2,765.41 crore) during 2010-16.

Government accepted the audit observation.

### Delay in release of funds

According to MFMP of SSA, pending approval, GoI was required to release first instalment in the month of April every year upto a maximum of 50 per cent of the actual funds utilised by the SIS in the previous year. The State share was required to be released within 30 days of receipt of Central Share.

Audit observed that SIS submitted AWP&B for 2010-16 between March and May<sup>6</sup> and approval letters were issued by GoI in May/June<sup>7</sup> of the respective financial years. GoI released funds in multiple instalments ranging between two and 19 during 2010-16. Further, first instalment was released to SIS with delays ranging between 20 and 331 days during 2010-16. Corresponding State shares were also released with delays ranging between seven and 304 days<sup>8</sup>. Delayed release of funds prevented the timely utilisation of funds and resultantly the targets could not be achieved as mentioned in paragraphs 2.1.7.2 and 2.1.8.2.

<sup>6</sup> March (AWP&B for 2010-11, 2014-16), April (AWP&B for 2013-14) and May (AWP&B for 2011-12, 2012-13).

<sup>7</sup> AWP&Bs for the year 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 were approved by GoI vide letters dated 6.5.2010, 2.6.2011, 5.6.12, 31.5.2013, 22.5.2014 and 28.5.2015 respectively.

<sup>8</sup> Against the requirement of releasing the same within 30 days of receipt of Central Share.

Government accepted the audit observation and stated that due to delay in release of funds by GoI, releases by the State were delayed. The reply was not acceptable as delayed approval and release by GoI was due to delayed submission of AWP&B by SIS. Thus, the funds meant for the implementation of various interventions was not released in time and spent to achieve the targets.

### Rush of releases in March

Rule 56 (3) of General Financial Rules 2005 (GFR) lays down that rush of expenditure, particularly in the closing months of the financial year, shall be regarded as a breach of financial propriety and shall be avoided.

Audit observed that out of total funds of ₹ 17,133.89 crore released by GoUP as State share, funds totalling ₹ 7,385.79 crore (43.1 per cent) were released in the month of March during 2010-16 of which ₹ 3,869.12 crore (52.4 per cent) were released in the last 3 days of financial years<sup>9</sup>. SIS, therefore, could not draw ₹ 303.14 crore (Grant No. 83) and ₹ 36.20 crore (Grant No.81) from treasury leading to lapse of funds. The rush of releases at the end of financial years was also fraught with risk of diversion, mis-utilisation and parking of funds as discussed in paragraph 2.1.7.2.

Government stated that SIS submits demand for state share to GoUP after receipt of Central share. It added that release of the State share was further delayed in the processing of the proposal at various stages viz., Education Department, Finance Department, etc. However, the fact remains that no solution was found to address the problem of rush of releases in March every year.

### 2.1.7.2 Utilisation of funds

#### Utilisation of available funds by State Implementing Society

The details given in Table 2 indicate year-wise position of utilisation of funds against the availability for implementation of provisions of RTE Act:

**Table 2: Details showing utilisation of available funds**

(₹ in crore)					
Year	Opening Balance	Funds received <sup>10</sup>	Total funds available	Funds utilised <sup>11</sup>	Unspent Balance (per cent)
(1)	(2)	(3)	(4)	(5)	(6)
2010-11	612.10	5,481.63	6,093.73	5,202.08	891.65 (14.6)
2011-12	891.65	5,228.46	6,120.13	5,482.34	637.79 (10.4)
2012-13	637.79	7,258.83	7,896.62	7,181.45	715.17 (9.1)
2013-14	715.17	8,803.47	9,518.64	8,830.97	687.67 (7.2)
2014-15	687.67	8,017.66	8,705.33	8,020.00	685.33 (7.9)
2015-16	685.33	12,908.11	13,593.44	12,686.39	907.05 (6.7)
<b>Total</b>		<b>47,698.16</b>	<b>51,927.89</b>	<b>47,403.23</b>	

(Source: Information provided by SPOs)

<sup>9</sup> Interestingly, out of ₹ 5,717.62 crore released in March 2016, ₹ 3,799.12 crore was released on 31 March 2016.

<sup>10</sup>Funds released by GoI and GoUP, funds released by TFC, funds received from Director Basic Education (2013-14: ₹ 5 crore, 2014-15: ₹ 2.57 crore), interest, other income and unadjusted advance of previous year.

<sup>11</sup>Expenditure during the year and unadjusted advance of current year.

Thus, against the available funds of ₹ 51,927.89 crore during 2010-16, SIS reported utilisation of ₹ 47,403.23 crore (91.3 *per cent*) and unspent balance of ₹ 907.05 crore at the end of the year 2015-16.

Audit analysis of utilisation of funds revealed that:

Substantial amount of funds remained with SIS (₹ 454.75 crore) and district level implementing agencies<sup>12</sup> (₹ 434.07 crore), as cash and bank balances, as on March 2016.

While releasing funds under Grant No. 81 and Grant No. 83, GoUP specifically directed to utilise the grant for the benefit of Scheduled Tribes and Scheduled Castes. Audit observed that no records showing utilisation of these grants for the benefit of the targeted categories were maintained by SIS.

There was 58.18 *per cent* increase in funds utilised during 2015-16, as compared to the funds utilised in 2014-15. This increase was attributed to increase in expenditure on payment of salaries to 1.36 lakh para-teachers (*Shiksha Mitras*), regularised as teachers upto March 2015.

Government accepted the audit observation and stated that proper utilisation of funds would be ensured in future.

### **Funds not utilised by School Management Committees**

As observed by audit and also as evidenced from the reports of the Chartered Accountants appointed<sup>13</sup> for auditing the accounts of SSA, transfer of funds to DPOs were made without ensuring the actual utilisation of funds by the Block Resource Centres (BRCs)/SMCs. Audit of 428 selected schools in the test-checked districts also confirmed unutilised balances in SMCs accounts totalling ₹ one crore<sup>14</sup> at the end of March 2016, indicating that UCs were not based on actual expenditure. As a result, funds pertaining to previous years were lying unutilised with BRCs and SMCs bank accounts<sup>15</sup>. Complete information of funds lying with BRCs/SMCs, however, was not available with SIS.

Government accepted the audit observation and stated that proper utilisation of funds would be ensured in future.

### **Diversion of funds**

Diversion of funds for expenditure on any item, not provided for in the sanctioned budget estimates, was not allowed<sup>16</sup> unless the diversion was approved by PAB<sup>17</sup>. Audit observed that during 2010-11 and 2011-12, surplus funds of ₹ 5.30 crore and ₹ 85.61 crore (total ₹ 90.91 crore) respectively were diverted from SSA to National Programme of Education for Girls at

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<sup>12</sup> District Project Offices, DIET, KGBVs and Assistant Director, Basic Education.

<sup>13</sup> By State Implementing Society for preparing audited financial statement of the scheme.

<sup>14</sup> Includes funds relating to 136 private aided schools totalling ₹ 43.85 lakh.

<sup>15</sup> For construction of schools/ACRs, school grant, teachers grant, maintenance grant etc.

<sup>16</sup> Paragraphs 88.2 and 88.3 of MFMP of SSA.

<sup>17</sup> Paragraph 4.10.1.2 and 4.10.1.3 of Manual for Planning and Appraisal.



Elementary Level (NPEGEL). Further, ₹ 92.17 crore<sup>18</sup> was diverted during 2012-16 from NPEGEL to SSA for reimbursement of salary of teachers of SSA without the approval of PAB.

### **Reporting of excess expenditure than incurred**

Audit also observed that against the total expenditure of ₹ 47,403.24 crore reported to GoI during 2010-16, the expenditure shown in the audited Financial Statement of SIS was ₹ 45,797.05 crore, as detailed in *Appendix 2.1.6*. The reason for reporting excess expenditure (₹ 1,606.19 crore) in UCs was mainly attributable to reporting utilisation merely on the basis of funds transferred<sup>19</sup> to implementing units and not on the actual expenditure made.

Government accepted the observation and assured that Utilisation Certificates of unspent balances lying at the level of SMCs would be submitted after proper utilisation.

***Recommendation: GoUP should institute a system of periodic reporting of unutilised funds available with BRCs, VECs and SMCs and a consolidated position of such funds should be disclosed in SIS accounts at the end of the financial year.***

### **2.1.7.3 Accountal of funds**

#### **Reconciliation of Funds**

MFMP of SSA requires daily closing of cash books at State (SIS) and district (DPO) levels with attestation of each and every entry and monthly tallying of entries of cash books with bank statements by Head of the Department/Drawing and Disbursing Officer<sup>20</sup>. Further, as per UP Budget Manual, reconciliation statements were to be prepared in order to prevent fraudulent drawal and interpolation in the bills.

It was, however, observed that funds totalling ₹ 39.20 crore remained un-reconciled as on March 2016 as detailed below:

An amount of ₹ 29.58 crore pertaining to the period 2002-16, relating to SSA, NPEGEL and KGBV account, were transferred by SPO but not received by offices concerned. Funds to the tune of ₹ 7.73 crore pertaining to the same period were received by SPO without knowing their source. Further, details of ₹ 1.42 crore received by SPO and ₹ 0.30 crore transferred by SPO relating to these accounts were also not traceable. These funds (₹ 39.03 crore) were shown (March 2016) as funds-in-transit in the accounts of SIS, as detailed in *Appendix 2.1.7*. Further, in test-checked district of Farrukhabad, the opening

<sup>18</sup> 2012-13: ₹ 26.14 crore, 2013-14: ₹ 5.17 crore, 2014-15: ₹ 5 4.86 crore and 2015-16: ₹ 6.00 crore. Funding for NPEGEL was stopped from 2013-14.

<sup>19</sup> Paragraph 74.1 of MFMP of SSA provides that all funds released to district and sub-district level units be classified as advances and adjusted on the basis of UCs received. In district Sultanpur, funds totalling ₹62.63 lakh was preserved during 2014-16 by drawing 5 cheques on the last day of financial year and showing the amount as spent in cash book.

<sup>20</sup> BSA in case of DPO.

balance in passbook of NPEGEL bank account as on 7 February 2011 was ₹ 59.14 lakh. On reprinting of the passbook after a gap of around one year, the opening balance for the same date (7 February 2011) was shown as ₹ 42.04 lakh. The reasons for the variation in the amount of ₹ 17.10 lakh were not available. Further, entries in cash books were not reconciled. On being pointed out by audit, BSA wrote a letter to bank for clarification.

The Government accepted the audit observations regarding funds in transit and stated that a committee had been constituted to deal with this matter and reconcile issues relating to funds in transit. In respect of reduction in bank balance in Farrukhabad district, the Government replied that the matter was being investigated and proper action would be taken after receiving the facts.

While formation of a committee to reconcile and trace these funds in transit for long periods was a welcome step, the prescribed procedure such as reconciliation of balances of the bank with the cash book etc., to check the discrepancies need to be enforced so that funds did not remain in transit for long periods and were traced and credited to accounts concerned timely.

***Recommendation: All funds shown in-transit for more than three months should be investigated to ensure that the funds were not diverted or mis-appropriated.***

### **Operation of multiple bank accounts**

MFMP of SSA devolves responsibility on accounts wing of SIS, headed by Finance Controller, for strict observance of accounting principles envisaged in the manual. It permitted the operation of only three saving bank accounts, one each for SSA, KGBV and NPEGEL.

It was, however, noticed that SIS was operating ten accounts with seven of them having balances ranging between ₹ 1.36 crore to ₹ 356.72 crore, as detailed in **Appendix 2.1.8**.

Government stated that instructions had already been issued to operate single bank account. Reply was not acceptable as Government's instruction was not implemented and against three accounts permissible under the rules, ten accounts were operational in SIS. Further, no action had been taken against the official concerned (Finance Controller) for operating so many accounts in violation of Rules.

### **Records of financial transactions not maintained**

Government Order issued by GoUP in June 2011 made the School Management Committees<sup>21</sup> (SMCs) responsible for keeping account of funds received by it and monitoring of receipt and expenditure by schools.

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<sup>21</sup> Consisting of 15 members, 11 from parents/guardians of children, one Auxiliary Nursing Midwife (ANM), one Lekhpal nominated by DM and one head teacher-in-charge (ex-officio member secretary)



Audit of 428 test-checked schools in the test-checked districts revealed that:

Cash books were not maintained in 184 schools (43 *per cent*). Vouchers against expenditure incurred were not available in 127 schools (29.7 *per cent*);

Monthly bank reconciliation was not carried out in 420 schools (98.1 *per cent*); and

Stock registers were not maintained in 255 schools (59.6 *per cent*).

The above instances indicate ineffective internal control mechanism and increase the risk of embezzlement of Government funds.

Government accepted the audit observations and stated that district level authorities were being directed to ensure proper maintenance of records.

***Recommendation: The Government must investigate the matter immediately to ensure that the funds had not been embezzled or misappropriated and should also fix responsibility of concerned officials for not reconciling the funds timely.***

### **Suspected misappropriation of funds in construction of schools/ACRs**

Schools and Additional Class Rooms (ACRs) were to be completed by School Management Committees (SMCs) in respective years and within a period of two to five months<sup>22</sup>. As per orders issued (August 2010), the *Gram Shiksha samiti* was to supervise and monitor the construction of schools and ACRs. The Principals/Teacher-in-charges who were the Member Secretaries of the *Gram Shiksha samiti* was responsible for the construction of schools and ACRs. Audit, however, found cases of schools/ACRs not constructed, even after several years of drawal of funds, as detailed in **Appendix 2.1.9** and discussed below:

In Sultanpur and Sonbhadra districts, ₹ 50.50 lakh was withdrawn from banks during 2008-09 (₹14.46 lakh) and 2011-12 (₹ 36.04 lakh) by the teachers-in-charge for construction of six schools and one school respectively. However, no schools were constructed.

In Maharajganj district, even after lapse of more than three years from the date of full withdrawal of ₹ 2.01 lakh for construction of one ACR by teacher-in-charge, no such construction was done as revealed during joint physical verification.

In Sonbhadra district, an amount of ₹ 19.25 lakh was drawn (2003-04) for construction of eight schools but the schools were not completed as of March 2016. The department found (February 2006) that an amount of ₹ 15.03 lakh had been embezzled by the construction in-charge.

<sup>22</sup>2010-11: 2 months; 2011-12: 3 months; 2012-13: 5 months and 2014-15: 4 months. No ACRs were sanctioned during 2013-14 and 2015-16.

In case of Sonbhadra district, ABSAs of concerned blocks lodged (November 2008) FIR against the construction-in-charge but no action was taken (March 2016) in cases detected in Sultanpur and Maharajganj districts.

Government accepted the audit observations and stated that action would be taken after verification of the cases.

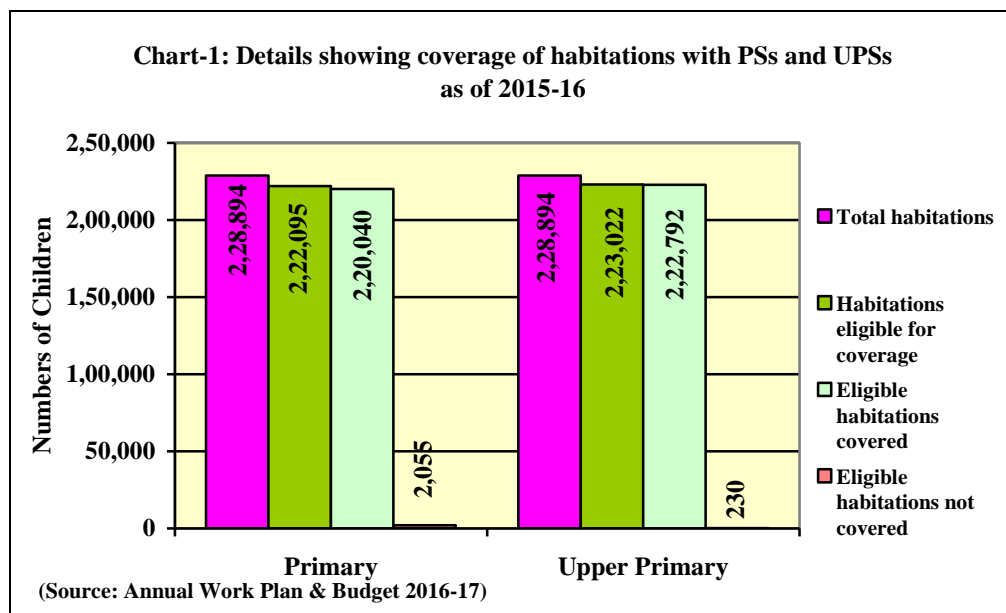
**Recommendation:** *Monitoring of funds released to SMCs should be strengthened and all cases of abnormal delay in construction of schools/ACRs after withdrawal of funds should be investigated to ensure that funds were not diverted, misappropriated or embezzled.*

### 2.1.8 Coverage of the Act

#### 2.1.8.1 Un-served habitations

Section 6 of the Act required the Government to establish a school, within such limits of neighbourhood as may be prescribed, upto the end of March 2013. Rule 4 of RTE Rules provided establishment of a Primary School (PS) in habitations which had no school within a distance of one Km. and had a population of at least 300. Similarly, it provided establishment of an Upper Primary School (UPS) in habitations which had no school within a distance of three Kms. and had a population of at least 800.

Though the target set above was to be completed by March 2013, it was observed that even as on March 2016, the target was not achieved, indicating a shortfall in habitations covered, as shown in Chart 1 below:



Thus, there were 2,055 and 230 eligible habitations without PSs and UPSs respectively even after lapse of 6 years of commencement of the Act. As a result, 1,79,054 children residing in these habitations did not have access to the neighborhood schools.

It was, however, noticed that though the demand for eligible habitations to be covered as of 2015-16 was 2,285 schools (PSs: 2,055 UPSs: 230), GoUP demanded only 1,744 schools (PSs: 1,546, UPSs: 198) in AWP&B (2015-16).

The reason as observed by Audit was that the mapping of the schools with reference to geographical distance (GIS<sup>23</sup> mapping) and to identify all children including children in remote areas, children with disabilities, children belonging to disadvantaged group, weaker sections, etc. was not done as prescribed in the Rules. It was further observed that the figures of served and un-served habitations reported by the State Government were not accurate. For instance, AWP&B 2016-17 showed all the habitations in district Sultanpur as served by PSs; however, it was noticed in audit that two PSs had not actually been constructed, three PSs/UPSs were partially constructed (*Appendix 2.1.10*) and construction of another 48 PSs had not been taken up (March 2016) by SMCs.



Government stated that though proposal was made in AWP&B for coverage of un-served habitations, PAB put its sanction on hold till completion of GIS mapping of existing schools. Reply was not acceptable as timely completion of GIS mapping was the responsibility of the State Government and inclusion of incomplete proposal led to proposals not being approved by PAB.

### **2.1.8.2 Enrolment, attendance and retention of children in schools**

Section 8(a) (ii) of RTE Act devolves responsibility on the state government to ensure compulsory admission, attendance and completion of elementary education by every child of the age of six to fourteen years.

#### **Identification and enrolment of children**

GoUP conducts HHS every year for identification of children belonging to the age of 6 to 14 years. The year-wise population of such children identified and enrolled thereagainst during 2011-16 is given in Table 3:

<sup>23</sup> A geographic information system (GIS) is a computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface. GIS can show many different kinds of data on one map. This enables people to more easily see, analyse, and understand patterns and relationships.

**Table 3: Details showing status of child population and enrolment**

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Children identified in HHS (6-14 years age)	3,88,31,718	3,93,40,217	3,86,56,969	3,80,17,300	3,76,30,382
Children enrolled as per DISE data (In <i>per cent</i> )	(91.17)	(94.30)	(95.01)	(96.90)	(96.80)
Children not enrolled (In <i>per cent</i> )	(8.83)	(5.70)	(4.99)	(3.10)	(3.20)

(Source: Household Survey and data available on DISE)

It is evident that the number of children identified for enrolment in elementary schools declined from 3.93 crore in 2012-13 to 3.76 crore in 2015-16. Consequently, number of children enrolled also declined from 3.71 crore in 2012-13 to 3.64 crore in 2015-16. It was also noticed that the number of children not enrolled for education in PSs and UPSs also declined from 5.70 *per cent* in 2012-13 to 3.20 *per cent* in 2015-16. During beneficiary survey of 59 teachers and 53 parents in two test-checked districts (Pilibhit and Rampur), 30 *per cent* parents stated that they did not know RTE Act whereas 34 *per cent* parents stated that they were not aware about the child rights in education. 10 *per cent* and 25 *per cent* of teachers stated that domestic work was the main reason for decrease in enrolment and out of school children respectively.

Further, a unique identity (UID) number was to be provided to each child to ensure and monitor enrolment, attendance, learning achievement and completion of elementary education of every child as required under RTE Rules. However, it was noticed that the process of providing UID number was not undertaken.

Comparison of DISE data with HHS data through data analytics revealed short enrolment of children in UPSs ranging between 31.36 lakh to 58.89 lakh during 2011-16 (*Appendix 2.1.11*). Excess enrolment of children was noticed in PSs ranging between 19.31 lakh to 24.93 lakh during 2011-16 (*Appendix 2.1.12*) in DISE data than the children identified in HHS. This implied that either HHS data underestimated the number of children in the age group of 6-10 years or DISE data substantially over-reported the number of children enrolled. The fact was also confirmed by comparing both the data in test-checked districts, as detailed in *Appendix 2.1.13*. This could have been avoided by providing a UID number to every child and tracking of their progress.

Government accepted the audit observations and stated that efforts were being made to provide UID to every child. It also stated that DISE data were being corrected so that it could reflect the correct status.

***Recommendation: Enrolment of every child in school must be UID linked, as stipulated in RTE rules, for effective monitoring of enrolment, drop outs and completion of elementary education by all the children.***

### Enrolment of out of school and drop out children

Section 4 of RTE Act provides that where a child above six years of age has not been admitted in any school (Out of School Children) or though admitted, could not complete his or her elementary education (drop out children), he or she shall be admitted in a class appropriate to his or her age; be provided special training to make him at par with others and be given free elementary education.

#### Drop out of children

GoUP reported number of out of school children (OSC) ranging between 0.24 lakh and 1.10 lakh (average 0.63 lakh) per year during 2011-16 with some districts<sup>24</sup> showing low drop outs ranging between Nil and 166 during 2011-16. Analysis of DISE data, however, revealed that total number of drop outs in the state ranged between 11.56 lakh to 27.45 lakh per year, as detailed in Table 4<sup>25</sup>:

**Table 4: Details showing year-wise drop out of children**

(in Numbers)							
Year	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7	Total drop out
2010-11	1,85,557	1,13,278	3,03,338	2,58,912	14,09,806	6,052	22,76,943
	(8)	(5)	(13)	(11)	(62)	(0)	
2011-12	0	0	0	0	11,56,279	0	11,56,279
	(0)	(0)	(0)	(0)	(100)	(0)	
2012-13	1,28,642	1,16,769	2,58,003	2,23,176	11,64,294	0	18,90,884
	(7)	(6)	(14)	(12)	(62)	(0)	
2013-14	4,12,276	3,15,771	4,94,010	4,71,762	10,51,380	0	27,45,199
	(15)	(12)	(18)	(17)	(38)	(0)	
2014-15	2,64,532	1,24,026	2,68,218	2,17,419	9,72,134	0	18,46,329
	(14)	(7)	(15)	(12)	(53)	(0)	
2015-16	2,95,777	2,02,991	3,98,289	3,53,512	9,63,454	0	22,14,023
	(13)	(9)	(18)	(16)	(44)	(0)	

Figures in brackets represent percentage in that class with reference to total drop outs in respective years  
(Source: District Information System for Education)

As may be seen from the Table-4 above, the drop out of children in class-2 to class-5 during 2010-11 to 2015-16 ranged between 8 to 16 *per cent* whereas the dropouts in transition from class-5 to class-6 was between 38 *per cent* to 100 *per cent* of the total drop outs in respective years. The reasons for huge dropouts after completion of class-5 were mainly attributable to engagement of children in domestic/agriculture work/traditional craft, looking after young children, poverty, etc. as emerged in HHS (*Appendix 2.1.14*).

Government stated that the matter was being reviewed and appropriate action would be taken after taking into cognizance the actual position of dropouts.

<sup>24</sup> 2011-12: Bahraich, Kanpur, Kanpur Dehat; 2012-13: Auraiya, Kannauj, Kanpur Dehat; 2013-14: Kanpur Dehat, Kaushambi, Mirzapur; 2014-15: Kannauj, Mahoba, Mirzapur; 2015-16: Kushinagar, Mirzapur, Bahraich.

<sup>25</sup> Value zero (0) in the table reflected the status of no decrease in enrolment.

### Out of School Children

Audit also observed that against OSC (which includes dropout children also) identified ranging between 0.24 lakh and 1.10 lakh (average 0.63 lakh) per year (*Appendix 2.1.15*), Table 4 above indicates only drop outs ranging between 11.56 lakh to 27.45 lakh (average 20 lakh) per year during 2011-16. While considering AWP&Bs and taking notice of the under-reported data, PAB repeatedly (2011-12, 2012-13 and 2016-17) advised the state to undertake “effective steps so that authenticity and credibility of its data on OSC is ensured.” However, the same was not done, resulting in variation in data.

**Good Practice:** Audit observed that Mirzapur district, despite being naxal affected, showed better results in terms of number of repeaters (2013-14) and drop out children (2013-16) and was amongst least three districts of the state. The literacy rate of the district also increased from 55.30 per cent in 2010-11 to 70.38 per cent in 2014-15.

Audit also observed that children ranging between 19.50 lakh and 12.41 lakh were enrolled in elementary schools even after attaining the age of 14 years during 2010-16, as detailed in *Appendix 2.1.16*; indicating that adequate steps were not taken to mainstream all OSC timely.

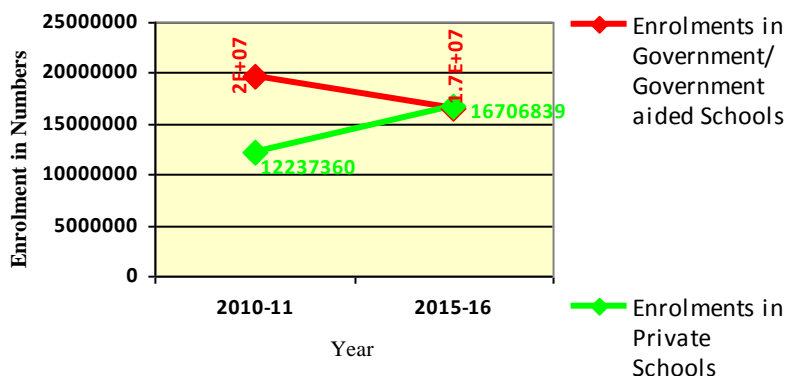
Government accepted the audit observations and stated that efforts were being made to identify the out of school children and get them enrolled in school.

### Decreasing enrolment in government/government aided schools

Audit observed that though there was overall improvement in the enrolment of children during 2011-16, enrolment in Government/Government aided schools declined by 18.6 per cent during 2010-16 while enrolment in private unaided schools increased by 36.5 per cent during this period despite involving considerably high private school expenditure<sup>26</sup>, as detailed in *Appendix 2.1.17* and depicted in Chart 2.

Chart 2: Status of enrolment in Government/Private Schools

Chart-2: Status of enrolment in Government/Private Schools



<sup>26</sup> As per nationwide survey conducted by National Sample Survey Office during January to June 2014 and report published in June 2015, the average per student expenditure for children enrolled in PSs and UPSs was ₹ 7,907 per year and ₹ 9,514 per year respectively.



Beneficiary survey of 169 children conducted (October 2016) by audit in test-checked schools (Pilibhit and Rampur districts) also revealed that books were not provided to children timely (29 *per cent*), children were deployed for works other than learning (6 *per cent*) and environment of classroom was not appropriate for teaching/ learning (4 *per cent*) indicating that learning environment in government schools needs to be improved.

A study conducted (September 2012) by SIEMAT<sup>26</sup> in 10 districts spread across all the four geographical regions covering two parents from 240 schools in each district revealed better educational environment (60 *per cent*), better education facilities (44 *per cent*), better results (42 *per cent*), better discipline (40 *per cent*), better education profile of teachers and sincerity of teachers (30 *per cent*) as main reasons for preferring private schools over government/government aided schools.

Government stated that since enrolment of children was increasing, the objective of RTE Act was achieved. Reply was not acceptable as need for taking immediate steps to improve educational environment and educational facilities in Government/ Government aided schools cannot be ignored.

***Recommendation:***

***(i) Government should ensure enrolment of all out of school children by conducting proper identification and addressing the problem of drop outs especially at the stage of transition from PSs to UPSs.***

***(ii) The Government may also explore possibility of running of government schools on Public-Private Partnership (PPP) model by providing incentives/ rewards.***

**Retention of children in the same class**

Section 16 of the RTE Act prohibits retention (holding back) of children in same class till completion of elementary education. However, data available on DISE revealed that out of 3.54 crore to 3.71 crore students enrolled in elementary classes in the State during 2010-16, 1.15 lakh to 6.50 lakh students were repeated in the same class. Districts of Bareilly, Pratapgarh, Ghazipur in 2010-11; Fatehpur, Hardoi, Jaunpur in 2011-12; Mathura, Raebareilly, Aligarh in 2012-13; Kushinagar, Bijnaur, Etah in 2013-14; Fatehpur, Azamgarh, Rampur in 2014-15 and Azamgarh, Etawah, Raibareilly in 2015-16 were top three violators of provisions of RTE Act in this reference.

Government accepted the audit observation and stated that such type of situation arose when, due to domestic work/social barriers, some children did not attend school after taking admissions. The fact remains that provisions of RTE Act could not be implemented.

### **Attendance of children**

In contravention to the provision of the Act, GoUP did not evolve any system for monitoring of attendance of children in schools. It was observed that for preparation of AWP&B, attendance data was taken from various sources<sup>27</sup> in different years during 2010-16. Against the target for attendance in PSs ranging between 70 per cent and 95 per cent, the achievement ranged between 61 per cent and 91 per cent. Similarly, against the target of attendance for UPSs ranging between 75 per cent and 95 per cent, the achievement ranged between 54 per cent and 91 per cent during 2010-16, as detailed in **Appendix 2.1.18**. Test check of 428 schools revealed that against the enrolment of 51,649 children on the day of visit, the attendance was merely 13,861 children (27 per cent). During beneficiary survey of 59 teachers in two test-checked districts (Pilibhit and Rampur), all the teachers stated the reason for short attendance of children in schools was mainly attributed to domestic work (22 per cent); lack of awareness (14 per cent) and poverty (12 per cent).

Government accepted the observation and stated that attendance of children was monitored regularly through available facilities in the Department. Reply was not acceptable as there was no uniform system of monitoring the attendance and thus, there was no assurance of authenticity of attendance data of the schools as depicted by the State Government.

**Recommendation: Government may consider using modern technologies such as GIS, mobile apps etc. to monitor the attendance in schools.**

### **Measures adopted to retain children in schools**

#### **Free Text books**

Rule 5 (1) of RTE Rules stipulates provision of free text books (FTBs) each year to all the eligible children under the Act. Accordingly, Central and State Governments provide funds<sup>28</sup> to SIS for procurement and distribution of FTBs. SIS provides funds to District BSAs according to their requirement for procurement of books, as per children enrolled. BSAs place orders for supply of books on publishers finalised by the Director, Basic Education, Lucknow (DBE) and make payments thereagainst.

An amount of ₹ 691.50 crore was spent by GoUP on printing of free text books and their delivery upto school level during 2010-16. Audit examination disclosed the following:

#### **Finalisation of printers/publishers for supply of text books**

As per system in vogue, Director, Basic Education, GoUP invites tenders each year for printing of text books prescribed for PSs and UPSs of

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<sup>27</sup> Quality Management Tool (2010-12), Interactive Voice Response System of MDM (2012-13), Project Management Information System, Basic (2013-14) and Baseline BSA reports compiled by Directorate of Basic Education, GoUP (2014-16), which started monitoring of attendance through school inspection from 2014-15.

<sup>28</sup> Funds were provided under SSA for distribution of FTBs to all the girls and SC/ST boys. FTBs to other than SC/ST boys were provided by GoUP separately from state funds.



government/government aided schools. The tender was invited for all the districts in a centralised manner to finalise the rates and allocate publishers to different districts. For this purpose, eight classes of PS and UPS were grouped into five categories (A to E)<sup>29</sup>. Based on the publishers allotted by the Director for the districts, BSAs of the respective districts place orders on the allocated publishers for printing and supply of books. The quantity of books to be procured and supplied was decided by the BSAs based on the enrollment of children in PSs and UPSs in different classes. Procurements of books made for free supply to children during 2010-16 were as per details given in Table 5.

**Table 5: Details regarding contracts for supply of text books during 2010-16**

Year	Number of publishers participated in the bidding	Number of publishers accepted to supply books at L <sub>1</sub> rate (including L <sub>1</sub> )	Number of Publishers awarded contract	Value of books procured (₹ in crore)
2010-11	47	35	35	82.21
2011-12	33	22	22	97.95
2012-13	38	29	29	103.39
2013-14	37	31	31	126.30
2014-15	36	35	35	129.35
2015-16	35	25	25	152.30

(Source: Records provided by Director, Basic Education and information provided by SPO)

Audit examination disclosed that:

The number of districts was allotted to the publishers after opening of financial bids and holding negotiations with publishers without clearly spelling out the allocation criteria. Hence, the whole process of distribution of quantities (number of districts) was arbitrary and lacked objectivity, fairness and transparency.

Once the lowest bidder was identified for each category, other bidders who were willing to accept orders at L<sub>1</sub> rates were also given supply orders<sup>30</sup>. Audit observed that the system adopted by the state government was not fair and sufficiently competitive as there was no incentive for the bidders to quote lower rates. All the bidders who offered to supply at L<sub>1</sub> rates were placed orders which implied that the bidders were well aware that even if they were not declared L<sub>1</sub>, they would in all surety be placed orders by the government. Neither there were any criteria mentioned in the NIT/tender that the bidders would not be awarded quantities in the inverse ratio of prices quoted nor any ceiling was imposed on the maximum number of publishers that could be considered for placement of orders. Hence, the participating bidders had no competitive tension which could force them to bring down the prices. Thus, the tendering process lacked fair competition for price discovery.

<sup>29</sup> Category-A: class 1 to 3, Cat-B: Class 4 and 5, Cat C: Class 6, Cat D: Class 7, Cat E: Class 8.

<sup>30</sup> No records showing basis of allocation of quantity to printers/publishers were produced to audit.

Agreements were executed with those bidders also who were found using sub-standard papers and printings<sup>31</sup> etc., in earlier years, as detailed in *Appendix 2.1.19*.

Government stated that prescribed procedure was followed in printing of books. The reply was not tenable as the procedure adopted for awarding contract was not fair and the process for deciding the quantity of text books to be supplied was arbitrary.

### ***Procurement of excess free text books***

Audit of four<sup>32</sup> out of 16 test-checked districts revealed excess procurement<sup>33</sup> of 34.68 lakh books valuing ₹ 4.23 crore during 2012-16, as detailed in *Appendix 2.1.20*.

Government stated that the issue would be examined and necessary action would be taken accordingly.

### ***Procedure for transportation of books***

GoUP decided (June 2012) for transportation of books upto school level<sup>34</sup>. The rate for transportation of books from district level store (Publishers supplied the books upto district level store) to schools was to be decided by a committee headed by District Magistrate of respective districts.

In contravention of the order (June 2012), districts adopted different procedures<sup>35</sup> for incurring expenditure on transportation of books. SIS also did not compile expenditure on its transportation upto 2013-14. An analysis of maximum and minimum transportation cost paid by test-checked districts during 2011-16 revealed increase in transportation cost ranging between 78 per cent and 2,027 per cent in 14 districts<sup>36</sup>; though number of books procured during the same period decreased ranging between 2.49 per cent and 29.63 per cent<sup>37</sup> (*Appendix 2.1.21*).

Government stated that different procedures for transportation of books were adopted for speedy distribution of books to children. The reply was not acceptable as the Department did not deliver the free text books in time as discussed in paragraph below.

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<sup>31</sup> Deductions were made from the bills of 30 out of 35 printers (2010-11) for using substandard papers and bills of all the 25 printers (2015-16) for using substandard papers and defective printing etc.

<sup>32</sup> Maharajganj, Firozabad, Ghazipur and Sonbhadra.

<sup>33</sup> Calculated on the basis of children enrolled As per syllabus, 1, 2, 5, 6, 6, 14, 13 and 13 books were prescribed for classes 1, 2, 3, 4, 5, 6, 7 and 8 respectively during 2012-14 ( for classes 6<sup>th</sup> to 8<sup>th</sup> was limited to 11 during 2014-16).

<sup>34</sup> Upto the academic year 2010-11, transportation of books from district to block level and from block to school levels was arranged by BSAs and head teachers of respective schools and expenditure incurred on cartage of the books was borne out of balance funds received for purchase of books and school development grant respectively.

<sup>35</sup> Like rates approved in earlier years; rates approved by DM, tendering process; through different transportation agencies by giving advances to ABSAs; daily rental of vehicle; transportation by different transportation agencies on the basis of rates obtained from RTO; and per trip rate up to block level fixed by DM etc.

<sup>36</sup> Farrukhabad, Firozabad, Ghazipur, Gorakhpur, Jhansi, Lakhimpur Kheri, Kanpur Dehat, Mau, Rampur, Sonbhadra, Sultanpur and Unnao. Ghaziabad and Pilibhit districts did not furnish the desired information/records.

<sup>37</sup> Except Bahraich, Maharajganj and Sonbhadra districts where it increased ranging between 3.03 and 6.72 per cent.

### *Delay in issue of free text books to children*

The start of academic session was shifted from first of July to first of April from 2015-16 by GoUP. However, tenders for printing of free text books for the year 2015-16 were opened on 5 May 2015 only. As per orders, the bidders were required to supply first and second lot of books for the year 2015-16 on 15 June and 5 July. Audit of 15 test checked districts<sup>38</sup> revealed that first lot of books were delivered by publishers to different districts during first week of June 2015 to third week of August 2015. Thus, due to delay in tendering process, the delivery of free text books was delayed by over two month from start of the academic session.

Audit of 15 districts further revealed that there were delays upto 103 days in placement of order and receipt of books<sup>39</sup> from publishers during 2010-15. As a result, against purchase of 18.35 crore books, 5.91 crore (32.21 *per cent*) books were provided to children after considerable delays, i.e. in August or in subsequent months during 2010-16, as detailed in **Appendix 2.1.22**. Joint Physical Verification of 428 selected szzchools revealed that records relating to distribution of FTB were not available in 103 schools (24 *per cent*). During beneficiary survey of 169 children, 59 teachers and 53 parents in two test-checked districts (Pilibhit and Rampur), 29 *per cent* of the children and 25 *per cent* of parents stated that they did not get their books timely.

Thus, the books were not provided to children timely, putting extra burden on the children and impacting the teaching-learning quality adversely in schools.

Government accepted the audit observation and stated that efforts were being made to provide books to children timely from next year.

### *Text books not issued to children*

Against the funds of ₹ 997.47 crore received under SSA<sup>40</sup> for distribution<sup>41</sup> of free text books, GoUP utilised only ₹ 691.50 crore (69 *per cent*) during the period 2010-16.

However, Audit observed that against the enrolment of 554.02 lakh children<sup>42</sup>, 547.80 lakh children (99 *per cent*) were only covered during 2012-16. Thus, despite availability of funds 6.22 lakh children were not provided books during the period, as detailed in **Appendix 2.1.23**.

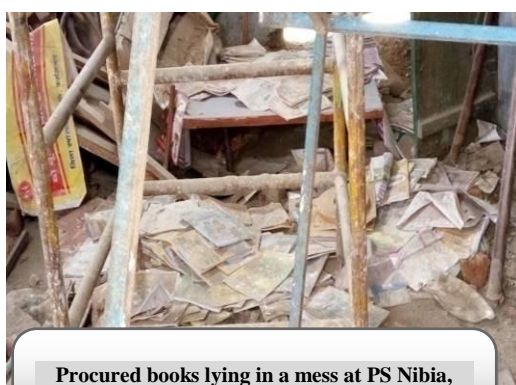
<sup>38</sup> Pilibhit district did not provide the desired information.

<sup>39</sup> First lot of books were received in 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 during third week of May and third week of July 2010; third week of June and fourth week of August 2011; fourth week of May and third week of September 2012; second week of May and fourth week of October 2013; and fourth week of May and second week of July 2014 respectively.

<sup>40</sup> From GoI and GoUP in the prescribed ratio against the AWP&B approved by PAB.

<sup>41</sup> All girls and SC/ST boys. GoUP also provided funds of ₹ 313.09 crore separately through DBE, Lucknow for distribution of books to other than SC/ST boys, against which ₹ 287.12 crore was utilised. DBE, however, failed to provide details relating to target and actual coverage such children.

<sup>42</sup> All the girls and SC/ST boys. enrolment for the period 2010-12 was not available on DISE.



Procured books lying in a mess at PS Nibia, Rajepur, Farrukhabad



Books procured for distribution in previous years lying idle at Urban Resource Centre, Unnao

Government stated that the matter was being examined and added that distribution of books to all the children would be ensured in future.

### ***Delayed/short distribution of uniforms***

RTE Rules (July 2011) provide distribution of uniforms once in a year to all eligible children under RTE Act. Accordingly, the Central and the State Governments provide funds to SIS for distribution of two sets of uniforms each year (at the rate of ₹ 200 per set of uniform) to all girls and boys belonging to SC/ST and BPL categories. GoUP also provide state grant to DBE for distribution of uniforms to other than SC/ST APL boys. The funds from both the sources were transferred to schools for procurement of cloth and getting the same stitched after taking measurement of each child.

Audit observed that against the total funds of ₹ 3,739.18 crore<sup>43</sup> received during 2011-16 under SSA and state grant for distribution of uniforms, only ₹ 3,137.24 crore<sup>44</sup> (83.9 per cent) were utilised as on March 2016. Audit also observed that against the total enrolment of 8.22 crore children<sup>45</sup> in PSs and UPSs of eligible government/government aided schools during 2012-16, 7.25 crore children were distributed uniforms. Thus, 97 lakh eligible children were not provided uniforms despite availability of sufficient funds. Audit also observed that:

GoUP provided only one set of uniform to children under SSA during 2011-12 (though two sets of uniform were approved by PAB and funds were released accordingly). GoUP also did not provide state grant for distribution of uniforms to other than SC/ST/APL boys during 2011-12.

Targeted dates for distribution of uniforms were fixed at three to five months after the start of academic sessions (2011-16). Information compiled by SPO from districts revealed further that 21 districts failed to provide uniforms to children even after 10 days from the last date for distribution of uniforms during 2013-14, whereas 46 districts failed to provide uniforms to children

<sup>43</sup> SSA (2011-16): ₹ 3,501.03 crore and state grant (2012-16): ₹ 238.15.

<sup>44</sup> SSA: ₹ 2,907.61 crore and state grant (2012-16): ₹ 229.63 crore.

<sup>45</sup> The GoUP was not having separate figures of enrolment of 'all girls, SC/ST and BPL boys' and other than SC/ST APL boys.

even after 29 days from the last date for distribution of uniforms during 2014-15, as detailed in *Appendix 2.1.24*. The reasons for delayed-distribution of uniforms were mainly due to delayed transfer<sup>46</sup> of funds to the districts/schools for procurement of uniforms.

Audit of test-checked districts revealed that the uniforms were distributed to 10.06 lakh children with delays which ranged from nearly a month to over seven months from the last date prescribed for distribution<sup>47</sup>, as detailed in *Appendix 2.1.25*. Further, in test-checked district of Maharajganj, funds of ₹ 4.53 lakh for purchase of uniform was provided to an ineligible PS during 2014-16.

Audit of 428 schools in 15 districts revealed that records relating to distribution of uniforms were not maintained in 103 schools. During beneficiary survey of 169 children and 53 parents in two test-checked districts (Pilibhit and Rampur), 12 *per cent* of the children and 11 *per cent* of parents stated that the children did not get their uniforms timely.

Delay in distribution of uniforms would have adverse impact on children from poor families. It would also defeat the objective of maintaining equality and uniformity among children in schools.

The Government accepted the delay in providing uniforms to the children and stated that the targets for distribution of uniforms were ultimately achieved. The reply was not acceptable as 0.97 crore eligible children were not provided uniforms during 2010-16 in the state despite availability of sufficient funds. Further the targeted date fixed for supply of uniforms (November) was itself too late.

### ***Recommendations:***

*(i) Procedures for tendering of printing and supply of free text books and their transportation to schools should be streamlined to make it fair, transparent and competitive.*

*(ii) The Government should start tendering process for selection of publishers well in advance so that books could be distributed to children timely.*

*(iii) The Government should strengthen monitoring mechanism to ensure that text books and uniforms (two sets) are distributed to children at the start of academic session and all eligible children are covered.*

### **2.1.8.3 Infrastructure**

#### **Construction of Schools**

Audit observed that out of 11,067 PSs and 3,093 UPSs sanctioned during 2011-12, 10,521 PSs and 2,998 UPSs were constructed, 77 PSs and 22 UPSs

<sup>46</sup> Academic session 2015-16 was started in April 2015 but funds for distribution of uniforms were transferred in two installments (75 *per cent*: 28.7.2015, 25 *per cent*: 27.1.2016) after delays of 4 months and 10 months.

<sup>47</sup> GoUP, during the year 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 fixed 11.11.2011, 02.10.2012, 30.11.2013, 30.09.2014 and 30.08.2015 as the last date for distribution of uniform. Delays of 1 to 30 days were ignored.



were under construction whereas construction of 469 PSs and 73 UPSs was not started as on March 2016, though required to be completed upto 2011-12 (*Appendix 2.1.26*). Delay in construction of schools was mainly attributable to slow progress of work by SMCs, land disputes *etc.* (*Appendix 2.1.27*).

Audit further observed that the proposal for construction of 1,652 new PSs and 201 new UPSs made by GoUP during 2016-17 was not approved by PAB as the GIS mapping was not completed. Records also revealed that PAB had approved ₹ 3.5 crore for GIS mapping with State’s commitment to complete it by June 2015. The State, however, completed the exercise in 12 districts only and out of 2.49 lakh schools, the state had collected geo-coordinates of 76,119 schools<sup>48</sup> (30 per cent) only.

Government accepted the audit observation and stated that constraints in the completion of works were being resolved. Regarding GIS mapping, it stated that the same was in progress.

### **Operation of schools without proper buildings**

As per Section 8 of RTE Act, the government was required to provide *infrastructure* including school buildings. Audit observed that schools were running without requisite buildings, as detailed in *Appendix 2.1.28* and summarised in Table 6 below:

**Table 6: Schools running without requisite building/under thatched roof/rented/dilapidated buildings**

Schools running	Overall position in the State (as per DISE)		Actuals in test-checked districts	
	PSs	UPSs	PSs	UPSs
Without requisite building /under thatched roofs	90	15	16	14
In dilapidated buildings	304	99	72	22
In rented buildings	782	76	150	18
<b>Total</b>	<b>1,176</b>	<b>190</b>	<b>238</b>	<b>54</b>

(Source: DISE data and information furnished by District Project Office, SSA)

It was evident from the above table that 1,176 PSs and 190 UPSs in the State and 238 PSs and 54 UPSs in the test-checked districts did not have adequate buildings for their proper running.

Audit also observed that 72 school buildings were accommodating two to three PSs/UPSs in each building (total 160 schools) in Bahraich, Firozabad, Gorakhpur<sup>49</sup>, Jhansi, Sultanpur, Unnao and



<sup>48</sup> Official site for uploading geo-tagged schools shows only 74,436 schools (August 2016).

<sup>49</sup> In Gorakhpur, JPI revealed use of PS Payasias dairy/goatery. PS Payasi was running in UPS Payasi.

Pilibhit districts, as detailed in *Appendix 2.1.29*. The operation of two or more schools in the same building not only violated the norms of one building for each school, but also deprived the children of having school in their neighbourhood.

Further, MHRD guidelines (October 2014) required conducting safety audit of each school. The same was not conducted till March 2016.

Government accepted the audit observation and stated that appropriate action would be taken after reviewing the entire issue.

### **Operation of unrecognised schools**

As per section 18 of Act, no school other than a school established, owned or controlled by the appropriate Government or local authority, shall function without obtaining a certificate of recognition from competent authority. Audit observed that 465 private schools were running in four test-checked districts<sup>50</sup> without recognition as BSAs of concerned districts did not issue recognition certificates to these schools due to not fulfilling the prescribed norms under RTE Act by them.

The Government accepted the audit observation and stated that administrative directions had been issued and U-DISE was being strengthened to check operation of such schools.

### **Construction of residential schools/hostels and transportation facilities for children**

Rule 4(2) of RTE Rules provides that for children from areas, where it is not possible to provide schools within the radius of neighbourhood specified, the State Government shall make adequate arrangements, such as free transportation, residential facilities etc. to provide elementary education to all eligible children of such areas. Audit, however, observed that:

GoUP proposed construction of 84 Residential Schools during 2012-14. Besides, GoUP also proposed construction of 32 Residential Hostels during 2014-16. PAB, however, approved only two Residential Hostels. The remaining proposals were not approved by PAB as the method of identification of targeted children was not finalised by GoUP.

Against 183 Composite Schools sanctioned during 2010-16, only 100 schools were constructed, whereas 14 schools were under construction (March 2016). Records revealed that funds for 46 schools were surrendered (2013-14) and construction of 23 schools was not started<sup>51</sup>. Audit of 16 test-checked districts revealed that six composite schools (estimated cost: ₹ 2.35 crore) were either incomplete or were not operational (*Appendix 2.1.30*) and six composite schools (estimated cost: ₹ 1.86 crore) were proposed for surrender<sup>52</sup> due to site

<sup>50</sup> 141, 190, 103 and 31 private schools in Gorakhpur, Mau, Sultanpur and Jhansi district respectively.

<sup>51</sup> Of which 19 composite schools were also proposed for surrender but PAB (2016-17) put the surrender on hold.

<sup>52</sup> Farrukhabad (1 No.), Jhansi (1 No.), Kanpur Dehat (2 Nos.) and Rampur (2 Nos.).

not having appropriate soil strength, land not being available, sanctioned without demand/requirement.

Transport/escort facilities for children (ranged between 1,336 and 8,473) living in remote habitations with sparse population and also for urban deprived children (UDC)/children without adult protection in urban areas (ranged between 1,403 and 9,792) were proposed by GoUP in AWP&B for the period 2012-16. However, the proposals were not approved by PAB, as GoUP had not notified distance norms for providing transportation facilities.

Thus, due to lapses on the part of GoUP, targeted children were deprived of these facilities, impacting adversely their right to education.

Government stated that action was being taken to complete the incomplete works for establishment of composite schools. It also stated that demands for providing transportation facilities to children were made in AWP&Bs but the same were not approved by PAB. Audit, however, observed that no action plan to complete the works was prepared by the State Government, while in respect of transport facilities, GoUP could not get the approval of PAB as it failed to notify the distance norms.

***Recommendation: GoUP must accord due priority to carry out GIS mapping of all the schools in the State within a fixed time frame to identify the number of served and un-served habitations and ascertain serious cases of physical-financial mismatch in construction of buildings.***

### **Construction of Additional Class Rooms**

Section 25(1) of the Act provides for ensuring desired PTR<sup>53</sup> and one classroom for every teacher.

Audit observed that out of 82,145 Additional Class Rooms (ACRs) sanctioned during 2010-16, only 81,954 ACRs (99.8 per cent) were constructed upto March 2016 and 191 ACRs were not constructed mainly due to insufficient construction cost. Audit also noticed that the norms were not adhered to while sanctioning 2682 ACRs (costing ₹ 59.11 crore) as detailed in **Appendix 2.1.31**.

Further, joint physical verification of 428 schools revealed shortage of 272 classrooms in 111 schools and excess of 442 class-rooms in 166 schools respectively, indicating that sanction of ACRs was not need-based.

Government did not furnish specific reply for the issue.

### **Adequate space in school buildings and ACRs**

Norms developed by the Bureau of Indian Standards (BIS), as required in paragraph 6.4.3 of SSA framework, were not adhered to for construction of schools buildings during 2010-16, as detailed in Table 7:

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<sup>53</sup>1:30 (for enrolment upto 200, with additional one head teacher from enrolment above 150) and 1:40 (for enrolment of more than 200) in PSs; and 1:35 for UPS by March 2013.



**Table 7: Details of construction of schools without following BIS norms**

Particulars	Buildings Constructed	Prescribed area per classroom (Sqm.)		Actual Size of Construction (Sqm.)	
		PSs	UPSs	PSs	UPSs
New PS/UPS	13519	44.53	50.37	30.00	28.00
ACRs	81954	44.53	50.37	34.38	34.38

(Source: information furnished by SPO)

Thus, 13519 PSs/UPSs and 81954 ACRs, constructed under SSA, were having inadequate space, much below the prescribed norms.

Audit also observed that against the prescribed area (as per KGBV guidelines) of 5.57 Sqm per student for KGBVs, 292 KGBVs were constructed having area of 3.40 Sqm per student, which were smaller in size<sup>54</sup> than the norms.

Government stated that SSA framework prescribed 30 Sqm. space in classroom for 32 children. Reply was not acceptable as framework requires adoption of BIS standards which provides spaces of 44.53 Sqm. and 50.37 Sqm. for PS and UPS to accommodate 40 children. Thus, construction of PS/UPS was not as per the SSA framework.

***Recommendation: Construction of schools/ACRs should be need based and follow the prescribed norms to ensure quality.***

### **Other infrastructure facilities in schools**

RTE Act provides for all-weather school buildings comprising, *inter alia*, of barrier free access, separate toilets for boys and girls, drinking water facility, play ground and arrangement for securing the school building by boundary wall by March 2013.

Audit observed that these facilities were not available in large number of schools despite lapse of the prescribed period of three years, as detailed in Table 8:

**Table 8: Details showing lack of infra-structure facilities in schools**

Sl. No.	Lack of infrastructure facilities	Status of entire State				Total	Status in 428 test-checked schools
		Rural		Urban			
		PSs	UPSs	PSs	UPSs		
1.	Boundary wall	36,818	18,946	1,088	255	57,107	159
2.	Separate toilet for boys	380	602	109	100	1,191	81
3.	Separate toilet for girls	316	108	106	13	543	81
4.	Drinking water facility <sup>55</sup>	1,365	1,384	200	29	2,978	37
5.	Playground	35,383	13,088	1,991	387	50,849	136

(Source: DISE and joint physical verification of selected schools)

Similarly, out of the total 1.60 lakh schools in the State library and ramps were not available in 35,995 and 26,941 schools respectively . Further, despite lapse

<sup>54</sup> Joint Physical Verification of KGBVs in test checked districts revealed that 2-3 girls were sharing one bed.

<sup>55</sup> Audit revealed that none of the 391 selected schools having hand pumps were having water testing reports.

of one to five years of sanction, some of the sanctioned facilities were not completed, leading to blockade of ₹ 3.13 crore (**Appendix 2.1.32**) at DPO (₹ 1.37 crore) and construction agency (₹1.76 crore) levels. These may hamper overall development of children. During beneficiary survey of 169 children and 59 teachers in two test-checked districts (Pilibhit and Rampur), 20 *per cent* children stated that the toilets of their schools were generally not clean. 27 *per cent* teachers suggested that awareness among parents and better facilities/ increase in infrastructure facilities would increase quality of education in government/government aided schools.

Audit also conducted geo-tagging of 106 schools<sup>56</sup> in Ghazipur and Sultanpur districts and found that ramps, boundary walls, gates and toilets were not available in 71, 30, 65 and 15 schools respectively. Further, toilets and boundary walls were found partly constructed in 24 and 22 schools respectively.

Government stated that proposals for providing these facilities in schools were being made regularly in AWP&B and works were executed as per the approval of PAB on AWP&B. The fact remains that these facilities, which were to be provided to schools by March 2013 as per RTE Act, had still not been complied with.

### **Electrification of schools**

As per SSA framework, school buildings should adhere to specific construction standards and all the schools should be electrified.

Audit observed that:

GoUP issued (June 2008) orders for electrification of the schools having minimum 100 children, which were constructed before 2008-09 in electrified villages. It allotted (June 2008 to October 2012) ₹ 279.74 crore<sup>57</sup> and released ₹ 272.48 crore for electrification of 93,354 schools. Records revealed that 92,409 schools were provided internal wiring/electrical fittings, but only 79,224 schools were provided electricity connections by utilising funds of ₹ 266.11 crore as of March, 2016. The remaining 13,185 schools were not provided electricity connection for want of additional funds of ₹ 65.05 crore (demanded by Uttar Pradesh Power Corporation Limited in February 2011 to meet increase in connection charges). As a result ₹ 35.58 crore spent (June 2008 to October 2012) on internal wiring of these schools remained unfruitful for the last three to seven years and ₹ 3.61 crore were blocked with UPPCL. Thus, all schools were not provided electricity.

Audit further observed that 13,825 PSs and 8,383 UPSs, constructed during 2008-16, included cost of internal electric wiring totalling ₹ 30.46 crore<sup>58</sup>.

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<sup>56</sup> 15 schools, or school actually constructed during 2010-16 whichever was less, sampled through PPSWOR method in each of the four selected blocks.

<sup>57</sup> At the rate of ₹ 26,988 per school for internal wiring/electrical fittings and ₹ 2,200 per school for connection charges.

<sup>58</sup> Estimated cost of ₹ 6.73 lakh and ₹ 9.01 lakh for construction of PSs and UPSs under SSA included (from 2008-09) wiring cost of ₹11,310 and ₹17,688 respectively.

SPO, in September 2012, issued order for providing electricity connection and electrical equipment to 4,256 PSs and 1,877 UPSs in only 11 districts<sup>59</sup>, situated in electrified villages and having enrolment of at least 100 children, at a total cost of ₹ 6.75 crore, without ensuring availability of sufficient number of schools confirming to the selection criteria. Audit, however, found that electricity connection and electrical equipment were provided to 726 PSs and 569 UPSs only, as other schools did not fulfill the selection criteria. As a result, 3,530 PSs and 1,308 UPSs did not benefit from the scheme leading to blockade of funds totalling ₹ 5.32 crore at DPO level. Further, expenditure of ₹ 28.64 crore incurred on internal electrification of 13,099 PSs and 7,814 UPSs remained unfruitful.

Audit of 428 selected schools in 15 districts revealed that though electrical fittings were available, electricity connection was not provided to 80 schools.

Government accepted that (i) due to increase in electricity connection charges by UPPCL, electricity connections were not provided to the schools; and (ii) proposal for the same would be included in AWP&B and electricity connections would be provided to the schools.

***Recommendation: Government should ensure other infrastructure facilities in schools such as safe drinking water, electric connections, playground, toilets, etc. Priority should be given to complete electrification of schools already having internal wirings/electrical fittings.***

#### **2.1.8.4 Providing education to children**

##### **Deployment of teachers**

##### ***Pupil-Teacher Ratio (PTR)***

Section 25(1) of RTE Act provides for ensuring PTR of 1:30 (for enrollment upto 200, with additional one head teacher from children enrolled above 150) and 1:40 (for enrollment of more than 200) in PSs and 1:35 for UPSs by 31.03.2013.

It was observed that though PTRs<sup>60</sup> were achieved in both PSs (2010-16) and UPSs (2012-16) of government/government aided schools and UPSs of private schools (2014-16); the same was not achieved in PSs of private schools (2010-16), as detailed in ***Appendix 2.1.33***.

Government accepted the audit observation.

##### ***Irrational deployment of teachers***

Audit observed that against the sanctioned strength of 7.60 lakh teachers, the persons-in-position at the end of March 2016 were only 5.85 lakh. Shortage of

<sup>59</sup> Aligarh, Bagpat, Chandauli, Deoria, Etawah, Kannauj, Kushinagar, Rampur, Siddharthnagar, Sultanpur and Varanasi

<sup>60</sup> Taking the maximum criteria of 1:40 for PSs and 1:35 for UPSs

1.75 lakh teachers was more than the permissible limit of 10 *per cent* under Section 26 of the Act.

Further analysis of DISE data (2015-16) revealed that even the available teachers were not deployed rationally as 17,732 PSs and 1,349 UPSs having enrolment of more than 150 students did not meet PTR, while 7,264 PSs and 2,377 UPSs having enrolment of less than 50 students exceeded PTR. The details are given in **Appendix 2.1.34 and 2.1.35**. Furthermore, 435 government/ government aided schools were having no teachers.

Audit further observed that GoUP, while sending AWP&B for the year 2015-16, committed (March 2015) to GoI that the issue of irrational deployment of teachers in the schools would be sorted out by June 2015. However, no action was taken by GoUP in this regard and irrational deployment of teachers was persisting.

Audit of 428 selected government/government aided schools in 15 test checked districts revealed that:

Against the norms of one teacher for 40 students (maximum) for PSs and 35 for UPSs, PTR in PSs ranged between 8 to 176 students and in UPSs ranged between 4 to 237 children for one teacher.

Against the requirement of 526 teachers in 126 PSs/UPSs, 847 teachers were deployed resulting in excess deployment 321 teachers.

Against the requirement of 996 teachers in 189 PSs/UPSs, only 558 teachers were available, leading to shortage of 438 teachers.

Physical verification of selected schools in 15 test-checked districts revealed that against the deployment of 1,753 teachers in 428 schools, only 1,201 teachers (68.51 *per cent*) were present.

The shortage of teachers and their irrational deployment impacts the quality of teaching adversely in government/government aided schools.

The Government accepted the observation and stated that irrational deployment of teachers would be scrutinised and efforts would be made to overcome the shortage of teachers.

***Recommendations:***

***Government should rationalise deployment of teachers to ensure availability of teachers in schools and avoid excess/short deployments.***

**Qualification of teachers**

Section 23 (2) of the Act requires that all teachers, not possessing minimum qualification, should acquire the same within 5 years (March 2015). Rule

17(1) of RTE Rules provides that the State Government shall provide training<sup>61</sup> to all such teachers.

Analysis of DISE data (2015-16) revealed that even after six years of commencement of the Act, 18,119 teachers posted in PSs and 30,730 teachers posted in UPSs were not possessing the required qualifications.

As regards training, it was noticed that against the availability of 1.79 lakh untrained teachers in 2010-11, the number had reduced to 28,277 by 2015-16. Posting of under-qualified and untrained teachers in schools impacts the quality of education adversely.

The Government stated that the teachers not having desired educational qualification were being trained. Reply was not acceptable as these teachers were required to acquire minimum qualification by March 2015.

***Recommendation: The Government should fix fresh dates for acquiring the minimum qualification by teachers and adopt stringent measures by prescribing penalty for not acquiring the same.***

### **Quality education to children**

#### ***Minimum instructional days***

Schedule forming part of the RTE Act provided minimum 200 and 220 instructional days for PSs and UPSs, respectively.

Audit observed that the desired instructional days in PSs and UPSs were not observed in 1.46 lakh schools during 2010-11. The number of schools not observing instructional days, however, gradually reduced to 0.40 lakh in 2015-16 (*Appendix 2.1.36*). During beneficiary survey of 59 teachers in two test-checked districts (Pilibhit and Rampur), 14 *per cent* and 12 *per cent* teachers stated that shortage of teachers/lack of trained teachers and engagement of teachers in works other than teaching respectively, were the main reason for decrease in quality of education.

Government accepted the observation and stated that due to shortage of teachers, minimum instructional days were not observed.

#### ***Child-centric initiatives for learning enhancement***

##### ***Computer Assisted Learning***

With the objective to provide good quality elementary education, as required under Section 8 (g) of the Act, and also to inculcate interest in Science and Mathematics in children, GoI started (2003-04) Computer Assisted Learning (CAL) Scheme for UPSs. Audit observed that:

Against the allotment of ₹ 53.75 crore under SSA during 2010-12, ₹ 50.01 crore (91 *per cent*) was spent. Further, against the demand of

<sup>61</sup> 2 years training to untrained teachers for 60 days in a year to fulfill requirement of Act.

₹ 92.35 crore made in AWP&B during 2012-15, only ₹ 47.57 crore (52 per cent) was released<sup>62</sup> and ₹ 3.51 crore was spent. No funds were demanded during 2015-16. As a result, out of 46,372 government UPSs, 38,280 remained uncovered.

Information compiled by SPO revealed that out of 7,939 computers provided to districts, only 5,137 (65 per cent) were functional. Out of the remaining 2802 computers, 1,642 computers were not functional, 236 computers were stolen and 919 computers were installed at different offices<sup>63</sup> of the central and state governments at district level.

Audit in 15 test-checked districts<sup>64</sup> revealed that against the procurement of 1519 computers only 1,219 computers were available in schools; whereas 258 computers were installed in different offices, 281 computers were not functional and 42 computers were stolen, as detailed in **Appendix 2.1.37**. Further, there were 762 and 95 schools where computers were available but instructors were not available and vice-versa, respectively.

Joint Physical Verification in test-checked schools revealed that computers were not available in six schools<sup>65</sup> whereas computers were dumped in boxes/almirah in three schools<sup>66</sup>. Audit also observed that except writing letters for returning of the computers to the offices having possession of the same, no action had been taken by the respective DPOs.

Thus, the scheme failed to bring desired improvement in education in UPSs.

Government accepted the audit observation and stated that instructions had been issued to district authorities for installation of computers in schools only. It, however, did not furnish any reply on other issues raised by Audit.

### ***Continuous and comprehensive evaluation of elementary education***

Section 29 of RTE Act provides laying down curriculum and the evaluation<sup>67</sup> procedure (CCE) for elementary education by an academic authority. Rule 22 of RTE Rules designates SCERT for laying down the evaluation procedure.

Audit observed that though training module on CCE was developed and piloted (2012-14) in five districts<sup>68</sup>, no evaluation of children was done in the State during 2010-15. As a result, neither their learning levels were ascertained nor the thrust areas for their overall development were identified during these years.

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<sup>62</sup> By GoI and GoUP in the prescribed ratio against the PAB approved.

<sup>63</sup> Like DM, CDO, Election Office, Chief Treasury Officer, ADM, District Rural Development Authority, BSA etc.

<sup>64</sup> District Gorakhpur did not furnish the relevant records.

<sup>65</sup> UPS Amahiya, Gorakhpur, UPS Matehna Colony Pilibhit and UPS Maharajganj, Sultanpur; Out of 5 computers with 40" monitors issued to 5 schools, Joint Physical Verification of three schools, i.e. UPS Nagar Kshetra, Bisalpur, UPS Intgaon and UPS Ward No.3, Bilsanda of district Pilibhit revealed that the computers were not available in any school.

<sup>66</sup> UPS, Babina, Jhansi, UPS Champatpur, Kanpur Dehat and UPS Baragaon, LakhimpurKheri.

<sup>67</sup> Learning progress of each child was to be continually tracked as an integral part of the teaching-learning process.

<sup>68</sup> Balrampur, Ghaziabad, Lalitpur, Rae Bareilly and Varanasi. In piloted districts, only teachers were training as master trainers and training module was modified during 2014-15.



Government accepted the observation and stated that assessment of children had been started in academic year 2015-16.

***Recommendation: The Government should take effective steps to ensure that all the computers being used in other offices/places were returned and installed in eligible schools and ensure that the computers were functional and instructors were available to facilitate children in learning computers.***

### **2.1.9 Bridging gender and social category gaps**

Section 3 of RTE Act provides that every child of the age of six to fourteen years shall have the right to free and compulsory education and, *inter alia*, includes a child with disability and a child belonging to the Schedule Castes (SCs), Scheduled Tribes (STs), the socially and educational backward classes or other groups having disadvantage owing to gender factors.

#### **2.1.9.1 Bridging gender gap**

##### ***Opening of Kasturba Gandhi Balika Vidyalya***

*Kasturba Gandhi Balika Vidyalya* (KGBV) scheme was launched (August 2004) for setting up residential UPSs for girls belonging predominantly to SC, ST, OBC and minority communities in Educationally Backward Blocks.

Audit observed that against 4,14,800 seats available in KGBVs during 2010-16, actual enrolment was 3,91,737 (94.4 *per cent*), as detailed in **Appendix 2.1.38**. Further, against 746 KGBVs sanctioned upto 2011-12, 33 KGBVs remained incomplete<sup>69</sup> as of March 2016 due to the reasons given below:

In contravention of Government order (June 2006) of selecting a government agency for construction of KGBVs, district level committees (DLCs) of 16 districts<sup>70</sup> awarded work of construction of 51 KGBVs during 2004-09 to a non-Government Construction Agency, i.e. UP Cooperative Construction and Development Limited (UPCD). The works carried out by UPCD were found to be of poor quality in 24 KGBVs and, therefore, GoUP blacklisted the firm and directed the DLCs to start recovery proceedings. However, no recoveries were made (March 2016) against the total funds of ₹ 7.72 crore released to UPCD. Further, out of 24 KGBVs, eight KGBVs in six districts<sup>71</sup> remained incomplete (March 2016) even after release of additional funds of ₹ 3.84 crore.

Work of 5 KGBVs (sanctioned cost: ₹ 1.90 crore) in Balrampur (2007-09) was awarded to UP Instruments Limited (UPIL). The work was left mid-way by

<sup>69</sup> In test checked districts of Firozabad, Gorakhpur, Maharajganj and Sultanpur, 1, 1, 2 and 4 KGBVs were running in ACR, Composite School, PS and incomplete (2 Nos.)/DIET (1 No.)/UPS (1 No.) buildings respectively.

<sup>70</sup> Amethi, Amroha, Baghpat, Chandauli, Gorakhpur, Kasganj, Maharajganj, Mainpuri, Mathura, Mirzapur, Moradabad, Pilibhit, SantKabirNagar, Sambhal, Siddhartha Nagar and Shravasti.

<sup>71</sup> Chandauli, Gorakhpur, Maharajganj, Mathura, Mirzapur and Siddhartha Nagar.

UPL. An FIR was lodged (June 2015) against the company but no recoveries were made (March 2016). These KGBVs remained uninhibited due to poor quality of work. One KGBV in Banda was also not constructed (after incurring expenditure of ₹ 14.80 lakh) due to land dispute.

These resulted in denial of benefits of the KGBV to the targeted girls.

Government accepted the observation and stated that efforts were being made to complete the incomplete KGBVs.

### **2.1.9.2 Bridging social category gaps**

#### ***Enrolment of children belonging to poor and disadvantaged sections***

Section 12 (1) (c) of RTE Act requires specified category of schools to provide admission to children belonging to weaker sections and disadvantaged groups, at least to the extent of 25 per cent of the strength of class I in their schools.

Audit observed that GoUP belatedly notified (December 2012) various norms to identify children belonging to poor and disadvantaged sections, which were to be implemented from the year 2013-14. GoUP neither took any effective action to disseminate the relevant information among targeted groups nor identified such children. As a result, against the intake capacity of 6.16 lakh and 6.46 lakh children from these categories in class-1 of private unaided schools, only 108 children and 3278 children took admission in such schools during 2014-15 and 2015-16.

Government stated that BSAs were responsible for identification of such children and reimbursement of fee was taken care of by SIS through PAB on the basis of demand made by Director Basic Education. Thus, lack of coordination between SIS and BSA (District Project Officer) resulted in poor enrolment of children from disadvantaged sections of the society.

#### ***Education to Children with Special Needs***

Section 3 of RTE Act stipulates provision of free and compulsory elementary education to children with disability, as defined in Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996.

Audit observed that against 19.16 lakh children<sup>72</sup> projected in AWP&B as Children with Special Needs (CWSN), only 18.76 lakh children were enrolled in schools during 2010-16. Further, against the 18.76 lakh children enrolled as CWSN, only 2.09 lakh children had disability certificate. Yet expenditure of ₹ 287.88 crore (*Appendix 2.1.39*) was incurred considering all 18.76 lakh children as eligible.

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<sup>72</sup> Total 21.70 lakh children were identified during 2010-16.



Audit of districts revealed that District Resource Groups for CWSN were not constituted and individualised education plan for CWSN was not prepared indicating that the scheme was not implemented properly at field level.

Government accepted the audit observation that only 2.09 lakh children were having disability certificates but stated that as per SSA, all the children irrespective of the extent of their disability, were to be provided education. Reply was not acceptable as only those children having disability certificate were to be treated as CWSN and to be benefitted accordingly.

### ***Education to the children of SC/ST and minority communities***

SSA lays special emphasis on the local authorities to identify OSC belonging to SCs/STs and Minority Communities (MCs) and bring them to schools.

GoI started Programme (2010-11) for strengthening of *Madarsas* recognized by Arabic and Persian Madarsa Board and *Rashtriya Avishkar Abhiyan/Padhe Bharat-Badhe Bharat* scheme for SCs/STs, MCs, Urban Deprived Children and girls. Audit observed that these schemes were not implemented properly, as detailed in *Appendices 2.1.40 and 2.1.41*.

Survey<sup>73</sup> conducted by MHRD, GoI in September 2014 estimated the number of SCs/STs/MCs children in UP as 130.69 lakh/26.74 lakh/102.34 lakh. Audit, however, observed that HHS could identify only 97.56 lakh/2.33 lakh/68.89 lakh children of SCs/STc/MCs. These were 74.65 per cent, 8.71 per cent and 67.31 per cent respectively of the number of children estimated by GoI. PAB (2016-17) also commented adversely on underestimation of these children.

Government accepted the audit observation and stated that cases of underutilisation of funds would be scrutinised and action would be taken accordingly.

***Recommendation: The Government should take steps to increase enrolment of children belonging to poor and disadvantaged sections of society and SC/ST/MC children.***

#### **2.1.10 Monitoring of the scheme**

RTE Act, RTE Rules and SSA framework provided detailed mechanism for monitoring of implementation of RTE Act.

Audit observed that monitoring of the scheme was not adequate as discussed below:

Section 34 of RTE Act provided constitution of State Advisory Council<sup>74</sup> (SAC) to advise the State Government on implementation of the provisions of

<sup>73</sup> Through IMRB International.

<sup>74</sup> Under the Chairmanship of Basic Education Minister (Rule 26 of RTE Rules).

the Act in an effective manner. Audit observed that though the RTE Act was promulgated in April 2010, SAC was constituted in July 2013, i.e. after lapse of more than three years. Further, no meetings of SAC was held (March 2016) after its constitution.

Section 31 of RTE Act provides that the State Commission for Protection of Child Right (SCPCR), shall examine the safeguards for rights provided under the Act and recommend measures for their effective implementation. Rule 25 (1) of RTE rules also required SCPCR to set up a helpline for registering complaints relating to violation of child rights. Audit observed that SCPCR was constituted belatedly (November 2013) and was not fully equipped<sup>75</sup> for protecting the child rights. It received only five complaints upto March 2016 and failed to set up the child helpline<sup>76</sup>.

Rule 25(2) of RTE Rules and SSA framework provides monitoring of child rights and implementation of RTE Act by *Basic Shiksha Parisad* and by State Executive Committee of UPEFAPB, District Level Committees (DLCs), ABRC and NPRC. Audit observed that DLC was not constituted in any of the test checked district. Further, departmental monitoring of the child rights and implementation of RTE Act was not effective and research studies relating to implementation of provisions of RTE Act, undertaken during 2010-15 were not put up to executive committee of UPEFAPB for taking corrective actions, as detailed in *Appendices-2.1.42 to 2.1.46*.

Government accepted the audit observations and stated that efforts were being made to improve monitoring.

***Recommendation: The Government should strengthen the monitoring institutions, so as to ensure effective monitoring of child rights and implementation of RTE Act.***

### **2.1.11 Conclusion**

Despite six years of implementation of the Act, 2,055 habitations in the State did not have a school. Further 230 habitations did not have an Upper Primary School. As a result, 1.79 lakh children residing in these habitations did not have access to the neighborhood schools.

Lack of coordination between Implementing Society and district planning officers resulted in negligible enrolment of children from poor and disadvantaged sections of Society. Household survey conducted by the Department could identify only 75 per cent / 9 per cent / 67 per cent of Scheduled Castes/Scheduled Tribes/Minority Community children identified by the survey conducted by GoI. As a result, schemes for these sections of society could not be implemented adequately.

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<sup>75</sup> Against the sanctioned 37 posts for SCPCR, only four posts were filled-up (March 2016).

<sup>76</sup> Due to funds not received from the Government.

Analysis of data collected by Audit from District Information System for Education (DISE) indicated that on an average, there were 20 lakh drop-out children per year. But, as per the data provided by the State Government, the average drop out was 0.63 lakh children per year only during 2011-16. In comparison to total drop out of children from schools, drop out rate was high in transition from class-5 to class-6. It ranged from 38 *per cent* (2013-14) to 100 *per cent* (2011-12) of the overall drop outs in respective years. This was due to engagement of children in domestic and agriculture works, traditional crafts, poverty, etc.

During 2012-16, 71 to 74 out of 75 districts in the State retained children in the same class which violated the provisions of the Act.

Despite availability of funds, 1,366 schools in the State were running without requisite buildings/under thatched roof/rented/dilapidated buildings.

Out of 1.6 lakh schools in the State, 2,978 schools did not have drinking water facility and about 1,734 schools did not have separate toilets for boys and girls. About 50,849 and 35,995 schools did not have play grounds and library facilities respectively. Further, there was no electricity in 34,098 schools despite incurring an expenditure of ₹ 64.22 crore on wiring/electrical fittings.

GIS mapping to identify the neighbourhood schools for a child was done only in respect of 30 *per cent* of the schools despite availability of funds.

Free text books were not provided to 6.22 lakh children in the State during 2012-16 by GoUP though adequate funds were received under *Sarva Siksha Abhiyan*. Further, free text books were provided with delays ranging from one month to over three months due to delayed tendering process and transportation issues.

Uniforms were not provided to 97 lakh children during 2012-16 by GoUP though adequate funds were received under *Sarva Siksha Abhiyan*. Though session started from April/July each year, GoUP fixed target day for supply of uniforms as November. This along with delay in distribution resulted in supply of uniforms after November in each academic session during 2010-16.

Benefits to children with Special Needs were also extended to those children who were not having a disability certificate.

Even after six years of commencement of the Act, 18,119 teachers posted in PSs and 30,730 teachers posted in UPSs did not possess the required qualifications.

As on March 2016, ₹ 39.20 crore remained unreconciled in the accounts maintained by State Project Officer, out of this ₹ 1.82 crore was pending for over five years. Further, State Implementing Society maintained 10 bank accounts against the permissible three.

The planning for implementation of RTE Act was neither comprehensive nor involved any community participation. Core teams for conducting household surveys were not constituted and the School Management Committees did not prepare school development plans.

## Food and Civil Supplies Department

### 2.2 Information System Audit of “End-to-End Computerisation of Targeted Public Distribution System Operations”

#### Executive Summary

*End-to-end Computerization of Targeted Public Distribution System (TPDS) Operations* scheme was envisaged by Department of Food and Public Distribution (DoF& PD), Government of India (GoI) with a view to address various challenges of the existing system such as leakages and diversion of foodgrains, fake and bogus ration cards, inclusion and exclusion errors and lack of transparency in the system. The key activities of the scheme included digitization of ration cards/ beneficiary databases; computerisation of supply-chain; setting up of transparency portal and grievance redressal mechanism. The administrative approval for the scheme was accorded by GoI in December 2012 for its implementation under the 12th Five Year Plan (2012-17) on cost sharing basis (50:50). GoI approved ₹ 108.53 crore under various heads of the scheme for its implementation in the State. A total expenditure of ₹ 54 crore has been incurred on the scheme by GoUP as of March 2016. However, against the target date of completion (October 2013), none of the key activities as envisaged were completed even after the extended period of June 2015.

Information system audit of the scheme revealed the following:

#### **Project Planning, Implementation and operationalization**

Project planning suffered from delays and deficiencies due to delayed signing of the MoU with GoI, late constitution of the State Project Management Unit (SPMU) and key activities not being executed by SPMU.

*(Paragraphs 2.2.8.1 & 2.2.8.2)*

Timeline set for computerisation of TPDS operations was not achieved due to inconsistent strategy adopted by the Department.

*(Paragraph 2.2.8.4)*

Application software developed by State NIC failed to address the entire spectrum of the TPDS operations as manual intervention still existed in the system. Neither application software documentation was ensured nor was Service Level Agreement executed with State National Informatics Centre (NIC) unit.

*(Paragraph 2.2.8.6)*

#### **Computerisation of TPDS operations**

There were deficiencies in digitization of stakeholders database and beneficiary database due to incorrect mapping of master codes and presence of duplicate records of beneficiaries in the database.

*(Paragraph 2.2.9.1)*

The objective of eliminating fake/bogus cards from the system for better targeting of subsidy through cross verification with other databases and

capturing of beneficiary bank account number and Aadhaar number to eliminate all bogus beneficiaries and those claiming benefit more than once could not be achieved because of not verifying and updating the database.

*(Paragraph 2.2.9.2)*

Computerisation of supply chain management was not fully functional as system generated allocation orders based on the beneficiary database count was not achieved.

*(Paragraph 2.2.9.3)*

Details of actual offtake of food-grain commodities, master stock register of State godowns and sales register were not available on the transparency portal. Mobile SMS alerts to inform all pre-registered beneficiaries about availability of foodgrains at the FPS were not issued in the test-checked districts.

*(Paragraph 2.2.9.4)*

### **Training**

No effective training plans were formulated for imparting training to the personnel engaged for carrying out day to day operations.

*(Paragraph 2.2.10)*

### **Monitoring**

The system was at risk in absence of system certification and security audit of TPDS application modules. Fortnightly monitoring reports required to be submitted to GoI, were not prepared.

*(Paragraph 2.2.11)*

## **2.2.1 Introduction**

Targeted Public Distribution System (TPDS) was aimed at ensuring food security of the people, especially the poor and vulnerable sections. Distribution of essential commodities such as wheat, rice, levy sugar and kerosene oil was made to the ration card holders through the Fair Price Shops. Computerization of TPDS operations was taken up across the country with a view to address various challenges of the existing system such as leakages and diversion of food-grains in the TPDS supply-chain, fake and bogus ration cards, inclusion and exclusion errors, lack of transparency, weak grievance redressal *etc.*

To provide technical, financial and infrastructural support to States, the Department of Food and Public Distribution (DoF&PD) under Ministry of Consumer Affairs, Food and Public Distribution, Government of India (GoI) prepared a Plan Scheme on '*End-to-End Computerization of Targeted Public Distribution System (TPDS) Operations*' for its implementation in all States under the 12th Five Year Plan (2012-17) on cost-sharing basis. The cost sharing was on 50:50 between GoI and the State Government.

The End-to-End computerization scheme of the existing 4.41 crore digitized cards<sup>1</sup> comprised implementation of two components. *Component-I* consisted of digitization of beneficiary and other databases, computerisation of supply-chain, setting up of transparency portal, and grievance redressal mechanism. Under *Component-II*, Fair Price Shop (FPS) automation was to be undertaken which included installation of Point of Sale (PoS) device at FPS for authentication of beneficiary, recording of sales and uploading of transaction data in the central server.

The Administrative approval for implementation of Component-I of the plan scheme was accorded by GoI in December 2012. The timelines laid down for digitisation of beneficiary database and computerisation of supply-chain as per the scheme guidelines were March 2013 and October 2013 respectively.

A Memorandum of Understanding (MoU) was signed (May 2013) between GoI and Government of Uttar Pradesh (GoUP) for implementation of the scheme in the State. As per terms of the MoU, GoUP agreed to implement activities specified under Component-I of the scheme.

Consequent upon the implementation of the National Food Security Act (NFSA), 2013 by GoI, computerisation of the TPDS operations was a pre-requisite for implementation of NFSA by the States.

### **2.2.2 Coverage of TPDS in Uttar Pradesh**

As per Census-2011, the population of Uttar Pradesh was 19.98 crore of which 15.53 crore (77.73 per cent) was Rural population and 4.45 crore (22.27 per cent) was Urban population.

Under TPDS, three categories of Ration Cards (RC) were issued to the identified beneficiaries viz., Above Poverty Line (APL), Below Poverty Line (BPL) and Antyodaya Anna Yojna (AAY) cards. Target of coverage of BPL (65.85 lakh) and AAY category cards (40.95 lakh) was fixed by GoI whereas no target was fixed for APL cards.

The NFSA was implemented in 28 districts in the State from January 2016 and in remaining districts from March 2016. Under sub-section (1) of Section 10 of NFSA, beneficiaries were to be identified based on the inclusion and exclusion criteria under two categories namely; Priority Household<sup>2</sup> (PHH) and *Antyodaya Anna Yojna* (AAY) to provide subsidised food grains.

As per order of GoI (March 2015), 64.43<sup>3</sup> per cent of the Urban population (2.87 crore) and 79.56 per cent of the Rural population (12.34 crore) was to be covered under NFSA. Section 3 of the Act stipulated that every person in a PHH was entitled for five kilograms of food grains per month while under AAY a household was entitled for 35 kilograms of food grains per month.

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<sup>1</sup> In the State, number of total ration cards as of February 2005 were 4.51 crore and as of 2012 the number of digitised cards was 4.41 crore.

<sup>2</sup> As per GoUP guidelines (October 2014) for identification of eligible families under NFSA, all families already identified under APL and BPL category, fulfilling inclusion/exclusion criteria of NFSA, were to be covered under PHH category of NFSA.

<sup>3</sup> As per TPDS (Control) order 2015.



### **2.2.3 System framework for computerization of TPDS**

A *web-based* application software developed by State National Informatics Centre (NIC), Lucknow and the centralized TPDS database was hosted at the State Data Center, Lucknow. The TPDS database consisted of two databases viz., Existing Ration Card Management System (eRCMS) and NFSA database in Structured Query Language (SQL) Server 2012. The eRCMS database pertained to the APL, BPL and AAY category of beneficiaries whereas the NFSA database pertained to beneficiaries identified under NFSA. Separate transaction tables for districts are maintained in the database.

### **2.2.4 Organisational structure**

The Principal Secretary, Food and Civil Supplies (F&CS) Department of the State Government at the Government level and Commissioner Food and Civil Supplies at the Department level were responsible for implementation of the scheme. At division level, Deputy Commissioner, Food and at district level District Supply Officers (DSOs) assisted by Area Rationing Officers (AROs) were responsible for monitoring and implementation of the scheme.

Besides, as required under the scheme guidelines, GoUP constituted following institutional framework for overall project monitoring and management as detailed in Table 1:

**Table 1: Institutional framework and their role and functions**

State Apex Committee (SAC) headed by Chief Secretary, GoUP	Overall guidance; review; monitoring and coordination; decisions on policy matters; approval of deliverables and timelines; financial powers as per the delegation.
State Project eMission Team headed by Principal Secretary, Food and Civil supplies, GoUP	Preparation of DPR/Financial proposal; set up of dedicated State Data Center for TPDS; overall responsibility of project implementation at State level; detailed functional requirement at State level; implementation of Business Process Re-engineering (BPR) and Change management; selection of technical partner for TPDS implementation; ensure certification from certifying agency before full State level roll out.
State Project Management Unit (SPMU) headed by Additional Commissioner F&CS Department.	Undertake preparatory work for system infrastructure and process related contingencies plans, assess activities accomplished and yet to be undertaken, assess current Information and Communication Technology (ICT) levels at State and district levels, close coordination with all stakeholders, assess training needs of F&CS staff, prepare hardware and software requirements, prepare draft agreement for implementing agency, monitoring of service levels of implementation agency, monitoring status and progress of activities under the scheme, etc.

(Source: Scheme guidelines)

### **2.2.5 Audit objectives**

The Information System (IS) Audit was undertaken to examine whether:

- the project planning by GoUP for implementation of the scheme was effective and in accordance with scheme guidelines;



- the application software was developed comprehensively covering all the scheme activities to encourage transparency in the system;
- acquisition and deployment of IT infrastructure was as per standards and timelines of service level agreements;
- system had adequate inbuilt IT control mechanism to ensure correctness, reliability and security of database;
- requisite training was imparted to TPDS personnel to ensure smooth operation of the computerised system;
- automated transparency portal and grievance redressal mechanism was operational for efficient tracking and timely redressal of complaints of the beneficiaries; and
- project implementation was effectively monitored by the institutional framework to ensure achievement of envisaged objectives of the scheme.

### **2.2.6 Audit criteria**

The following audit criteria was adopted for IS Audit of the scheme:

- Implementation guidelines for End-to-End computerization of TPDS operations;
- Orders and circulars issued by the GoI and GoUP;
- Agreements/MoU signed by GoUP for implementation of the scheme;
- Provisions of Budget Manual and Financial Rules of the State.
- User Manual of the e-Ration Card Management System,
- Metadata and Data Standards for PDS and relevant e-Governance standards.
- National Food Security Act and guidelines formulated thereunder.
- Information Technology Rules 2011 (Reasonable security practices and procedures and sensitive personal data or information)

### **2.2.7 Audit Scope and methodology**

Information System audit of End-to-End computerisation of TPDS operations was conducted covering the period 2012-2016 during April 2016 to July 2016. An Entry conference with Special Secretary, Food & Civil Supply (F&CS) Department, GoUP was held in April 2016 and records were examined at the offices of the Commissioner F&CS and eight<sup>4</sup> districts selected through simple random sampling without replacement. From each selected districts, two blocks (one rural and one urban) and five Fair Price Shops and concerned block godowns were selected for test-check.

Centralised database from NIC-State unit, Lucknow was obtained (May 2016) and examined using Computer Assisted Audit Techniques (CAATs) to ascertain whether data in the system was valid, complete, reliable, authorised and was as per business rules. As records updated in the e-RCMS database

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<sup>4</sup> Allahabad, Aligarh, Chitrakoot, Ghaziabad, Kanpur Nagar, Lucknow, Mirzapur and Varanasi.

were incorporated in the NFSA database, analysis of NFSA database was done for the selected test-checked districts.

Exit conference was held on 30 December 2016 and replies of the Government have been suitably incorporated in the report.

**Audit Findings**

Audit observed that against the original target date of October 2013 fixed for completion of interventions under component-I, none of the key activities was completed even after the extended completion date of June 2015 set by GoUP.

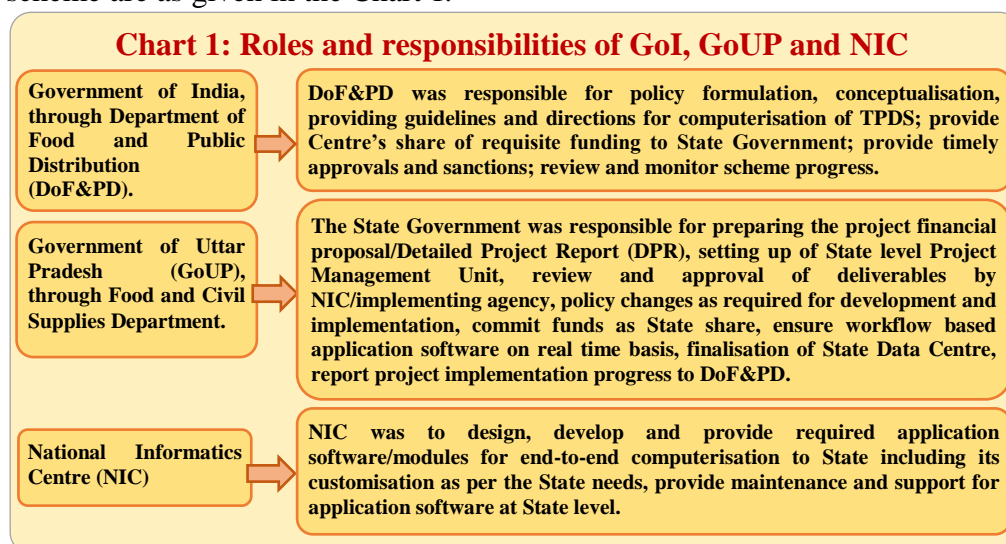
The delays and deficiencies noticed in project planning, implementation, operationalisation and monitoring are discussed in the succeeding paragraphs:

**2.2.8 Project planning, implementation and operationalisation**

As per MoU agreed between GoI and GoUP in May 2013, National Informatics Centre (NIC), the implementing agency for DoF&PD was to provide the Common Application Software (CAS) for Centre and States under the scheme. NIC at the GoI level was also responsible for carrying out the configuration/customisation of the application software for meeting the requirements of the State and also facilitate its roll-out in the State in a time bound manner. The State had the option to either undertake the implementation themselves, or through NIC or hire System Integrators (SIs) for rolling out the technology solution at the State level.

GoUP opted for implementation of the scheme by engaging State NIC unit for development of the application software. GoUP also authorised district authorities to engage vendors for both procurement of hardware and carrying out data digitisation activities at the district level.

Roles and responsibility of GoI, GoUP and NIC for the implementation of the scheme are as given in the Chart 1.



(Source: Scheme guidelines)

### **2.2.8.1 Delay in Signing of MoU**

Entering into MoU between DoF&PD, GoI and GoUP was a pre-condition for release of funds by GoI for implementation of the scheme.

Audit observed that DoF&PD directed GoUP for signing of the MoU in December 2012. However, MoU was signed by GoUP only in May 2013 with a delay of more than four months. As a result, no funds were released by GoI during 2012-13 and the same were released in June 2013 after signing of the MoU, thereby delaying the project initiation in the State.

In reply the Government stated that action was initiated at the earliest. The fact remains that signing of the MoU was delayed by more than four months resulting in delayed receipt of funds.

### **2.2.8.2 State Project Management Unit**

As per the scheme guidelines, State Project Management Unit (SPMU) was to be set up at the State F&CS headquarters for a minimum tenure of three years by engaging consultants for overall project planning and implementation.

Audit observed the following:

#### **Delay in constitution of SPMU**

As per terms of MoU signed with GoI, constitution of the SPMU was the responsibility of the GoUP. However, it was observed that GoUP constituted the SPMU in October 2013 after five months of signing of the MoU due to delay in engagement of the consultants. Delayed constitution of SPMU resulted in delayed start of project activities as preparation of the project preparatory plans was the responsibility of the SPMU.

In reply the Government stated that constitution of SPMU was done after due deliberations in minimum possible time.

#### **Key activities not executed**

Key activities of SPMU included preparation of preparatory plans for system infrastructure and process related contingency plans; assessment of activities accomplished and yet to be undertaken by the State; assessment of current ICT levels at State and district levels; identify issues/risks and provide mechanism to resolve the issues; and coordinate with stakeholders for issue resolution.

Audit, however, observed that work order issued to the firm, for assisting in all activities of computerisation, did not specify the detailed scope of work and timelines for achieving the key activities. No assessment report/documentation of the activities executed by the consultants were available with the Department.

Thus, in absence of any preliminary assessment study and preparatory plans for project implementation at the initial stage, the project implementation

suffered from frequent changes in methodology for execution, impacting project implementation, as discussed in *paragraph 2.2.8.4*.

In reply the Government stated that SPMU team was apprised about the works relating to the scheme through meetings and orders issued from time to time. Reply was not acceptable as detailed scope of work and timelines for achieving the key activities were not defined.

### **2.2.8.3 Financial position**

Financial assistance under the scheme was provided to the States by GoI on 50:50 cost sharing basis. GoI was to release its share of 50 *per cent* in three installments of 60, 30 and 10 *per cent*. GoUP prepared a financial proposal with the help of State NIC unit and submitted to GoI for according approval and sanctioning project funding. GoI in June 2013 approved ₹ 108.53 crore under 17 scheme heads. GoI against its share of ₹ 54.27 crore released ₹ 45.52 crore to GoUP during 2013-16. GoUP allotted ₹ 96.39 crore, during 2013-16, against which the expenditure was ₹ 54 crore as detailed in *Appendix-2.2.1*.

Year wise summarised position of allotment of funds by GoUP and expenditure there against is detailed in Table 2.

**Table 2: Year wise allotment, expenditure and savings**

(₹ in crore)

Year	Allotment	Expenditure ( <i>per cent</i> )	Savings/Surrender
2013-14	21.08	7.80 (37)	13.28
2014-15	47.77	<b>20.71 (43)</b>	<b>27.06</b>
2015-16	27.54	25.49 (93)	2.05
<b>Total</b>	<b>96.39</b>	<b>54.00 (56)</b>	<b>42.39</b>

Source: Commissioner Food and Civil Supplies

From the above table it was evident that GoUP failed to spend the allotted funds and only 56 *per cent* of the allotted funds was spent, leading to savings of ₹ 42.39 crore. Audit further observed that:

In 47 out of 75 districts, the percentage expenditure against the allotted funds during 2013-16 was less than 60 *per cent*.

Under the digitisation head, against the allotment of ₹ 41.05 crore to the districts, expenditure incurred was only ₹ 17.65 crore (43 *per cent*). In 52 districts it was less than 50 *per cent* whereas in two districts<sup>5</sup> it was in excess of allotted funds.

In contravention to the terms of the MoU and GoI sanction orders, GoUP neither maintained the audited accounts for the scheme nor refunded unutilised GoI funds of ₹ 96.33 lakh relating to four<sup>6</sup> scheme heads, as required in the terms of the MoU.

The details of aforementioned instances are given in *Appendix 2.2.2*.

<sup>5</sup> Hamirpur and Pratapgarh.

<sup>6</sup> State Data Center, web portal, SMS cost and Assessment.

Excess expenditure/ surrender of funds reflected poor financial planning and in-effective monitoring both at the district and State level.

#### 2.2.8.4 Inconsistent strategy for implementation

GoUP issued (October 2013) order for implementation of the End-to-End computerisation of TPDS operations comprising of activity-wise timelines for digitisation of ration cards, updating of database and issuance of new ration cards. As per the Government order, the entire process of digitisation and printing of the ration cards was to be completed online within 75 days by engaging vendors at the district level as detailed in Table 3 below:

**Table 3: Activity wise timeline set for computerisation process**

Activity	Timeline set	Process
Collection of information and digitisation of ration cards.	15 November 2013	Existing digitised ration card data was to be downloaded, printed for distribution to the beneficiaries for updating the personal details. Filled-in forms collected back from the beneficiaries were to be digitised, verified and compiled.
De-duplication/cleaning of data	25 November 2013	De-duplication process was to be carried out by NIC and fake/bogus cards identified were to be verified and cancelled by the district authorities.
Freezing of data	30 November 2013	After completion of de-duplication process data was to be freed by NIC.
Printing of RCs for distribution	15 December 2013	Finalised RCs were to be printed online for distribution to the beneficiaries.

Audit observed that short term tenders were called (October 2013) to carry out data digitisation work in online mode. However, citing poor network connectivity at the districts and block levels, the Department switched over to offline mode process for digitisation immediately.

GoUP issued (January 2014 and February 2014) directives for data validation/de-duplication, cross verification with other database using Election Commission, UP electoral database and printing and issuance of new ration cards. The said orders were issued after the target date of completion of the entire digitisation process i.e., 15 December 2013. As a result of this, the schedule to complete the activities was revised (January 2014) and it was decided to complete data entry by 15 February 2014, freezing of data by 28 February 2014 and online printing and issuance of ration cards by 15 March 2014.

Under offline mode, data validation and de-duplication process was carried out at the district NIC offices for which DSOs were required to provide the digitised data and two computers to NIC. Outcome of the de-duplication process in excel sheets was to be verified by the DSOs and after getting corrections done through the vendors, the final list was to be provided to NIC for uploading on the central server.

The digitisation process was again changed to online mode from October 2014 and completion date extended upto June 2015. However, as of June 2015, in none of the districts, the digitisation of APL cards was complete and the

progress was less than 50 *per cent* in 20 districts. Hundred *per cent* digitisation was not achieved in respect of BPL and AAY cards in 58 and 25 districts respectively. It was again decided (June 2015) by the department to include all those priority household beneficiaries in the APL list who applied online under NFSA, but not in the APL list. Thus, due to inconsistent strategy, implementation of computerisation of TPDS was delayed. This also reflected poor planning in the implementation of the scheme.

Further, as per NFSA Act 2013, identification of the beneficiaries was to be completed by the States within 365 days. GoUP issued guidelines detailing the inclusion and exclusion criteria for identification of priority household in urban and rural areas in October 2014, whereas survey form for identification was circulated only in January 2015.

Thus, GoUP failed to plan and formulate firm policies for carrying out the TPDS computerisation process, which was a pre-requisite for implementation of the NFSA in the State.

In reply the Government stated that offline mode was adopted due to lack of internet connectivity and the work was distributed at various levels to complete the work within time. Government did not furnish any reply on the observation on implementation.

#### **2.2.8.5 Extension of validity of existing ration cards**

According to the policy (October 2013) defined for process for digitisation of ration cards and issue of new ration card, fake/bogus cards of ineligible families were to be cancelled and fresh cards to eligible beneficiaries were to be issued under TPDS.

Audit observed that ration cards issued<sup>7</sup> were valid for a period of five years. The validity of these ration cards was extended time and again due to activities under TPDS computerisation not being completed on various grounds. The extensions were granted up to 31 March 2014 (due to time taken in online printing and issuance of new ration cards); June 2014 (on the ground of Lok Sabha elections); December 2014 (on the ground of removing errors in data). In January 2015, validity was extended till implementation of NFSA on the ground that feeding of ration card work was still ongoing.

Thus, due to delay and not completing the digitisation activity, the very purpose of digitisation and issue of fresh cards by eliminating the fake/ bogus cards was defeated as the cards issued as of February 2005 remained in existence. As per a system generated report (6 April 2016) against 4.51 crore ration cards in the State, 3.81 crore cards were digitally signed. Of these 3.81 crore digital cards, 3.61 crore cards were printed.

Analysis of database revealed delayed issuance of cards, cards with duplicate aadhaar number, voter-id number and bank account number in the test-checked eight districts as brought in paragraph number 2.2.9.2.

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<sup>7</sup> As per GO dated February 2005.



In reply the Government stated that since data of identified PHH beneficiaries was also being digitised along with digitisation of APL, BPL and AAY cards, to avoid any commotion among the beneficiaries validity of cards was extended.

#### **2.2.8.6 Application software development and documentation**

As per terms of the MoU, GoUP had the option to choose Common Application Software (CAS) modules/services in whole or in part as per their requirement or hire System Integrator (SI) for development of the application software and providing complete technology solution.

GoUP was required to define the detailed scope of the agency engaged for work and well defined Service Level Agreements (SLAs) with clearly identified deliverables and timelines to be executed by the agency.

Audit observed shortcomings in development of application software and its documentation, as discussed in the succeeding paragraphs:

#### **Scope of work and service level agreement**

GoUP, instead of opting for the CAS or engaging SI for providing the complete technology solution, continued with the State NIC unit for development and enhancement of the application software already in use. However, against the provisions of the MoU, neither a detailed scope of work was prepared nor any SLA was signed by GoUP with State NIC unit. In the absence of clearly identifiable deliverables and timelines, neither monitoring of the activities was feasible nor penalties for not executing/delayed execution could be enforced on NIC.

In reply the Government stated that under the MoU signed with GoI, State NIC unit has been assigned the work. NIC has been performing the work based on the decisions taken in meetings conducted from time to time. The reply is not acceptable as GoUP had deployed State NIC unit for development of the application software without specifying any scope of work or executing any SLA with State NIC unit.

#### **Software documentation and approval**

As per Scheme guidelines for End-to-End computerisation of TPDS operations, development of the application software required proper documentation and approval at each stage of design, development, testing, and Go-Live. Essential documents required to be prepared and approved viz., Software Requirement Specification (which describes the functionality and outcomes of the software), Business Process Re-engineering (ground-up design of business processes) and Change management documentation (procedures that govern the change in the software) were not prepared by NIC.

Thus, the computerisation programme was implemented on *ad-hoc* basis without formulating a firm documentation policy. As a result, neither the changes carried out in the application software nor the proposed architecture



of the software developed could be referred to at the time of audit. Due to the ad-hoc approach there was a risk of un-authorised changes in the application software.

In reply Government stated that in meetings conducted from time to time instructions were issued to the NIC. The reply is not acceptable as no documentation and approvals on application development were available.

***Recommendation: Government should ensure proper documentation of the application software. Efforts should be made to document changes carried out in the application software.***

### **Application modules not developed**

The Common Application software (CAS) provided to the States by DoF&PD, GoI covered the entire spectrum of TPDS operations as per the scheme requirements comprising of four<sup>8</sup> main modules for different activities.

Audit observed that out of the four modules, one module viz., Allocation order generation of food grains and its sub-modules viz., commodity off-take from FCI to State godowns and commodity off-take from State godown to FPSs were still not in operation. As a result, these activities were being done manually.

In reply Government accepted the fact and stated that Food and Essential Commodities Assurance and Security Target (FEAST) software under the Supply Chain Management was to be provided by NIC Delhi but the customised FEAST software as per the requirement of the State is not yet made available. The required software is being developed by NIC-UP.

### **2.2.8.7 Procurement of IT infrastructure**

Under IT infrastructure, hardware and software items were to be purchased for deployment at the State Data Center (SDC), F&CS headquarters, District, Block and Godown level F&CS offices. GoI approved ₹ 31.23 crore for procurement of hardware items. During 2013-16 GoUP allocated ₹ 29.41 crore against which ₹ 19.18 crore was spent as of March 2016.

The shortcomings emerged in audit on the procurement of hardware and software are discussed in the succeeding paragraphs:

#### **State Data Centre**

Hardware and software for State Data Centre (SDC) was to be purchased and installed for creation of centralised database and online TPDS operations. GoUP was to finalise the specifications for the purchase of the hardware and software items. GoI approved ₹ 1.25 crore for the procurement of hardware and software items.

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<sup>8</sup> Preparation of master data, Allocation order generation, Ration card digitisation and Grievance redressal mechanism.

Audit observed that approval for purchase of IT hardware through NICS I for establishment at SDC was accorded by the State e-Mission Team in November 2013 and by the purchase committee in December 2013. However, no hardware was procured for SDC due to specifications of hardware items not having been finalised by the State Government. As a result, dedicated hardware/software could not be procured in SDC. Audit also observed that in absence of dedicated infrastructure, initially the NIC server and subsequently (July 2014) hardware/software resources of the State IT Department installed at the SDC, were utilised for hosting of the web based application software and management of the centralised database.

Thus, despite availability of funds, the required hardware/software for TPDS scheme was not created and funds remained unutilised for last three years.

In reply Government stated that as the approved specification were subsequently found obsolete and the new estimated cost was higher than the approved cost, resources of e-District cloud based infrastructure was used. The reply is not acceptable as neither additional funds were sought from GoI nor funds released by GoI under SDC refunded to GoI.

### **IT infrastructure at F&CS headquarters, district, block and godowns**

Desktops/laptops were provisioned under the scheme for data entry, online allocation, utilisation reporting, monitoring of operations of TPDS at State headquarters level (eight computers and five printers), at district (five computers and three printers) and block level (two computers and one printer). At godown level, one laptop computer and one printer were to be provided for data entry through online application software for capturing receipts and issuance of food-grains, view of Management Information System (MIS) reports, etc.

GoUP adopted (February 2015) the decentralised approach for purchase of hardware items by authorising the district authorities to engage vendors. Hardware items were to be purchased by 25 March 2015 by inviting technical and financial bids from firms registered under Commercial Tax Department for a period of more than one year or authorised firms registered under the IT and Electronics Department, GoUP. Audit observed following irregularities:

### ***Excess procurement of hardware/software***

As per the scheme guidelines, quantities of hardware items to be procured were specified for the State and districts F&CS offices. Audit observed that in four<sup>9</sup> districts, five desktop computers, three laptops, 36 laser printers, and six MS-Office software amounting to ₹ 7.83 lakh were procured in excess of the quantities prescribed in the guidelines (*Appendix 2.2.3*). Information regarding procurement and installation of hardwares at State headquarter was not provided to Audit though called for.

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<sup>9</sup> Allahabad, Kanpur Nagar, Mirzapur and Lucknow

***Delay in supply and distribution of hardware items***

As discussed above, the procurement of hardware items were to be completed by March 2015 and as per terms of the supply orders issued to the firms in the test-checked districts, the items were to be supplied within three to ten days. Audit however observed that, in five districts there were delays ranging from seven to 188 days in supply of the hardware items.

Further, districts distributed the hardware items to the blocks with delay ranging from three to 11 months. The distribution of hardware items to the godowns by the DSOs were made with a delay of one to 13 months. Records also revealed that in four districts, hardware items were not distributed (June 2016) to blocks and godowns and the same remained at the district level. Details are given in **Appendix 2.2.4**.

Thus, items procured were not effectively put-to use for the purpose for which these were procured.

In reply Government stated that information was being sought for from districts.

**2.2.8.8 Network connectivity**

Bandwidth connectivity was provisioned for connecting offices and godowns through various available options such as leased lines, State Wide Area Network (SWAN), National Informatics Centre Network (NICNET), Mobile-General Packet Radio Service (GPRS), broadband, *etc.* The minimum bandwidth for State, district and block offices was 1-2 Mbps.

GoUP provided broadband connectivity at the district and block level whereas mobile GPRS connectivity was provided at the godown level. Scrutiny of records in the sampled districts revealed that against five computers at the district level and two computers at the block level, broadband connectivity for accessing web-based application was available in only one or two computers due to lack of network cabling.

In the test-checked godowns<sup>10</sup>, mobile GPRS connectivity through dongle was not available in any of test-checked districts as dongles were not purchased in these districts. In Mirzapur district though dongles were procured they were not put to use.

Audit further observed that no effort was made by the Department to avail SWAN connectivity at the district and block level, though SWAN connectivity was available upto the tehsil and block headquarters under implementation of National e-Governance Project in the State.

Thus, proper bandwidth connectivity for smooth operation of the web based application software was not ensured and objective to leverage infrastructure already available was not achieved.

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<sup>10</sup> Karvi & Pahadi (Chitrakoot), Meja (Allahabad), Rajapur (Ghaziabad), Talanagri & Jawa (Aligarh), Sahar (Mirzapur) and Aishbagh & Kakori (Lucknow).

In reply Government stated that information was being sought for from districts.

### **2.2.9 Computerisation of TPDS operations**

Under component-I of the scheme, four key activities were to be covered under End-to-End computerisation of TPDS operations viz., digitisation of beneficiary and other databases; computerisation of supply-chain management; and setting up of transparency portal and grievance redressal mechanism. Deficiencies noticed in implementation of key activities are discussed in the succeeding paragraphs.

#### **2.2.9.1 Digitisation of stakeholders (departmental) database**

A central repository of all TPDS stakeholders which could further be used by other applications was to be prepared by the State as per the scheme guidelines. Digitisation of stakeholder (department) data involved creation of master database of districts, blocks/tehsils, F&CS offices, Fair Price Shops (FPSs), godowns, card types, etc. Creation of master data was a pre-requisite for subsequent digitisation of beneficiary data and computerisation of the supply chain as the data of beneficiary ration cards and FPSs etc. were to be mapped.

Audit observed the following:

#### **Creation and mapping of master data**

The coding for Master data was to be done based on the Meta Data and Data Standards (MDDS) for PDS as per e-Governance standards. The purpose of MDDS was to bring uniformity in capturing demographic and biometric data of PDS beneficiaries to ensure seamless inter-operability while interchanging data.

As per MDDS read with ePDS schema, Permanent Location Code (PLC) consisting of a 16 digit code viz., State (2 digit), District (3 digit), Tehsil (5 digit) and village/town code (6 digit) was to be ensured for unique identification of the locations. However, analysis of the village/town codes as used in the MDDS codes and as captured in the system in all the test-checked districts revealed that the codes captured in the system were not exactly the same but were different.

Further, in the village/town master table, five village/town codes were found mapped with 10 different PLC codes.

Thus, creation and mapping of codes were not as per the MDDS data standards defeating the purpose of having uniformity in capturing of data.

In reply Government stated that master data coding scheme was based on national PDS data guidelines and due to constitution of new districts concerned villages also got affected and hence the old data was also maintained. The reply is not acceptable as after mapping of new village codes status of old codes should not be active in database. No specific reply was

furnished in respect of difference in the village/town codes found in the database.

### **Quality of master data**

Master data is the core data essential for business operations. However, uniqueness of master data was not ensured in the system. Four panchayat codes were found duplicate whereas six duplicate blocks were found in the block master table. Audit further found that out of 77,347 active FPSs, 190 FPSs had no license number, 749 FPS had no RCs mapped and 491 FPSs had unmapped bank account number.

In the absence of uniqueness and completeness of master data, the reliability of Master data was questionable.

#### **2.2.9.2 Digitisation of beneficiary database**

As per the MoU, digitisation of beneficiary database was to be undertaken and the same was to be verified by comparing with other databases like Unique Identification Authority of India (UIDAI), National Population Register (NPR), Socio Economic and Castes Census (SECC), Census, electoral data, etc. Seeding of Aadhaar number into the TPDS database was to help in eliminating the duplicate ration card holders. Special drives to eliminate fake and bogus ration cards were also required to be taken up by the State Government.

Once digitisation process was over, a workflow based approach for issuance/modification/cancellation of ration cards based on the digitised data, using application software was to be adopted by the State Government. All information pertaining to ration cards was to be made available on the *web-site*.

Audit observed:

#### **Engagement of vendors for data digitisation**

GoUP decided (October 2013) to undertake the digitisation of the beneficiary database in decentralised manner by authorising the district authorities to engage vendors for carrying out the work. The tender was floated under two bid system and bidders were required to submit the details of TIN, PAN along with their working capacity, Infrastructure availability and past experience in the said field.

The shortcomings noticed in engagement of vendors for data digitisation were as below:

In none of the test-checked districts, working capacity was furnished by the firms selected, except for Varanasi and Ghaziabad districts.

Work orders were issued to two firms in Allahabad though these were not registered with the Commercial Tax Department. In Chitrakoot and Lucknow districts, First Information Reports (FIR) were lodged against the firms engaged for data digitisation in these districts, for erroneous capturing of

beneficiary data leading to erroneous printing of ration cards. The fact confirms that technical competence of the firms was not ensured by the district authorities prior to awarding of contracts.

No privacy policy/undertaking from the vendors for maintaining confidentiality and security of the data was taken as required under the Information Technology Rules 2011 (Reasonable security practices and procedures and sensitive personal data or information).

Thus, without proper vetting of the bid documents by the district authorities, works were awarded.

In reply Government stated that information was being sought for from districts.

### **Collection, compilation and certification of beneficiary data**

In the State, number of total ration cards as of February 2005 were 4.51 crore and as of 2012 the number of digitised cards was 4.41 crore. Digitised cards were provided to the beneficiaries with pre-filled details for updating and providing fresh personal details *viz.*, beneficiary bank account number with Indian Financial System Code (IFSC), Electoral Photo Identity Card (EPIC) number, Aadhaar number, mobile number and Date of Birth (DOB).

Besides, the district authorities were to compile the forms, FPS-wise and verify them for completeness for onward transfer of the forms to the vendors for carrying out the digitisation work. Record of forms handed over and taken back from vendors were to be maintained at the DSO level. Forms digitised by the vendors were to be re-checked by the district authorities for certifying the cards for completeness and correctness.

However, neither the record of pre-filled forms distributed, collected, compiled, certified, and entered in the system were maintained at the district level nor physical forms were safely kept for record purposes in any of the test-checked districts. Scrutiny of handing over receipts of physical forms by the vendor in Kanpur city revealed that the receipts captured only number of sacks returned without specifying the number of forms it contained.

Scrutiny of 200 beneficiary forms made available to audit in three test-checked districts<sup>11</sup> pertaining to 13 FPSs revealed that details of EPIC number in 14 forms, family details in 11 forms, annual income in 22 forms and gas connection details in four forms were furnished by the beneficiary but the same were either not captured or incorrectly captured in the system.

Further, it was noticed that 12 out of aforementioned 200 forms were not certified by the district authorities but the same were found uploaded on the portal. As a result of flawed data feeding, data captured in the system was neither complete nor reliable, reflecting lack of verification by the district authorities.

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<sup>11</sup> Mirzapur, Kanpur Nagar, Lucknow



In reply Government stated that information was being sought for from districts.

### **Beneficiary database verification and updation**

As per the order (October 2013) of GoUP, fake/ bogus cards of ineligible families were to be cancelled and fresh cards to the eligible beneficiaries were to be issued. For cross verification of the beneficiaries, Election Commissions database of Electoral Photo Identity Card/Voter-ID was to be used. Database updation was to be done by running the de-duplication process on unique field viz., voter id number and applicant name, father's name and date of birth. Entries of all cancelled and new cards issued as a result of de-duplication process were to be captured in the database.

Audit, however observed that details of ration cards cancelled were not captured in the database. Analysis of database in eight test-checked districts revealed that proper verification and updation was not ensured leading to existence of duplicate cards in the system.

### **Analysis of TPDS database**

NFSA database contained different tables for each district capturing details of beneficiary ration cards. An analysis of table containing personal details of the ration card holders (46.14 lakh records) and table containing applicants family members details (1.97 crore records) pertaining to the test-checked districts revealed following deficiencies:

**Incomplete data:** Out of 46.14 lakh ration cards records in the name of head of the family (card holder), information was not found captured for bank account number in 29.14 lakh records (63 *per cent*); family income in 29.39 lakh records (64 *per cent*); Aadhaar card number and voter-id number of valid<sup>12</sup> length for the head of the family was not captured in 30.09 lakh records (65 *per cent*) and 26.73 lakh records (58 *per cent*) respectively. Further, Aadhaar card number for family members was not captured in 1.41 crore records. Thus, the entire process to update the database was futile as the bank account number necessary for transferring NFSA benefits directly in beneficiary account not allocating food grains, family income for ensuring eligibility criteria of NFSA and Aadhaar number necessary to uniquely identify the beneficiary was not captured in the database.

**Duplicate Voter-Id number and Aadhaar number:** Out of 1.97 crore records of family members, voter-id was captured in 54.63 lakh records of which only 23.25 lakh voter-ids were of valid length. Analysis further revealed that out of these 23.25 lakh voter-ids, 1.81 lakh were found duplicate of which 1.41 lakh voter-ids were in the same beneficiary's name. In 4954 records, same voter-id was used for different card holders. Besides, same voter-id was captured in multiple beneficiaries' records, ranging from two to 626 times. Similarly, out

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<sup>12</sup> Aadhaar card number of 12 digit length issued by Unique Identification Authority of India and Voter-id card number of 13-17 alpha numeric/special character length prior to May 2000 and thereafter of 10 digit issued by Election Commission of India.



of 1.97 crore records of family members, Aadhaar number was captured only in 24.91 lakh records (13 *per cent*) of which 3.50 lakh were found duplicate.

**Verifying/issuing authority of cards not captured:** Out of 46.14 lakh records, in 30.77 lakh records (66 *per cent*), details of card verifying authority was not captured whereas in none of the cards details of issuing authority was captured. It was also observed that in place of capturing the user code number of the entering, modifying, verifying authority, 'DSO', 'ARO', 'Szi', 'Voo', 'NFSAY', etc., were captured reflecting that proper validation checks for allowing authorised users into the system was not ensured.

**Digital signature on cards:** After verification of the beneficiary details by the district authorities, beneficiary cards were to be digitally signed prior to printing and distribution to the beneficiaries. Audit analysis in eight test-checked districts however revealed that out of 46.14 lakh records, 9.81 lakh ration cards were not digitally signed. Analysis also revealed that in 3.12 lakh records, cards were printed without digital signature.

**Duplicate bank account numbers:** Under the provisions of NFSA, in case of foodgrains not being distributed to the beneficiaries, food security allowance was to be transferred to the bank account of the beneficiary. However, analysis revealed that out of 46.14 lakh ration card holders (HOF), bank account number and IFSC code was captured only in 29.14 lakh records of which 2.30 lakh were duplicate account numbers. Analysis further revealed that 0.88 lakh records were having same applicant name. The number of units in these duplicate records was 3.79 lakh. In absence of unique bank account numbers in the database, chances of transfer of food security allowance under NFSA in wrong bank accounts can not be ruled out.

**Ineligible identification as per NFSA norm:** As per the NFSA exclusion criteria, total family income above two lakh rupees per annum in rural area and three lakh rupees per annum in urban area were not eligible for the scheme. Out of 46.14 lakh card holder's total family income was captured only in 29.39 lakh cards (64 *per cent*). Number of beneficiaries residing in rural area having total income over two lakh rupees were 0.12 lakh whereas families having income over three lakh in urban areas were 0.16 lakh. This indicated that the specified criteria was not checked due to which ineligible families still existed in the system. Besides, total family income was captured in the range of ten paise to ₹ 999.99 crore reflecting that validation checks were not in-built in the system.

**Head of family name and family relation code not captured:** The card was issued in the name of head of the family. However, in 0.23 lakh records out of 46.14 lakh card holders, name of head of the family was not captured of which 0.20 lakh cards were printed.

Out of 1.97 crore family members records in 24.08 lakh records relationship of the family member with the head of the family was not captured. Further, family relations not covered as per NFSA norms were also captured viz., 'Husband of wife sister', 'Husband of husband-sister', 'Aunt (Mother sister)',

‘Aunt (wife of mothers brother)’, ‘Son-in-law’, ‘Other’, *etc.* Besides female relationship code were also captured as ‘Male’ under gender field and *vice-versa*.

***Erroneous capturing of ration card category:*** In 19 cases BPL category cards were captured under AAY category cards whereas 60 AAY category cards were captured under BPL category card.

***Delay in printing/issuance of cards:*** Analysis of 46.14 lakh records of card holders revealed that record entry date and card print date was captured only in 38.94 lakh records. In 96 *per cent* of the records (37.47 lakh) there was delay of more than 90 days in printing of the cards. Further, records with entry date prior to card print date was also observed reflecting lack of validation checks in the system.

***Weak access controls:*** Access control grants users access during operations, by associating users with tasks/ resources that they are allowed to perform/ access based on pre-defined policy/ roles. Analysis of system users of Lucknow district revealed that out of 20 users who entered data in the beneficiary table (HoF table) seven users were not authorised to access the system as their user-id was not captured in the user master table. In 208 records in place of user code ‘DSO’ was captured while in 6147 records ‘NFSAAAY’ was captured. In absence of effective access controls in the system, there was risk of unauthorised access and manipulation of data.

The above mentioned discrepancies indicated that system checks were not enforced while going in for offline/ online entry of application forms. The objective of capturing additional fields to cross verify the details from other databases to eliminate fictitious beneficiaries claiming benefit, beneficiaries claiming benefits in the names of the others was not achieved.

While accepting the above facts Government stated that from time to time directions to the regional and district level officers were given to ensure complete and error free data in the database.

***Recommendation:*** Government should take effective steps for updating the TPDS database to eliminate the existing fake/ bogus cards in the system. Efforts should be made to capture the beneficiary’s bank account number and aadhaar number to uniquely identify the beneficiary. Efforts should also be made to strengthen the access/ validation controls to ensure integrity, confidentiality and availability of data at all times.

### **2.2.9.3 Computerisation of Supply-Chain Management**

#### **Allocation of food grain not based on beneficiary database**

Most of the TPDS operation related information was to be generated by respective application modules and its database and, therefore, the same was to be linked to output of respective modules. As per scheme guidelines, the allocation of foodgrain was to be based on the beneficiary count of the database. However, it was observed that allocation orders uploaded on the

portal were not based on the beneficiary count as per the beneficiary database. The same was, however, being done manually.

The number of AAY beneficiaries in the State was fixed at 40,94,500 and the allocation is also made accordingly. Against this, in the public portal, the number of beneficiaries figure was shown as 40,97,374 as on February 2016. Similarly allocation of food grains for PHH for the month of March 2016 for the State was for 11.42 crore units while the number of units uploaded on the public portal as of February 2016 was 12 crore.

Further, GoI sanctioned allocation of 7,75,961.33 MT of rice and wheat for PHH and AAY beneficiaries for distribution *w.e.f.* August 2016. Based on the GoI allocation State distributed the allocated quantities to the districts with different scales of distribution for PHH and AAY beneficiaries. However, in the test-checked districts it was observed that further distribution of food grains to the blocks (both of rural and urban areas) as per the allocation orders uploaded on the portal for the month of August 2016 mismatched with the district wise allocation as per the State allocation. There was short allocation of 574.91 MT in six districts and excess allocation of 3.13 MT in two districts (*Appendix 2.2.5*). The situation was risk prone as manual intervention still existed in the system.

In reply Government did not furnish any specific reply and stated that based on GoI allocation orders food grains were allocated to the Districts.

### **Tracking of movement of food grains**

Computerisation of supply chain involved use of ICT tools for tracking of movement of allocated food grains at both the stages *viz.*, from FCI to intermediary storage points and further to FPSs. Scrutiny of records, however revealed that following key activities were not covered:

Food grains receipt and issuance was to be entered in the system to obtain stock position of PDS commodities in respect of all godowns. However, the same was not operationalised as of March 2016. In absence of this, stock position was maintained manually, as noticed in the test-checked districts.

For movement of food grains from FCI to State godowns, the State was required to computerise the operations like receipt of payment from State agencies, generation of release orders and allocation, generation of truck-challan, gate-pass and capturing the information in the system. However, the same was not operationalised as of March 2016.

In reply Government stated that implementation of supply chain management system was in progress.

***Recommendation: Government should ensure operationalisation of entire spectrum of TPDS operations. Efforts should be made to computerise the supply chain management operations in entirety.***

### **Delay in issuance of foodgrain allocation orders for FPS dealers**

As per GoUP order (October 2015), Fair Price Shop (FPS) dealers were to deposit the cost of food grains upto 20<sup>th</sup> day of the preceding month of allocation through e-challans for lifting of the food grains from godowns. This was to ensure transparent and accountable system for offtake and distribution of food grains. Allocation orders for the FPS dealers were uploaded on the Departmental web portal in downloadable form by the district authorities. Based on the allocation order, FPS dealer deposits the cost of food grain through e-challan. Database of e-challans was not made available to audit and information relating to the allocation order/e-challans on the web portal was available for the current month only. Therefore, scrutiny of downloadable allocation orders for 626 FPS dealers was conducted in nine blocks of five test-checked districts<sup>13</sup> for the allocation month of August 2016.

Scrutiny disclosed that 68 allocation orders for the FPS dealers were not uploaded in the public portal upto 31 July 2016.

In reply Government stated that NIC had been instructed to provide monthly details of districts issuing e-challans with delay.

#### **2.2.9.4 Transparency in system and grievance redressal mechanisms**

##### **Transparency through portal**

State TPDS portal was to be created for achieving total transparency in TPDS by ensuring all information pertaining to the TPDS in the public domain. The portal was to be used to display information related to FPS-wise digitised database of ration cards, entitlement of beneficiaries, stock position at godowns, lifting of foodgrains, stock availability at FPS, movement and date of stock/ quantity supplied to FPS every month for all the shops, etc.

The State public portal depicted the list of FPS-wise ration cards and details of each ration card and monthly allocation upto the block level. However, details of actual off-take were not available on the public portal.

Further, the e-PDS portal of GOI did not depict the State status pertaining to FPS wise allocation orders, Master stock register of State godowns, allocation generation status, sales register, block wise allocation orders, district-wise allocation of commodity, allocation policy of the State Government.

The information displayed on the website was not dynamically linked with the web portal page. Since manual intervention continued to exist, complete transparency was not ensured.

In reply Government stated that supply chain management software was under development by State NIC unit.

##### **SMS facility**

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<sup>13</sup> Allahabad, Kanpur Nagar, Lucknow, Mirzapur and Varanasi

Mobile SMS alerts were to be sent to pre-registered individuals such as beneficiaries, FPS dealers, etc., to inform them regarding lifting of foodgrains at State depot, delivery and availability of foodgrains at the respective FPS, any change in policy of entitlements or rates etc. However, scrutiny of SMS alert reports (February 2016) of six<sup>14</sup> test-checked districts revealed that against 12.41 lakh beneficiaries requesting for mobile SMS alerts only 3.55 lakh (29 *per cent*) beneficiary mobile numbers were seeded in the application software and SMS alerts were sent to only 0.81 lakh beneficiaries (**Appendix 2.2.6**). Further application for sending SMS alerts to the FPS dealers was not operational in the test-checked districts. Thus, SMS alert facility was not fully operational.

Further, no SMS facility was envisaged to alert the beneficiary about issue of foodgrain made to a beneficiary which could have acted as deterrent to fraudulent allocation and facilitate transparency in the system.

In reply Government stated that information in respect of lifting of food grain by FPS dealers was being provided to the registered beneficiaries. The reply was not acceptable as in the test-checked districts SMS to all registered beneficiaries was not sent.

### **Grievance Redressal Mechanisms**

For efficient tracking and timely redressal of complaints/grievances of the beneficiaries, the State grievance redressal mechanism was to be automated. As per the scheme, NIC was to provide requisite application software including software for toll free call centre operations.

A toll free helpline number was available on the website for grievance registration and redressal. However, details of redressals made against the complaints received online were not available in the test-checked districts.

#### **2.2.10 Training**

For smooth functioning of the computerised TPDS System, State F&CS officials and staff at various levels were to be imparted training on the use of technology and for day to day operations. As per guidelines training activity was to be taken as a one time activity and was to be planned keeping in mind the training needs.

Various categories of trainings were envisaged for users/stakeholders, based on their roles and computer awareness viz., training of trainers, basic computer training, TPDS application software training and training of top and middle management. At the State and district level five officials, at block level three officials and at godown level two officials were to be trained at the rate of ₹ 2,500 at each level for 5 days. Under the training head GoI sanctioned ₹ 1.17 crore against which an expenditure of ₹ 17.29 lakh was incurred.

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<sup>14</sup> Allahabad, Chitrakoot, Ghaziabad, Kanpur Nagar, Lucknow and Varanasi.

No training plans and details of training imparted at the State level was furnished to audit. In test-checked districts against the allotment of ₹ 12.07 lakh an expenditure of ₹ 2.21 lakh was incurred in two districts (Mirzapur and Ghaziabad). However, in Mirzapur district the entire expenditure of ₹1.57 lakh was diverted to purchase of computer hardware. Thus, no efforts were made by GoUP to ensure training of the staff.

In reply Government stated that from time to time training was provided to the officials on software operation through demos. The reply was not acceptable as no training plans were formulated and expenditure on training head was only 15 *per cent* of the amount sanctioned under training head by GoI during the period 2013-16.

***Recommendation: Government should plan capacity building for the departmental staff to make them acquainted to the computerised system.***

### **2.2.11 Monitoring**

#### **2.2.11.1 IT assets not maintained**

As per the MoU signed (May 2013) between GoI and GoUP, an audited statement in the form of a register for permanent and semi-permanent assets acquired solely or mainly for the scheme was to be maintained. The assets acquired were not to be utilised for purposes other than those for which sanctioned. However, no such asset register was maintained at the Department level or in the test-checked districts. It was noticed, in test-checked districts, that neither proper stock registers were maintained nor assets physically verified annually. Absence of these checks and regular monitoring of the same exposed the assets to the risk of misuse/pilferage.

In reply Government stated that districts have been directed in this regard.

#### **2.2.11.2 Standardisation Testing and Quality Certification audit**

As per the scheme guidelines Standardisation Testing and Quality Certification (STQC) audit was to be undertaken by the State to ensure that the application software for TPDS is error free, meets State specific needs and able to operate with higher level of transactions.

STQC audit comprised of review of system, software documentation, software artifacts/work products, software testing and evaluation. Apart from STQC audit, security audit of TPDS application modules was to be ensured by the Department to plug in application security vulnerabilities, weaknesses and concerns related to authentications, authorisation, session management, input/output validation, processing errors, information leakage, denial of service etc.

However, neither STQC audit was conducted nor security audit of the system was ensured prior to operationalisation of the application software. Thus, system was at risk in absence of STQC audit and security audit.



In reply Government stated that web security audit of application software from empaneled vendors of CERT-IN was being carried out from time to time. The reply was not acceptable as no documentation in support was provided to audit.

***Recommendation: Government should ensure Standardisation Testing and Quality Certificate audit of the system.***

### **2.2.11.3 Joint physical inspection of IT infrastructure**

During the course of joint physical inspection conducted by audit in April 2016 to June 2016 at DSO Mirzapur it was observed that 12 printers were lying packed while from DSO Chitrakoot two desktops with one printer was transferred (July 2015) to District Election Officer, Chitrakoot. All five computers with UPS and three printers, allotted to DSO Lucknow, were installed at Divisional Commissioner, F&CS office, Lucknow. Proper cabling for networking and earthing was not done in any of the test-checked districts.

Out of 12 test-checked blocks, hardware infrastructure in five blocks was installed at the district supply office. Printer was not in use in Varanasi rural block. Each godown was issued with a laptop and a printer but they were not found in six out of nine test-checked godowns. As such hardware infrastructure provided at all levels was not being effectively used. Further, asset register and complaint register were not maintained in any of the test-checked districts. This indicated lack of monitoring by SPMU and the district authorities.

In reply Government stated that information was being sought from districts.

### **2.2.11.4 Preparation of monitoring reports**

States were required to report the status of various activities/ sub-component on fortnightly basis to GoI. DoF&PD was to review the progress of the State regularly and at least once in a fortnight through visits, video-conferencing and meetings. However, neither at the Departmental level nor at the district level, separate records/minutes of the meetings conducted to monitor the progress of the scheme were maintained. No fortnightly progress reports were made available to audit. Further, districts were required to submit ration card print verification report (32 point report) to State headquarters prior to printing of the ration cards duly approved by District Magistrate. However, in none of the test-checked districts, the report was made available to audit.

In reply Government stated that various daily progress reports were prepared with the help of State NIC. The reply was not acceptable as no fortnightly reports were being prepared and sent to GoI.

### **2.2.12 Conclusion**

End-to-End computerisation of the TPDS operations aimed to address various challenges of the existing system such as leakages and diversion of foodgrains in the TPDS supply-chain, fake and bogus ration cards, inclusion and



exclusion errors, lack of transparency, weak grievance redressal and social audit mechanisms. Timely implementation of the project was to be ensured by GoUP. An expenditure of ₹ 54 crore was incurred on the project by GoUP for application development, purchase of hardware, data digitisation activity as on March 2016. However, project planning suffered from delays and deficiencies due to delayed signing of the MoU with GoI and late constitution of SPMU. Timeline set for completion were not achieved due to key activities not being executed by SPMU and inconsistent implementation strategy. Application software developed by State NIC failed to address the entire spectrum of the TPDS operations as manual intervention still existed in the system. The objective of eliminating fake/ bogus cards from the system for better targeting of subsidy through cross verification with other databases and capturing of beneficiary bank account number and Aadhaar number to eliminate all bogus beneficiaries and those claiming benefits more than once was not achieved. Computerisation of supply chain management was not fully functional as system generated allocation orders based on the beneficiary database count was not achieved. Details of actual off-take of food grains FPS wise were not available on the portal. No effective training plans were formulated for imparting training to the personnel engaged for carrying out day to day operations. The system was at risk in absence of system certification and security audit of TPDS application modules.

# **Chapter 3**

# **Audit of Transactions**



## **Chapter 3**

# **AUDIT OF TRANSACTIONS**

Audit of transactions of the Government departments, their field formations as well as that of the autonomous bodies brought out several instances of lapses in management of resources and failures in the observance of the norms of propriety and economy. These have been presented in the succeeding paragraphs.

### **FOOD SAFETY AND DRUG ADMINISTRATION DEPARTMENT**

#### **3.1 Audit on “Implementation of Food Safety and Standards Act, 2006”**

##### **3.1.1 Introduction**

Access to safe and nutritious food is key to sustaining life and promoting good health. Safe food leads to decrease in mortality rate and increase in life expectancy. Food safety is a serious public health concern in countries like India having large population but poor hygiene and sanitation levels.

Article 47 of the Constitution provides that it is a primary duty of the State to raise the level of nutrition and the standard of living of its people and ensure improvement of public health. In order to consolidate the laws<sup>1</sup> relating to food and to establish the Food Safety and Standards Authority of India (FSSAI) for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import and also to ensure availability of safe and wholesome food for human consumption, GoI enacted (August 2006) the Food Safety and Standards Act, 2006 (FSS Act) and framed (May 2011) Food Safety and Standards Rules; Food Safety and Standards (Laboratory and Sample Analysis) Regulations, 2011; Food Safety and Standards (Licensing and Registration of Food Business) Regulation, 2011; Food Safety and Standards (Packaging and Levelling) Regulation, 2011 etc., effective from 5 August 2011 applicable to the whole of India.

The Government of Uttar Pradesh also implemented the Act in the State with effect from 5 August 2011 and empowered the Commissioner, Food Safety and Drug Administration Uttar Pradesh to exercise the powers and perform the duties of Food Safety Commissioner with respect to whole of Uttar Pradesh. After implementation of the FSS Act, 4.04 lakh petty Food Business Operators (FBOs) were registered and 0.46 lakh FBOs were licensed as on 31 March 2016. The Food Safety and Drug Administration Department had incurred ₹ 202.60 crore for implementation of the Act in the State during 2012-16.

##### **Organisational set-up of the Department**

At Government level, Principal Secretary is responsible for overall administration and Commissioner, Food Safety and Drug Administration,

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<sup>1</sup> The Prevention of Food Adulteration Act 1954, PFA Rules 1955 and various controls orders essential Commodities Act 1955 including Milk and Milk Product order 1992 were replaced with effect from 5<sup>th</sup> August 2011.

Uttar Pradesh, Lucknow is responsible for efficient implementation of FSS Act, Rules and Regulations made thereunder at State level. At district level, Designated Officers (DOs) and Food Safety Officers (FSOs) under the Commissioner are responsible for issue of license and registration of the Food Business Operators (FBOs), collection of samples for analysis and to ensure effective implementation of provisions of the Act, Rules, Regulations and orders issued by the State Government and Commissioner Food Safety.

### **3.1.2 Audit Scope and Methodology**

Records for the period 2011-16 were test checked in the offices of Commissioner Food Safety, Uttar Pradesh, Lucknow; three State Food Laboratories (Lucknow, Agra and Varanasi) and offices of 10 DOs (Agra, Budaun, Chandauli, Gautam Budh Nagar, Hathras, Kanpur Nagar, Lakhimpur Kheri, Sitapur, Raebareli and Varanasi). Entry Conference was held on 20 April, 2016 with Principal Secretary, Food Safety and Drug Administration Department, Government of Uttar Pradesh wherein Audit Objectives, Scope and Criteria were discussed and accepted by the Government. The Government replies (December 2016) on the audit observations have been suitably incorporated in the report. Exit conference was also held on 9 December 2016 with the Principal Secretary, Food Safety and Drug Administration Department wherein Government accepted the recommendations made by Audit.

### **Audit Findings**

#### **3.1.3 Licensing and Registration**

Regulation 2.1 of the FSS (Licensing and Registration of food business) Regulation, 2011 provides that all Food Business Operators (FBOs) in the country were required to be registered or licensed to maintain the basic hygiene and safety requirements.

Rule 2.1.1 of FSS Regulation provides procedures for registration of Petty FBOs. As per Rule 1.2.4 (b), FBOs who have annual turnover not exceeding ₹ 12 lakh and/or whose (i) production capacity of food (other than milk and milk products and meat and meat products) does not exceeding 100 kg/litre per day; or (ii) procurement or handling and collection of milk is upto 500 litres per day; or (iii) slaughtering capacity is two large animals or 10 small animals; or 50 poultry birds per day; or less are called petty FBOs.

Further, Regulation 2.1.2 provides that subject to the Regulation 2.1.1, no person shall commence any food business unless he possesses a valid license by the State Licensing Authority.

##### **3.1.3.1 Survey for identification of Food Business Operators not conducted**

Under the provisions of Section 31(1) of the FSS Act, no food business operator shall commence or carry on any food business without license.

Scrutiny of records of 10 test-checked districts revealed that survey for identification of FBOs running businesses without having a valid registration/license were not carried-out by the DOs/FSOs during 2011-16.

In absence of surveys, there was no mechanism available at District level for assessing total number of FBOs and consequently the Food Safety Authority was not able to monitor their activities including follow-up of standards notified for manufacturing, selling and storing of food articles etc.

Thus, there was no assurance that all the petty FBOs running their business in the districts were actually registered/licensed under the FSS Act.

The Government stated (December 2016) that due to shortage of enforcement staff, survey work was disrupted. The reply of the Government confirmed that the number of FBOs operating their business in the State without registration was not known.

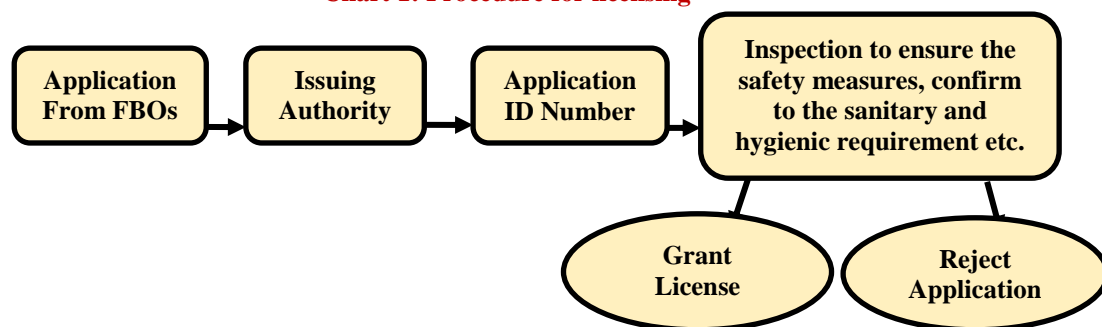
**Recommendation:** *The Department should ensure to carry out survey on regular basis for identification of all FBOs in the State to ensure their registration/licensing under the Act.*

### 3.1.3.2 Licensing

#### *License granted to FBOs without inspection*

Rule 2.1.4 and 2.1.5 of FSS Regulation 2011 provided that after the issue of Application ID number, the Licensing Authority may direct the Food Safety Officer or any other person or agency specially designated for such function to inspect the premises to ensure the safety measures, confirm to the sanitary and hygienic requirement etc. within a period of 30 days from receipt of an inspection report excluding the time taken by the applicant in complying with the advice, if any, given in the inspection report and verification thereof, the concerned Licensing Authority shall consider the application and may either grant license or reject the application. The process of licensing is depicted in the Chart 1.

**Chart 1: Procedure for licensing**



Scrutiny of records of Commissioner, Food Safety revealed that out of 45868 licenses issued to FBOs as of 31 March 2016 in the State, only 20190 (44 per cent) FBOs were inspected before issuing licenses, in remaining 25678 (56 per cent) licenses were issued without carrying out inspections of safety, hygiene and sanitary conditions of the premises.

In eight out of 10 test-checked districts, 71 to 99 *per cent* licenses were issued to FBOs without carrying out inspections to check adequacy of safety measures, sanitary and hygienic conditions etc., as detailed in Table 1.

**Table 1: Licenses issued to FBOs without inspection in test-checked Districts**

Sl. No.	Name of District	License issued to FBOs up to 31.03.2016	Licenses issued to FBOs without inspection	Percentage (4/3)
1	2	3	4	5
1.	Agra	2996	2920	97
2.	Budaun	517	369	71
3.	Chandauli	153	134	88
4.	GB Nagar	1538	1291	84
5.	Lakhimpur Kheri	836	830	99
6.	Raebareli	427	360	84
7.	Sitapur	344	335	97
8.	Varanasi	2454	2206	95
<b>Total</b>		<b>9265</b>	<b>8445</b>	<b>91</b>

(Source: Commissioner, Food Safety, Lucknow)

Thus, not conducting the required checks for hygienic condition, safe storage, safe distribution and wholesome food before issuance of registration certificates/licenses showed extreme laxity in enforcing the provisions of the FSS Act.

The Government stated that inspection could not be carried out due to shortage of whole time DOs and enforcement staff. It further stated that directions were being issued to DOs to carry out prescribed inspections within the prescribed time period.

***Licenses issued without complete documents***

Rule 2.1.3 of FSS Regulation 2011 provides that an application for grant of license shall be made in specified Form to the concerned Licensing Authority and will be accompanied by a self-attested declaration in the format provided.

Scrutiny of records of DOs of the test-checked districts revealed that 18 licenses (***Appendix-3.1.1***) in two districts (Lakhimpur Kheri and Hathras) were issued without obtaining the requisite supporting documents/information such as assurance/undertakings, sale, manufacture, storage of food articles etc., as required in the prescribed form. Audit noticed that at the time of submission of application for issue of license, it was mentioned that required supporting documents/information would be submitted later on.

However, FBOs neither submitted required information/documents nor were persuaded by the DOs of the concerned districts to comply with the requirement of Rules. Thus, in the absence of complete information about FBOs, their identity, responsibility, license fee and conditions of premises could not be ascertained.



The Government stated that action would be taken against the responsible officials after conducting enquiry in the matter.

### 3.1.3.3 Delay in issue of license/registration

#### *Delay in issue of license*

Rule 2.1.4(1) of FSS Regulation 2011 provides that a license shall, subject to the provisions of these regulations, be issued by the concerned Licensing Authority within a period of 60 days from the date of issue of an application ID number.

Audit examination of 1640 cases of licenses (40 cases per year per district) in test checked districts revealed that licenses were issued to FBOs during the period 2012-16. The age-wise analysis of cases of delays in issue of licence is given in Table 2.

**Table 2: Delay in issue of License**

Sl. No.	District	Cases test checked	Range of delay in issue of License (in days)			Number of delayed cases
			01-30	31-180	>180	
1	Agra	160	0	0	0	0
2	Budaun	160	2	2	0	4
3	Chandauli	181	3	1	0	4
4	GB Nagar	172	21	29	5	55
5	Hathras	160	3	20	3	26
6	Kanpur Nagar	120	1	13	1	15
7	lakhimpur Kheri	160	8	25	12	45
8	Raebareli	200	13	16	3	32
9	Sitapur	160	7	3	0	10
10	Varanasi	167	7	33	4	44
<b>Total</b>		<b>1640</b>	<b>65</b>	<b>142</b>	<b>28</b>	<b>235</b>

(Source: Designated Officers of test-checked districts)

It may be seen from table above that in 235 cases (14 percent), licenses were issued beyond prescribed period of 60 days. Audit observed that 28 licenses were issued with abnormal delay of more than 180 days.

Thus, huge delays in issuance of licenses by the Department showed extreme laxity of the department in enforcing the provisions of the Act.

The Government accepted the audit observation and stated that efforts were being made to increase the registration by originating the registrations through Online Filing of Licencing and Registration System (FLRS).

#### *Delay in issue of registrations*

Rule 2.1.1(3) of FSS Regulations provides that the Registering Authority whenever an application for registration is received, shall consider the application and may either grant registration or reject it with reasons to be recorded in writing or issue notice for inspection, within 7 days of receipt of the application. In the event of an inspection being ordered, the registration

shall be granted by the Registering Authority after being satisfied with the safety, hygienic and sanitary condition of premise within a period of 30 days.

Audit examination of 390 cases of registration (10 cases per year per district) in test checked districts revealed that in 95 cases (24 per cent), registration certificates were issued to petty FBOs after considerable delay during the period 2012-16. No registration was issued during 2011-12 in the test-checked districts. The age-wise analysis of cases of delay is given in Table 3.

**Table 3: Delay in issue of Registration**

Sl. No.	District	Cases test-checked	Range of delay in issue of registration (in days)			Number of delayed cases
			01-30	31-180	>180	
1	Agra	40	06	09	01	16
2	Budaun	40	03	00	00	03
3	Chandauli	40	01	10	00	11
4	GB Nagar	40	02	07	02	11
5	Hathras	40	04	06	00	10
6	Kanpur nagar	30	01	02	00	03
7	Lakhimpur kheri	40	03	11	01	15
8	Raebareli	40	02	05	00	07
9	Sitapur	40	07	10	01	18
10	Varanasi	40	01	00	00	01
<b>Total</b>		<b>390</b>	<b>30</b>	<b>60</b>	<b>05</b>	<b>95</b>

(Source: Designated Officers of test-checked districts)

It may be seen from above table that 95 out of 390 registrations (24 per cent) were issued with a delay. This included 65 cases in which delay was more 30 days. Maximum numbers of delayed registrations were in Sitapur, Agra and Lakhimpur Kheri.

The Government stated that due to shortage of supervisory and enforcement staff and delayed submission of concerned records by the FBOs, delay occurred in registration of petty FBOs. Reply was not acceptable as delay in registration persisted during 2015-16 also though number of DOs and FSOs was increased (84 per cent DOs and 89 per cent FSOs) as compared to previous year.

#### **3.1.3.4 Running of food business without valid license/registration**

Under the provisions of Section 31 (1) and 31 (2) of the FSS, Act, no food business operator shall commence or carry on any food business except under a license and registration.

Scrutiny of records of Commissioner, Food Safety revealed that department did not have any data/information on the total number of FBOs running their business in the State. In absence of such data/information, number of unregistered/not licensed FBOs in the State could not be ascertained.

However, in 10 test checked districts audit examined 1250 cases of samples (125 cases per district during 2011-16), collected by DOs/FSOs from the FBOs for analysis and found that 335 (27 per cent) FBOs were operating without valid license/registration certificates and no information was available in respect of 844 FBOs (68 per cent) regarding their registration/license with DOs. Details are given in Table 4.

**Table 4: FBOs not registered and cases in which registration/license are not available**

Sl. No.	Name of district	No. of sampled cases test checked	No. of unregistered FBOs	No. of Registered FBOs	FBOs whose registration/license not available
1	Agra	125	-	-	125
2	Budaun	125	70	21	34
3	Chandauli	125	08	-	117
4	GB Nagar	125	74	26	25
5	Hathras	125	70	06	49
6	Kanpur Nagar	125	-	-	125
7	Lakhimpur Kheri	125	113	11	01
8	Raebareli	125	-	07	118
9	Sitapur	125	-	-	125
10	Varanasi	125	-	-	125
<b>Total</b>		<b>1250</b>	<b>335(27)</b>	<b>71 (6)</b>	<b>844 (68)</b>

(Source: Designated Officers of test-checked districts)

Audit further noticed that 283 samples<sup>2</sup> (84 per cent) out of 335 unregistered FBOs, did not confirm to the standards of the Act according to the analysis report of state laboratories (*Appendix-3.1.2*).

Thus, extreme laxity on the part of the department in enforcing the provisions of the Act resulted in majority of FBOs running their business without any registration/license. The quality of food and hygiene & sanitary conditions in the state are therefore bound to be poor, with adverse impact on health and well-being of people.

The Government accepted the audit observation and stated that necessary action would be taken against the defaulting officers.

### ***Running of food business without valid license for molasses***

As per provision of Section 11.3 - Table 2 'Food Codes and Names', molasses are defined as a food article. Further, under Section 26(2) (iii), no food business operator shall himself or by any person on his behalf, manufacture, store, sale or distribute any articles of food for which a license is required.

Scrutiny of records of DOs of test-checked districts for the period 2011-16 revealed that in two districts (Sitapur and Lakhimpur Kheri), 09 sugar mills, licensed for manufacturing of sugar by Central Licensing Authority, were storing and selling molasses without having valid license (*Appendix 3.1.3*).

<sup>2</sup> Budaun: 25; Chandauli: 08; Hathras: 68; GB Nagar: 69; and Lakhimpur Kheri: 113.

DOs, responsible for enforcement of the Act, had not initiated any action against the defaulters FBOs.

The Government accepted the audit observation and stated that appropriate action would be taken against the defaulting officials.

#### **3.1.3.5 Annual returns not submitted by FBOs**

Rule 2.1.13 (1) of FSS Regulations, 2011 provides that in respect of licensees who are manufacturer, shall, on or before 31<sup>st</sup> May of each year, submit a return showing their transactions during the year and in case there is any delay in filing yearly return, penalty of ₹ 100 per day was leviable on defaulting FBOs for delay.

Scrutiny of records of nine test-checked districts revealed that all the FBOs, engaged in manufacture of food articles, had not submitted their annual returns in any of the year from May 2012 to May 2015. It was observed that department neither made any serious efforts to obtain the returns nor imposed penalties on the defaulting FBOs. Further, no data/records were maintained to the period 2011-16 by DOs of the test-checked districts regarding submission of Annual returns by the manufacturing licensees.

The Government accepted the audit observation and stated that instructions have been issued for ensuring submission of Annual Return by manufacturing FBOs and for imposing penalty over the defaulters.

#### **3.1.3.6 Observations noticed during beneficiary's survey**

We conducted Joint physical inspection of 27 FBOs with concerned SFSO/FSO of three districts viz., Raibareilly, Agra and Varanasi. Audit noticed that:

As the information regarding inspection of FBOs before issue of Registration Certificate were not available on the records, we randomly selected seven petty FBOs for joint physical verification to whom the registration certificates were issued and found that RCs were issued to all seven petty FBOs without conducting inspection for ensuring sanitary and hygiene conditions of the sites.

As per provision of rule 2.1.4(6) of FSS (Licensing and Registration of Food Businesses) Regulation, 2011 true copy of license is to be displayed at a prominent place of premises of Business. However, during beneficiary survey, Audit found that true copy of license was not displayed in 7 out of 27 FBOs at any place of premises of FBOs.

During beneficiary survey of Petty FBOs/FBOs, Audit noticed that samples of food articles of 9 out of 27 test checked FBOs (five renowned FBOs of the concerned districts) were not collected for analysis during 2011-16 for ensuring the quality of food articles being sold by them.

### 3.1.4 Inspection and Sample Collection

#### 3.1.4.1 Periodical inspections not conducted

Sub-section 6 of Rule 2.1.1 of FSS Regulations 2011 provides that Registering Authority or agency specially authorised for this purpose shall carry out food safety inspection of the registered establishments at least once a year.

Scrutiny of records of the Commissioner, Food Safety revealed that Designated Officers did not conduct required number of inspections. The shortfalls, in case of registered petty FBOs, ranged from 23 to 27 *per cent* during 2012-16 was noticed. Similarly, in case of licensee FBOs, 14 to 24 *per cent* FBOs were not inspected in the State by the DOs during 2011-16 to ensure adherence to the prescribed norms of food safety and standards. The details of inspections carried out by the DOs are given in Table 5.

**Table 5: FBOs not inspected periodically**

Year	Petty FBOs not inspected periodically				Licensee FBOs not inspected periodically			
	Registered	Inspected	not inspected	Percentage (not inspected)	Licensee	inspected	not inspected	Percentage (not inspected)
1.	2.	3.	4.	5.	6.	7.	8.	9.
2011-12	45,961	45,961	0	0	11,245	11,152	93	1
2012-13	87,721	67,204	20,517	23	13,835	11,894	1,941	14
2013-14	1,36,815	1,04,820	31,995	23	13,419	11,025	2,394	18
2014-15	1,68,260	1,28,071	40,189	24	18,413	13,912	4,501	24
2015-16	1,24,100	90,501	33,599	27	19,544	15,426	4,118	21

(Source: Commissioner, Food Safety)

In test-checked districts, Audit observed 49 to 81 *per cent* registered petty FBOs were not inspected during 2012-16 by the DOs to ensure adherence to the prescribed norms of food safety and standards (*Appendix-3.1.4*). Audit also observed a shortfalls in inspection of licensee FBOs ranged from 31 to 52 *per cent* during 2011-16 by DOs (*Appendix-3.1.4*).

Thus, the Department failed to ensure food safety, quality, hygienic and sanitary conditions in large number of FBOs due to their inability to conduct the mandatory inspections for want of adequate manpower.

The Government while accepting the audit observation stated that inspections were not conducted as per norms due to shortage of officials. It further stated that staff position has since been improved at present and efforts were being made to carry out inspections as per norms.

#### 3.1.4.2 Insufficient coverage of FBOs for collection of samples

Under the provisions of section 38(1) (a) of the FSS Act 2006, Food Safety Officers may take a sample of any food or any substance, which appears to him to be intended for sale, or to have been sold for human consumption; or of any articles of food or substance which is found by him on or in any such premises which he has reason to believe that it may be required as evidence in proceedings under any of the provisions of the Act or of the regulations or orders made thereunder.

Scrutiny of records of Commissioner, Food Safety revealed that samples were collected on random at the discretion of FSOs. Audit observed that department did not fix any criteria/norms/periodicity/targets for collection of samples by FSOs to ensure objectivity and transparency in collection of samples and checking the quality of food articles. Details of samples collected during 2012-16 are given in Table 6.

**Table 6: Details of collection of samples during 2012-16 in the State**

Year	Number of FBOs			Total sample collected	Percentage of Col. 5 to 4
	Registered	Licensee	Total		
1	2	3	4	5	6
2012-13 <sup>3</sup>	87,721	13,835	1,01,556	11,712	12
2013-14	1,36,815	13,419	1,50,234	11,579	8
2014-15	1,68,260	18,413	1,86,673	14,295	8
2015-16	1,24,100	19,544	1,43,644	17,821	12

(Source: Commissioner, Food Safety, Lucknow)

As may be noticed from the above table, only 8 to 12 *per cent* samples (inclusive of multiple samples from one FBO) were lifted each year from the FBOs running their business in the state.

In 10 tests checked districts, samples collected ranged between six to thirteen *per cent* of the total number of FBOs registered/licensed during 2012-16 (*Appendix 3.1.5*).

Thus, not fixing the objective criteria and targets for collecting of samples for quality checking indicated that the system of selection of sample was not transparent and did not provide adequate assurance about the safety and quality of food items being manufactured/sold to common public.

Government accepted the audit observations.

***Recommendation: The Department should fix target for each FSO for lifting of samples from each category of food articles and area in a transparent manner for adequate assurance about the safety and quality of food items manufactured and sold in the State.***

***Inadequate inspection of Central licensee FBOs***

As per order issued by FSSAI, entire authority of enforcement of Act for central license units rest with the respective State Government.

Scrutiny of records of DO, Hathras revealed that out of 22 central licensees' samples of food articles from two licensees only were collected during 2011-16. It was also observed that even samples from a renowned brand '*Kinley*', manufacturing unit of packaged water were not collected for quality checking.

The Government accepted the facts and stated that directions for regular inspections of central licensees have been issued.

<sup>3</sup> Position of sample collection during 2011-12 was not provided by the Department.

### 3.1.4.3 Funds not allocated for lifting of sample

Section 38(3) of the FSS Act provides that where any sample is taken, its cost should be calculated at the rate at which the article is usually sold to the public and shall be paid by Food Safety Officers (FSOs) to the person from whom it is taken.

Scrutiny of records of DOs of test-checked districts revealed that no budget provision was made during 2011-16 for the payment of cost of samples of food articles collected from the FBOs for quality testing. Further, FSOs did not maintain any record of the quantity and rates of samples taken by them. Thus the cost of the samples collected (if paid for) could also not be estimated in audit.

The Government stated that instructions were being issued to maintain register for amount paid in lieu of cost of samples collected.

### 3.1.4.4 Short-charging of fee for analysis of sample

Food Safety and Standards (Laboratory and Sample Analysis) Regulation, 2011 {Chapter 2 Para 2.3.1 (3)} provides that the fee payable in respect of sample analysed shall be ₹ 1000 per sample which was effective from 5 August 2011.

Scrutiny of records of three test-checked laboratories revealed that the fee charged for the samples received during the period August 2011 to December 2014 for analysis was ₹100 per sample for Railway and ₹ 200 per sample for other Government and private parties as against the prescribed fee of ₹ 1,000 per sample.

Thus, fee of ₹ 0.12 crore was short charged by the laboratories at Agra, Lucknow and Varanasi from the Railway and private parties (*Appendix 3.1.6*).

The Government stated that action would be taken as per rules against responsible officials after conducting enquiry.

## 3.1.5 Human Recourse and Infrastructure

### 3.1.5.1 Shortage in key cadre

Under Section 36 of FSS Act, Commissioner shall, by order appoint the Designated Officer, who shall not be below the rank of a sub-divisional magistrate who is empowered to grant or cancel license and issuance of inspection order of FBOs.

Scrutiny of records of Commissioner, Food Safety revealed that there was huge shortage in the key cadres of DOs, CFSOs and FSOs. The cadre-wise details of sanctioned strength (SS) *vis-à-vis* person-in-position (PIP) during the period 2011-16 are as given in Table 7.



**Table 7: Cadre-wise details of sanctioned strength and person-in-position**

Year	Designated Officer (DOs)			Chief Food Safety Officer (CFSOs)			Food Safety Officer (FSOs)		
	Sanctioned Post	Person in Position	Shortage (per cent)	Sanctioned Post	Person in Position	Shortage (per cent)	Sanctioned Post	Person in Position	Shortage (per cent)
2011-12	75	0	75 (100)	78	58	20 (26)	662	287	375(57)
2012-13	75	0	75 (100)	78	58	20 (26)	662	287	375(57)
2013-14	75	0	75 (100)	78	58	20 (26)	662	287	375(57)
2014-15	75	38	37 (50)	78	78	00 (00)	662	229	433(65)
2015-16	75	70	05 (07)	78	65	13 (17)	662	431	231(35)

(Source: Commissioner Food Safety, Lucknow)

There were shortages ranging from 50 to 100 *per cent* in cadre of DOs and 57 to 65 *percent* in the cadre of FSOs during the period 2011-15. There was improvement in availability of DOs and CFSOs in the year 2014-15 and 2015-16 but shortages in FSO cadre remained high.

Shortages in the key cadres adversely affected the enforcement activities as discussed in Paragraphs 3.1.3.1 to 3.1.3.3 and 3.14.2.

The Government accepted the audit observations.

### **3.1.5.2 Shortage of technical staff in State laboratories**

Most of the sanctioned posts of scientific officer, microbiologist and food analyst were lying vacant in six laboratories during 2011-16. Details are given in Table 8.

**Table 8: Details of Sanctioned Strength and Person-in-position of technical staff during 2011-16**

Sl. No.	Name of Post	Sanctioned Strength	Person-in-position	Vacancy (per cent)
1	Joint commissioner	01	00	01 (100)
2	Scientific Officer-I	07	00	07 (100)
3	Scientific Officer-II	07	01	06 (86)
4	Microbiologist	06	00	06 (100)
5	Sr. Analyst (Food)	19	07	12 (63)
6	Lab Technician	18	04	14 (78)

(Source: State Laboratory, Lucknow)

It may be seen from above table that:

Against sanctioned post of 14 scientific officers (Grade-I and Grade-II) only one Scientific Officer was posted during the period 2011-16, who was looking after the work of six laboratories.

No microbiologist was posted against 06 sanctioned posts.

Sixty three *per cent* sanctioned post of senior Food Analyst and 78 *per cent* sanctioned post of Lab Technicians were vacant during 2011-16.

Shortage in strength of technical staff affected the analysis of samples and finalisation of test reports timely.

The Government stated that to fill the vacant posts in laboratories, Service Regulations for Laboratory Cadre staff were to be framed. This shows that the department did not frame necessary rules even after a lapse of five years of the implementation of FSS Act.

### 3.1.5.3 Equipment not available in State laboratory

An Expert Committee consisting of Biochemist, Chemist, Government analyst & Public Analyst of State Laboratory Lucknow recommended (November 2012) the equipment required for proper functioning of the laboratories for analysis of food articles<sup>4</sup>.

Test check of records of the State laboratory, Agra revealed that protein content and solubility in milk powder and ice-cream, colour content in all samples which requires color test, urea content estimation in milk, volatile oil in spices and edible oil, unsaponifiable matter in edible oil and fat and microbiological tests in all food articles, crude fibre content and water extract in tea, heavy metals tests in all food articles and drinking water and beverages were not being checked due to required equipment not being available. The details of equipment not available in state laboratory Agra for analysis of food articles are given in Table 9.

**Table 9: Details of equipment not available in laboratory**

Sl. No.	Name of equipment	Uses	Parameters that could not be checked
1	Digital centrifuge machine	To check solubility in liquid food items	Solubility
2	UV Spectrophotometer	To check Color content and urea content in food articles.	Urea content estimation
3	Atomic Absorption Spectrophotometer	To check heavy metal in food articles, drinking waters and beverages	Quantification of elements
4	High Performance Liquid Chromatograph	To check heavy metal in food articles, drinking waters and beverages	Identification and quantification of organic compounds
5	Digest Unit Chamber	To check protein content in milk and ice cream	Protein content
6	Dean Stark Apparatus	To check moisture content in tea and food articles	Moisture content
7	All microbiological instruments	To perform all microbiological tests	microbiological tests

(Source: Food Analyst, Agra)

Thus, due to required equipment not being available, the essential food articles commonly used by general populace were not checked for dangerous

<sup>4</sup> (i) Digital centrifuge machine for checking of solubility in liquid food items; (ii) UV Spectrophotometer for checking of color and urea content in food articles; (iii) Atomic Absorption Spectrophotometer and High Performance Liquid Chromatograph for checking of heavy metal in food articles; (iv) Digest Unit Chamber for checking of protein content in milk; (v) Dean Stark Apparatus for checking of moisture content in tea and food articles; (vi) All microbiological instruments for checking of all microbiological tests etc.

contaminations and hazardous substances in the State laboratory, Agra which covers samples of five regions viz; Chitrakoot, Faizabad, Gorakhpur, Jhansi and Meerut.

Scrutiny of records further revealed that in 81 out of 500 sample reports (19 cases of cereal, 7 cases of tea, 40 cases of mustered oil, 05 cases of packaged drinking water & 10 semi-carbonated water), made available to Audit, the required parameters as prescribed in the Regulations were not checked. Audit noticed that only three out of 51 required parameters of packaged drinking water, five out of eight required parameters of pulses; six to seven out of 13 required parameters of mustard oils; two out of seven required parameters of tea; and only one out of 17 required parameters of carbonated water were analysed but analysis reports of these products were declared safe for consumption.

Audit further observed that equipment required for testing of microbiological, heavy metals, pesticides in food articles were not available in the laboratories at Varanasi and Lucknow. Details of shortage of equipment are given in *Appendix 3.1.7*.

Since, all the prescribed parameters were not checked by the laboratory, the possibility of sale of substandard/unsafe food articles to the general public could not be ruled out.

The Government did not provide specific reply on equipment not available. In respect of improper sample checking, the Government stated that on the basis of available equipment and chemicals in the Regional Laboratory Agra, samples were analysed and results declared. Reply was not convincing as results were declared without checking all parameters as provided in the FSS Act. Thus, there was no assurance of quality of the articles of which samples were collected, analysed and declared safe for consumption.

#### **3.1.5.4 Poor utilisation of financial resources for upgradation of infrastructure**

During the period 2012-16 total funds ₹ 34.70 crore were allocated for construction and upgradation of state laboratories and offices at the districts level, as given in Table 10.

**Table 10: Allotment, Expenditure and Surrender**

(In ₹ crore)				
Year	Particular	Allotment	Expenditure	Surrender (per cent)
2012-13	Upgradation of labs	13.26	0.00	13.26 (100)
2013-14	Construction	1.94	1.94	0.00 (0)
	Machinery/equipment	0.16	0.00	0.16 (100)
2014-15	Construction	2.98	2.57	0.41 (14)
	Machinery/equipment	3.53	0.83	2.70 (76)
2015-16	Construction	9.16	9.16	0.00 (0)
	Machinery/equipment	3.67	0.00	3.67 (100)
<b>Total</b>		<b>34.70</b>	<b>14.50</b>	<b>20.20 (58)</b>

(Source: Commissioner, Food Safety, Lucknow)

It was noticed that only ₹ 14.50 crore (42 *per cent*) was utilised and major portion of allocated funds for machinery/equipment were surrendered (76 to 100 *per cent*). This was mainly due to tenders not being finalised by Commissioner, Food Safety for purchase of equipment and machinery.

As discussed in *Paragraph 3.1.5.3*, there were acute shortages of required equipment in laboratories at Agra, Varanasi and Lucknow and these were not arranged despite availability of funds.

Audit further observed that Food Safety Cells in six test-checked districts were functioning from a small room/hall and did not have basic infrastructure such as furniture, computer, storage facility for keeping samples etc., despite availability of funds, which shows lack of realistic comprehensive planning for improvement in overall infrastructure for Food Safety Cells.

The Government accepted the facts and stated that tenders were invited several times but purchase of machinery/equipment could not be made due to tenders being faulty. Fact remains that the funds were not utilised for the specified purpose due to which the required infrastructure could not be created/provided.

***Recommendation: The Department should closely monitor the progress of expenditure and capital works to ensure optimum utilisation of budgeted amounts allocated for the development of infrastructure for effective implementation of the Act.***

### **3.1.6 Food Analysis**

#### **3.1.6.1 Laboratories not accredited**

Section 43(1) of the FSS Act 2006 provides that Food Authority may notify food laboratories and research institutions accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) or any other accreditation agency for the purpose of carrying out analysis of sample by the Food Analysts under this Act.

Scrutiny of records of Commissioner, Food Safety revealed that six laboratories were functioning in the State to carry out analysis of samples taken by FSOs of the districts. Audit noticed that out of six laboratories, five State laboratories (Agra, Meerut, Gorakhpur, Varanasi and Jhansi) were functioning without recognition by NABL or other accreditation agencies. Further, State laboratory, Jhansi was not even recognised by FSSAI, even though, 517 samples collected from Agra, Aligarh, Jhansi and Chitrakoot regions were sent to the State laboratory, Jhansi during 2015-16 for analysis.

Thus, in absence of NABL validation of the laboratories in case of any dispute, the results analysed by these laboratories may not have requisite evidence value in a court of law and may render the whole exercise of enforcement action futile.

The Government accepted the facts and stated that NABL accreditation work of State laboratories was in process and would be completed soon.

**Recommendation:** *The Department should take all necessary action immediately to ensure that State laboratories are accredited by NABL and have all essential equipment for testing of food articles.*

### **3.1.6.2 Sample analysis reports not received from labs**

Rule 2.4.2.5 of FSS Rule, 2011 provides that analysis reports shall be signed by the Food Analyst and such report shall be sent within 14 days of the receipt of the sample by the Food Analyst. In case the sample cannot be analysed within 14 days of its receipts, the Food Analyst shall inform the DO and the Commissioner of food safety giving reasons and specifying the time to be taken for analysis.

Scrutiny of records of test-checked districts revealed that results of 463 samples sent to State laboratories during 2012-16 were not received within stipulated time of 14 days. The delay ranged from 03 months to 4 years against the prescribed time of 14 days. The reasons for delay and expected time to be taken were also not on records. Year-wise details of pending analysis reports are given in Table 11.

**Table 11: Total Pending analysis Reports**

Sl. No.	Name of District	Total Pending Reports				
		2012-13	2013-14	2014-15	2015-16	Total
1	Agra	0	0	0	94	94
2	Budaun	0	1	12	34	47
3	Chandauli	0	0	0	15	15
4	G B Nagar	6	1	29	66	102
5	Kanpur Nagar	0	0	13	108	121
6	Lakhimpur Kheri	1	6	8	02	17
7	Raebareli	0	0	0	25	25
8	Sitapur	0	0	08	28	36
9	Varanasi	0	0	04	02	06
<b>Total</b>		<b>7</b>	<b>8</b>	<b>74</b>	<b>374</b>	<b>463</b>

(Source: DOs of the concern district)

Rules further provide that in case of FBO from whom the sample has been taken or the person whose name and address and other particulars have been disclosed under Rule 2.5 of these rules desires to have the sample analysed, he shall request the FSO in writing to send the sample to any National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited/FSSAI notified laboratories for analysis under intimation to DO. The accredited laboratories have to analyse the sample within 14 days.

Scrutiny of records of DO Agra revealed that 09 samples were sent to Kolkata (NABL) during the period January 2016 to March 2016; but neither the test samples were received nor the reasons for delay intimated by the laboratory even after lapse of 97 to 172 days as of June 2016 (*Appendix 3.1.8*).

Thus, due to delay in receipt of analysis reports for more than three months, cases against possible defaulting FBOs could not be initiated in the courts. Such FBOs continue to sell their stock of food articles some of which may be adulterated, unsafe and/or substandard.

Government accepted the audit observation and stated that due to shortage of human resource in the laboratories samples could not be analysed leading to delay in reporting. The Government further stated that process for framing service regulation for the laboratory staff was in progress. However, fact remains that the laboratories did not analyse the collected samples even after delays of three months to four years.

***Recommendation: Commissioner Food Safety should ensure timely receipt of analysis reports of samples within prescribed period laid down in the Act by addressing the problem of shortage of technical staff and equipment.***

### **3.1.7 Adjudication**

The cases of food articles found adulterated by the laboratories were to be decided by the Adjudication Officer not below the rank of Additional District Magistrate of the district where the alleged offence was committed. Adjudication Officer if satisfied that the person/FBO has committed the contravention of provisions of the Act or the rules or the regulations made thereunder, may impose such penalty as he thinks fit in accordance with the provisions relating to that offence.

#### **3.1.7.1 Adjudication of cases which do not confirm to the standards of food articles**

Para 3.1.1(9) of the FSS Rules 2011 provides that the Adjudicating Officer (AO) shall pass the final order within 90 days from the date of first hearing.

Scrutiny of records of Commissioner, Food Safety revealed that 2687 cases were pending for more than 90 days from the date of first hearing with the AO during the period August 2011 to March 2016. Year-wise details of cases pending as of June 2016 are as given in Table 12.

**Table 12: Details of cases pending for Adjudication (in state)**

<b>Year</b>	<b>No. of new cases received/registered</b>	<b>Number of cases in which first hearing held</b>	<b>No. of cases pending after 90 days from the date of first hearing</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
2011-12	1127	593	229
2012-13	1776	1019	473
2013-14	2271	1339	543
2014-15	2862	5984	332
2015-16	4603	2390	1110
<b>Total</b>	<b>12639</b>	<b>11325</b>	<b>2687</b>

(Source: Commissioner, Food Safety, Lucknow)

Out of 12639 cases registered during 2011-16, first hearing was held in 11325 cases, out of which, 2687 cases (24 per cent) were pending as of June 2016 for adjudication even lapse of prescribed time limit of 90 days.

Further, in ten test-checked districts, 1678 cases were pending with AO for want of final order even though more than 90 days have lapsed from the date of first hearing. The above pending cases also includes cases against renowned FBOs such as Yippee Noodles (sun feast), Classic masala (sun feast), Amul Milk, Gagan Vanaspati, Nestle products etc. Year-wise position of pendency in test-checked districts is given in Table 13.

**Table 13: Details of cases pending for Adjudication**

Sl. No.	Name of District	Pending cases					Total Pending cases
		2011-12	2012-13	2013-14	2014-15	2015-16	
1	Agra	-	-	-	22	28	50
2	Budaun	20	23	20	34	70	167
3	Chandauli	16	08	17	21	58	120
4	G B Nagar	7	8	56	114	197	382
5	Hathras	5	6	6	5	108	130
6	Kanpur Nagar	-	-	-	-	176	176
7	Lakhimpur Kheri	26	68	105	87	131	417
8	Raebareli	-	-	-	-	45	45
9	Sitapur	27	16	11	14	51	119
10	Varanasi	30	7	15	18	2	72
<b>Total</b>		<b>131</b>	<b>136</b>	<b>230</b>	<b>315</b>	<b>866</b>	<b>1678</b>

(Source: Designated Officers of concerned districts)

Thus, out of ten test checked districts maximum numbers of cases were pending in Lakhimpur Kheri, G.B. Nagar, Kanpur Nagar and Budaun.

Audit further noticed that Department did not initiate any action for timely disposal of pending cases. Consequently, the seized articles valued ₹ 60.66 lakh in two test checked districts were not released/disposed off (*Appendix 3.1.9*).

Thus, due to delays in finalisation of adjudication cases, possibility of sale of substandard food articles commonly used by the general populace cannot be ruled out.

The Government stated that letter to all District Magistrates from Commissioner Food Safety has been sent for disposal of pending cases as per rules.

***Recommendation: The Department should ensure prompt action in timely finalisation of orders passed by the adjudicating officers by asking them to submit reports periodically.***



### 3.1.7.2 Penalty not received

Section 96 of the FSS Act, 2006 provides that a penalty imposed under this Act, if not paid, shall be recovered as arrears of land revenue and the defaulter's license shall be suspended till the penalty is paid.

Scrutiny of records of Commissioner, Food Safety revealed that penalty of ₹ 15.70 crore out of ₹ 26.61 crore imposed during 2011-16, was pending for seven to 55 months in the State as of October 2016. It however, did not provide the number of defaulters from which these penalties were to be recovered.

In nine test-checked districts, unrealised penalties of ₹ 3.75 crore against 360 defaulters was pending as of June 2016 as per details given in Table 14.

**Table 14: Unrealised penalties**

Sl. No.	Name of District	Un-realised penalties					Number of cases	Amount
		2011-12	2012-13	2013-14	2014-15	2015-16		
1	Agra	0	0	7.50	7.01	12.65	32	27.16
2	Budaun	0	4.15	14.55	12.00	4.95	25	35.65
3	Chandauli	0	0	0	1.26	0.05	04	1.31
4	G B Nagar	0	10.50	12.50	18.98	211.30	57	253.28
5	Kanpur Nagar	1	0.17	5.50	4.30	2.07	16	13.04
6	Lakhimpur Kheri	0	0	0.8	3.58	0.1	25	4.48
7	Raebareli	0	0.85	1.13	1.76	1.61	40	5.35
8	Sitapur	0	5.70	4.05	10.13	5.29	82	25.17
9	Varanasi	0	4.00	0.25	1.85	3.85	79	9.95
<b>Total</b>		<b>1</b>	<b>25.37</b>	<b>46.28</b>	<b>60.87</b>	<b>241.87</b>	<b>360</b>	<b>375.39</b>

(Source: DOs of concerned districts)

Scrutiny further revealed that the Department neither made serious efforts for recovery of penalties nor suspended the licenses of the defaulters.

The Government stated that instructions have been issued for taking action as per Rules under the FSS Act.

### 3.1.7.3 Receipts from penalties in Government account.

As per Rule 3.1.2(3) of FSS Rules 2011, the amount of penalty will be remitted in the form of a crossed demand draft drawn on a nationalised bank in favour of "Adjudicating Officer,.....District" payable at the station where the Adjudicating Officer is located.

It was noticed in all 10 test-checked districts that there was no uniformity for depositing the realised penalties. In five districts (Agra, Budaun, Chandauli, Kanpur Nagar and, Varanasi) penalty of ₹ 0.91 crore was kept in the Bank Accounts of Adjudication Officers of the districts and in remaining five test-

checked districts (GB Nagar, Hathras, Lakhimpur Kheri, Raebareli, and Sitapur) penalty of ₹ 0.94 crore was deposited in treasury by concerned DOs.

The Government stated that directions have been issued to deposit the penalty amount in departmental receipt head of account immediately.

### **3.1.8 Monitoring**

#### **3.1.8.1 Advisory Committee**

Under the provisions of Rule 2.1.15 of FSS (License and Registration of Food Business) Regulation, 2011, the State Government may, if required, designate an existing advisory committee at Panchayat/District/State level or where such a committee does not exist, constitute an advisory committee to assist, aid or advice on any matter concerning to food safety. No frequency of holding meeting of State Advisory Committee and District Advisory Committee was provided in the Rules.

Scrutiny of records of the Commissioner, Food Safety revealed that State Level Advisory Committee was constituted in January 2014 after lapse of 3 years of implementation of the Act in the state and only one meeting was held so far (June 2016).

Further, at the district level, District Advisory Committee (DAC) was constituted in seven out of 10 test checked districts. Records further revealed that in five districts, though DAC was constituted but no meeting of DAC was held during 2011-16 (*Appendix 3.1.10*).

Due to not constituting/functioning the DAC in the test checked districts, the activities of implementation of FSS Act was not monitored effectively.

The Government stated that directions have been issued for constitution of advisory committee and for holding of meetings frequently.

#### **3.1.8.2 Grievance Redressal Mechanism**

For grievance redressal, the Department created a grievance redressal cell for speedy disposal of the complaints registered through toll free number. The complaints were to be addressed within seven to 10 days as prescribed by the Commissioner, Food Safety.

Audit however, noticed that no action was reported by commissioner to FSSAI on 29 complaints, received during 2012-16, from the Central Food Safety and Standard Authority for disposal. Delay in disposal of complaints ranged from five to 54 months as of July 2016.

In reply, the Government stated that out of 29 cases of complaints, 12 cases were disposed off and remaining 17 cases were being disposed by the district authorities. This indicated that prompt disposal of grievances was not ensured.

### 3.1.8.3 Information, Education and Communication

Information, Education and Communication (IEC) activities involving electronic and print media and in other manner have to be undertaken to make stakeholders aware about the essential elements of the Act, Rules and Regulations. IEC material on points of food safety to be considered while consuming street foods indicating Dos and Don'ts and on other issues like licensing, registration, food import clearance, labelling adulteration of milk and milk products, personal hygiene for food handlers, kitchen food safety, etc., were to be developed in the form of booklets/leaflets/posters for dissemination to various stakeholders.

Audit however, noticed that the Department did not make any budget provision for IEC activities to spread awareness among public. Due to which printing of booklets/leaflets/posters, etc., were not undertaken by the Department resulting in common public not being made aware of their rights and powers.

The Government stated that IEC activities were being performed during 2015-16 by organising camps and placing advertisements on the departmental web-site. Reply was not acceptable as no records were available with DOs in the test checked districts in support of performing any such IEC activities.

### 3.1.8.4 Internal Audit and maintenance of Records

To ensure effective and efficient Financial and Operational control of an organisation/entity, internal audit should be conducted periodically and Audit Reports be put up to the Head of Department for taking remedial action.

Scrutiny of records of Commissioner, Food Safety and DOs of the test-checked districts revealed that no internal audit was conducted during the period 2011-15. We also noticed that following important records were not being maintained properly in any of the test-checked districts:

- Register of annual returns submitted by manufacturers.
- Register of inspections and inspection reports carried out by FSOs/DOs.
- Data/Register for collection of samples.
- Dead stocks register at State laboratories.

Absence of basic records indicated that the functioning of the Department lacked transparency and enforcement action.

The Government accepted that during 2011-14, no internal audit was conducted. It however, added that internal audit was taken up in 2015-16 in two districts.

**3.1.8.5 Display of FSSAI logo**

As per the notification issued in June 2013 by FSSAI under FSS Rules 2011, display of logo (FSSAI) on main packing of food articles was mandatory.

Audit, during the visit to district Lakhimpur Kheri, found that packed drinking water of one litre was being sold by a vendor in the campus of Roadways Bus Stand, Lakhimpur Kheri, but did not have the prescribed logo of FSSAI.



Drinking water packet without FSSAI logo

Soft drink bottle with FSSAI logo

(Source: Bus Stand, Lakhimpur Kheri)

The Government accepted that sample of Parivahan Neer was not taken for analysis but did not furnish specific reason for the same. It indicated laxity in the enforcement of implementation of the provisions of FSS Rules 2011.

**3.1.9 Conclusions**

The Department had not carried out any survey during 2011-16 to identify actual number of FBOs, running their business, in the State. The Department granted licenses to the FBOs without conducting inspection of premises in majority cases. The Department did not fix any criteria/norms/periodicity for collection of samples from FBOs due to which system for selection of sample was not transparent and did not provide adequate assurance. Due to not finalising the tenders, ₹ 20.20 crore (58 per cent) of allotted fund under capital outlay for up-gradation of labs, purchases of machineries, etc. was surrendered despite insufficient infrastructure in the test-checked districts and State laboratories during 2012-16. Five State laboratories were functioning without recognition of NABL and having huge shortage of essential equipment and therefore not able to conduct all the prescribed tests of food articles. Sample analysis reports were pending in labs with delay ranging from three to 48 months against norms of 14 days in nine test checked districts. Adjudication officers were required to pass final orders within 90 days from the date of first hearing. However, final orders were not passed in 2687 cases (38 per cent) even after a lapse of 90 days to 1461 days beyond the prescribed time limit of 90 days.

## JUDICIARY DEPARTMENT

### 3.2 Audit of Modernisation of Judicial Infrastructure in Lower Courts

#### 3.2.1 Introduction

The district courts and subordinate courts, which are also known as lower courts, function under administrative control of the Hon'ble High Court in each State.

A Centrally Sponsored Scheme (CSS) for the development of infrastructure facilities for the judiciary covering Hon'ble High Courts and subordinate courts was started by the Government of India (GoI) in 1993-94. The expenditure on the scheme was shared by the GoI and the State Government on 50:50 basis in respect of the States other than North-Eastern States<sup>1</sup>. The scheme was revised in 2011-12 under which only lower courts and residential quarters for judicial officers of subordinate courts were to be covered in the ratio of 75:25. From 2015-16, the ratio of funding revised to 60:40. The GoI also launched the e-Court mission mode project in 2007 for development of infrastructure relating to information and technology in judiciary.

##### 3.2.1.1 Audit scope

Audit scrutinised the records for the period 2011-16 in the offices of the District Judges (eight<sup>2</sup> out of 75 districts) from April, 2016 to July, 2016. Data and information were also collected from the offices of the Principal Secretary, Judiciary Department, Registrar General, Hon'ble High Court, Allahabad and the executing agencies carrying out construction works in the sampled districts. Exit conference was held with Principal Secretary, Judiciary Department in January 2017 and response of the Government has been considered in the report.

#### Audit findings

### 3.2.2 Financial Management

#### 3.2.2.1 Funding pattern

The funds for Judiciary Department are allocated under Grant Number 42 (Judicial Department) of Uttar Pradesh. For allotment of funds under the CSS, the State Government makes provisions in its budget for both GoI and State share. The funds are transferred to the Hon'ble High Court, for its onward release to the executing agencies for the construction of residential buildings, court rooms, etc.

<sup>1</sup> In respect of North-Eastern States, it was on 90:10 basis, which continued even after revision of norms in 2011-12.

<sup>2</sup> Allahabad, Baghpat, Ballia, Chitrakoot, Gautam Budha Nagar, Jaunpur, Kasganj and Lakhimpur Kheri.

### 3.2.2.2 Allotments and expenditure

The overall budgetary provisions, releases and expenditure under the CSS (residential buildings for judicial officers and court rooms in district and subordinate judiciary) for the period 2011-16 is given in Table 1.

**Table 1: Financial status of CSS during 2011-16**

(₹ in crore)

Year	Budget provisions (Both GoI+State Government) <sup>3</sup>	Savings	Percentage saving to provision
1	2	3	4
2011-12	135.50	7.86	06
2012-13	193.00	23.76	12
2013-14	250.00	123.72	49
2014-15	250.00	14.65	06
2015-16	400.00	231.01	58
<b>Total</b>	<b>1228.50</b>	<b>401.00</b>	<b>33</b>

(Source: Information furnished by Nyay Vibhag, GoUP)

It is evident from the above table that 33 per cent (₹ 401.00 crore) of the budget provision during 2011-16 remained unutilised.

Audit scrutiny further revealed that against the total budget provision of ₹ 1,228.50 crore, ₹ 848.50 crore and ₹ 380.00 crore were provisioned for construction of court rooms and residential buildings respectively. However, 31 per cent (₹ 260.64 crore) and 37 per cent (₹ 140.36 crore) funds provisioned for court rooms and residential buildings, respectively, could not be utilised due to the failure of the executing agencies to spend the funds owing to slow pace of works, land not being available and delays in approval of maps, etc.

### 3.2.2.3 Financial issues in sampled districts

Funds provided by the State Government are drawn by the Hon'ble High Court and transferred to the executing agencies. Financial position of eight test-checked districts for the period 2011-16 is given in Table 2.

**Table 2: Position of Releases and Expenditure of CSS during 2011-16 in test-checked districts**

(₹ in crore)

Year	Amounts released	Expenditure	Unspent amount with executing agencies
1	2	3	4
2011-12	41.92	37.17	4.75
2012-13	22.10	16.01	6.09
2013-14	30.97	27.65	3.32
2014-15	37.87	21.83	16.04
2015-16	27.13	32.25	-5.12 <sup>4</sup>
<b>Total</b>	<b>159.99</b>	<b>134.91</b>	<b>25.08</b>

(Source: Information furnished by sampled districts)

<sup>3</sup> Including budget provision for GoI share of ₹ 861.38 crore and State share of ₹ 367.12 crore

<sup>4</sup> The reason for expenditure excess to the funds released is the utilisation of funds released in previous years.



The table above indicates that in the test-checked districts, the executing agencies could not utilise ₹ 25.08 crore during 2011-16. The main reason of funds remaining un-utilised was slow pace of work by the executing agencies. In Ballia, out of ₹ 16.41 crore released to the Construction & Design Services, Uttar Pradesh Jal Nigam between November 2011 and January 2015 for the construction of 18 court rooms and 16 residences, ₹ 11.11 crore (68 per cent) remained unspent as of March 2016.

Important deficiencies noticed in financial management in the sampled districts are discussed in the succeeding paragraphs:

### **Irregular release of funds to executing agencies**

Paragraph 212 of Uttar Pradesh Budget Manual provides that releases of funds should be synchronised with physical progress of the work.

The records of two test-checked districts (Ballia and Guatam Budh Nagar), however revealed that an amount of ₹ 11.38 crore was made available as subsequent instalments to the executive agencies during 2008-15 despite negligible physical progress of works. Audit also found that the subsequent instalments were also released in cases where works were not even started. The details are given in *Appendix 3.2.1*.

Thus, releases of funds to the executing agencies without linking to the progress of works, amounts to parking of funds with the construction agencies. This indicated serious lack of financial control and grant of undue benefits to the construction agencies.

### **Accrued interest not credited in the Government account**

As per Government order (March, 1998), if funds provided by the client departments are kept in interest bearing bank accounts by the executing agencies, the interest accrued on such funds should be credited back into the Government accounts.

Records of the test-checked districts revealed that the executing agencies<sup>5</sup> earned interests<sup>6</sup> of ₹ 3.17 crore on the funds provided by the Judiciary Department during 2011-16. However, ₹ 42.59 lakh only was deposited in the Government account. As a result, in violation of the orders, accrued interest of ₹ 2.74 crore remained outside Government account with the executing agencies (*Appendix 3.2.2*).

It was further noticed that neither any action for recovery of interest was initiated by the Department nor the interest adjusted in the subsequent bills of the agencies.

***Recommendation: There should be no parking of funds by the executing agencies and advances should be released strictly as per norms.***

<sup>5</sup> Uttar Pradesh Rajkiya Nirman Nigam (UPRNN), Construction and Design Services (C&DS) and Uttar Pradesh Awas Evam Vikas Parishad (UPAEVP).

<sup>6</sup> Kept in savings and flexi bank accounts.



### 3.2.3 Programme implementation

#### 3.2.3.1 Targets and achievements under CSS

The State Government, planned to construct 500 court rooms and 400 residences for judicial officers in the district and subordinate judiciary in the five year plan (2012-17<sup>7</sup>). The status of targets *vis-à-vis* achievements is given in Table 3:

**Table 3: Targets and achievements under CSS**

Year	Court rooms			Residences			Allotment (₹ in crore)	Expenditure (₹ in crore)
	Targets	Progressive targets	Achievements (per cent)	Targets	Progressive targets	Achievements (per cent)		
2012-13	100	100	20 (20)	80	80	10 (12)	193.00	169.24
2013-14	100	180	78 (43)	80	150	10 (7)	250.00	126.28
2014-15	150	252	20 (8)	80	220	20 (9)	250.00	235.35
2015-16 <sup>8</sup>	100	332	50 (15)	80	280	50 (18)	400.00	168.99
<b>Total</b>	<b>450</b>		<b>168 (37)</b>	<b>320</b>		<b>90 (28)</b>	<b>1093.00</b>	<b>699.86</b>

(Source: Records of the Nyay Vibhag, GoUP)

As evident from the above table, the achievements against the targets were very poor and during the first four years of the scheme (2012-16<sup>9</sup>), the construction of only 37 per cent court rooms and 28 per cent residences could be completed. Financial performance was also poor as against the plan outlay of ₹ 1093.00 crore during 2012-16, ₹ 699.86 crore (64 per cent) only could be spent. Lack of effective monitoring by the Government and inability of the executing agencies to speed up the slow pace of work were the main reasons for this unsatisfactory state of affairs.

**Recommendation:** *The Government should ensure that the required number of court rooms and residences for judicial officers as envisaged in the CSS plan may be achieved formulating a time bound actionable plan.*

#### 3.2.3.2 Shortages of Court rooms and residences

The State Government did not provide the details of availability vis-à-vis requirement of court rooms and residences in the State. Audit, however, obtained status of availability of court rooms and residences in the test checked districts.

Audit observed in six out of eight test checked districts, there were shortages of the court rooms, ranging between 10 and 43 per cent as detailed below:

<sup>7</sup> Records pertaining to the year 2011-12 were not made available to audit.

<sup>8</sup> Achievements against targets were anticipated.

<sup>9</sup> 50 court rooms and 80 residences were planned to be constructed in 2016-17 under Twelfth Five Year Plan,

**Table 4: Status of court rooms in sampled districts as on 31 March 2016**

Sl. No.	District	Court rooms sanctioned	Court rooms available	Shortage of court rooms (per cent to Col. 3)	Court rooms in poor condition/ under size (per cent to Col 4)
1	2	3	4	5	6
1.	Allahabad	71	62	09 (13)	18 (29)
2.	Ballia	31	22	09 (29)	00 (00)
3.	Chitrakoot	16	14	02 (13)	07 (50)
4.	Jaunpur	37	32	05 (14)	00 (00)
5.	Kasganj	21	12	09 (43)	06 (50)
6.	Lakhimpur Kheri	29	26	03 (10)	00 (00)
<b>Total</b>		<b>205</b>	<b>168</b>	<b>37 (18)</b>	<b>31 (18)</b>

(Source: Information furnished by the sampled districts)

There was a shortage of 37 court rooms (18 *per cent*) and 31 court rooms (18 *per cent*) were in unsatisfactory condition in the test-checked districts. These shortages bound to have adverse impact on the smooth functioning of the courts.

As regards to residential accommodation for judicial officers, shortages of residences were noticed in the test-checked districts as detailed in the Table 5:

**Table 5: Status of residences in test-checked districts as on 31<sup>st</sup> March, 2016**

Sl. No.	District	Sanctioned strength of Judicial officers	Residences available	Shortage of residences	Percentage of shortages
1.	Allahabad	71	46	25	35
2.	Baghpat	14	01	13	93
3.	Ballia	31	20	11	35
4.	Chitrakoot	16	02	14	88
5.	Gautam Budh Nagar	15	02	13	87
6.	Jaunpur	37	09	28	76
7.	Kashganj	21	07	14	67
8.	Lakhimpur Kheri	29	20	09	31
<b>Total</b>		<b>234</b>	<b>107</b>	<b>127</b>	<b>54</b>

(Source: Information furnished by sampled districts)

As per directions of the Hon'ble Supreme Court<sup>10</sup>, it was mandatory to provide residential accommodation to each judicial officer. However, it is evident from the above table that there was an acute shortage of residential accommodation for judicial officers in the test-checked districts. Only 107 residences were available against the requirement of 234, thereby, leaving a shortage of 127 residences (54 *per cent*).

Audit further observed that the shortage of residences is likely to continue in future, as against 140 court rooms under construction only 78 residences (56 *per cent*) were being constructed. The construction of residential accommodation and court rooms was marred with deficiencies such as lack of

<sup>10</sup> Interlocutory Application No. 279/2010 in Writ Petition (C) No.1022/1989 in All India Judges' Association & Others Vs. Union of India & Others.

supporting infrastructure, inadequate survey, clear site not being available, delayed approval of maps, slow pace of work, etc.

### **3.2.3.3 Cost and time over-run**

Paragraph 212 of Uttar Pradesh Budget Manual prescribes various measures<sup>11</sup> to avoid cost and time over-run.

Out of 51 works taken up under the scheme in the test-checked districts, 36 works amounting to ₹ 139.43 crore were to be completed during 2011-16. The executing agency-wise status of the works is given in *Appendix 3.2.3*. Out of 36 works, costs of 16 works (original aggregate cost: ₹ 65.08 crore) were revised upwards to ₹ 121.81 crore (87 per cent increase). Hence the cost of 44 per cent works had to be revised mainly due to changes in the scope of works and delayed completion by the executing agencies. Details are given in *Appendix 3.2.4*.

### **3.2.3.4 Deficiencies in the execution of works**

Audit observed various deficiencies in the execution of works in the test checked districts. The instances noticed in the scrutiny of records of 14 works test checked, are detailed below:

#### **Constructions without supporting infrastructure**

Along with the construction of court buildings, supporting infrastructure such as administrative offices, lawyers block, litigant sheds, and residences for judicial officers, etc. were also required to be constructed to make the courts functional in all respects. Scrutiny of records, however, disclosed that construction of court buildings at Lakhimpur Kheri districts amounting to ₹ 3.44 crore, was taken up without supporting infrastructure like residential building, litigant shed, public toilets, lock-ups, etc as discussed below:

Construction of one court room at tehsil Nighasan in Lakhimpur Kheri (Cost: ₹ 0.69 crore) was commenced by PACCFED in January 2012 which was not completed as of April 2016. However, estimate of court building did not have provisions of other essential infrastructure like litigants shade, public toilets, lock-ups (male and female), etc. A revised estimate incorporating these facilities of ₹ 2.34 crore was submitted (March, 2016), which was yet to be approved by the State Government. Thus construction of court room was taken up without basic infrastructure which was essential for functioning of court.

The Government sanctioned (September, 2007) construction of two court rooms (₹ 0.34 crore) and two residences (₹ 0.25 crore) at tehsil Mohammadi in Lakhimpur Kheri at a total cost of ₹ 0.59 crore. The work was awarded to UPRNN. Further, construction of two more court rooms were sanctioned (March, 2012) in the same court complex at a cost of ₹ 2.16 crore without having planned two more residences for the judicial officers. As a result, only two residences were available against four court rooms.

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<sup>11</sup> Standardise design, alteration in design, execution of agreement, etc.

### Construction taken up without adequate surveys

Paragraph 37 of Uttar Pradesh Budget Manual prescribes that estimate should be prepared after conducting a survey of the site to determine suitability of site and feasibility of the execution of works as planned.

Test-check of records of the sampled districts, however, revealed that proper surveys were not conducted by the executing agencies prior to the commencement of four works costing ₹ 8.42 crore in Lakhimpur Kheri and Chitrakoot districts. As a result, various alterations had to be made in the construction plan resulting in time and cost over-run (₹ 10.54 crore) and other deficiencies in the construction of court buildings/residences as detailed in *Appendix 3.2.5*.

Further, in Lakhimpur Kheri, Construction of 28 residences (Type-I: 16 and Type-III: 12) commenced in October, 1998 with an approved cost of ₹ 0.63 crore. The structure of buildings, internal, external and other finishing works were completed by UPRNN in 2006 at a revised cost of ₹ 0.83 crore. The buildings could not be put to use for last 10 years due to severe water logging as these were constructed on a kiln land, the level of which was required to be raised before taking up construction work<sup>12</sup>.



Staff residences lying unoccupied in water logged condition in Lakhimpur Kheri

It was further noticed that buildings were constructed on another piece of land (without acquisition), instead of the land identified for construction, due to which a compensation of ₹ 0.80 crore had to be paid to the land owner in June, 2012. Thus, construction without adequate survey and ensuring suitability of site for led to a wasteful expenditure of ₹ 1.63 crore.

### Works taken up without ensuring clear site

Paragraph 37 of Uttar Pradesh Budget Manual provides availability of clear site, as the preconditions for taking up of work.

Audit observed that there was delay in making the land available to the executing agencies in five works amounting to ₹ 39.10 crore in two districts (Allahabad and Ballia). Audit further observed that due to unavailability of

<sup>12</sup> In order to make the buildings functional, a revised (January, 2016) estimate for ₹ 2.86 crore for construction of retaining wall, drain, earth filling, CC roads, etc., was prepared by the executing agency, which was yet to be approved.

clear sites the commencement of work delayed and cost was also revised to ₹ 49.69 crore as detailed in *Appendix 3.2.6*.

### **Delayed approval of design/maps**

As per Paragraph 212 of the Uttar Pradesh Budget Manual, approval of design is a pre-condition for taking up execution of works.

Scrutiny of records of the test-checked districts revealed that three works with original cost of ₹ 25.62 crore (revised cost ₹ 66.18 crore) in three districts (Ballia, Chitrakoot and Gautam Budh nagar) were started by the executing agencies, without approval of maps as given in *Appendix 3.2.7*.

***Recommendation:*** *The Government should make a long term comprehensive plan to provide essential infrastructure in court complexes and residences which should include timeline, budgetary outlays, modalities of construction and fix responsibility at various levels for delivery of service.*

### **3.2.3.5 Award of works without inviting tenders**

As per the orders of the Hon'ble Supreme Court<sup>13</sup> (extract circulated by the Central Vigilance Commission), the contracts by the State, its Corporations, instrumentalities and agencies must normally be granted through public auction/public tender. Further, as per Paragraph 212 of the Uttar Pradesh Budget Manual, before commencement of construction work, the Department concerned shall ensure execution of proper Agreement/Memorandum of Understanding with the work agency.

Scrutiny of records in the test-checked districts revealed that 51 works costing ₹ 237.60 crore were awarded by the Department to the executing agencies<sup>14</sup> during 2011-16 (*Appendix 3.2.8*). Of these, 43 works costing ₹ 234.83 crore were awarded to different PSUs without inviting tenders (*Appendix 3.2.9*). It was stated in reply at the districts that the works were awarded at Government level. Reply from the Government was awaited (as of January 2017).

Remaining eight works costing ₹ 2.77 crore were given to Public Works Department for execution.

Further, contrary to the provisions, the Government did not execute any agreement/MoU with these PSUs due to which neither the bid capacity of the PSUs was evaluated nor provision for imposing penalty for the delays were made to reckon the liquidated damages on account of delays on the part of construction agencies.

Further scrutiny revealed that 11 out of 36 works<sup>15</sup>, construction of which were due to be completed during 2011-16, with original cost of ₹ 73.28 crore were delayed ranging between two months to 36 months, whereas two works

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<sup>13</sup> SLP NO 10174 of 2006: Meerut Nagar Nigam vs. Al Faheem Meat Export Private Limited.

<sup>14</sup> Uttar Pradesh Rajkiya Nirman Nigam (UPRNN), Construction and Design Services (C&DS), Uttar Pradesh Jal Nigam, Uttar Pradesh Co-operative Federation Limited (PACCFED), Uttar Pradesh Awas Evam Vikas Parishad (UPAEVP) and Public Works Department (PWD).

<sup>15</sup> Out of 51 works taken up in the test checked districts.

amounting to ₹ 0.30 crore were pending<sup>16</sup> for completion even after 50 months of the scheduled dates of completion (**Appendix 3.2.10**). However, in the absence of Agreement/Memorandum of Understanding, no liquidated damages for delay in execution of works could be imposed on any of the executing agencies.

**Recommendation:**

**(i) Work to be awarded to the executing agencies (even PSUs) should only be based on tender.**

**(ii) Agreement/MoUs should be signed with executing agencies laying down terms and conditions for execution of works to make them accountable for adhering to the approved time and cost lines.**

### **3.2.4 e-Court scheme**

The Government of India introduced a project of computerisation of the Indian Judiciary in February, 2007. The Phase-I of the scheme ended on 31<sup>st</sup> March, 2015. The objective of the project was to provide services through Information and Communication Technology (ICT) for district and subordinate courts

The data/information provided by the Hon'ble High Court, Allahabad revealed that targets set under Phase-I of the scheme were achieved in activities like site preparation, ICT training for judges and staff, power back-ups (DG Sets and UPSs). However, Audit observed major shortfall in deployment of technical manpower. As against the target of providing 247 (81 System Officer and 166 System Analyst) personnel, district courts were provided 106 personnel<sup>17</sup> (57 per cent) only.

#### **3.2.4.1 Idle computer hardware**

Each court complex was to be equipped with required computer hardware such as desktops, printers, servers, scanners, projectors, etc. Each judge and his/her supporting staff was to be provided with four client machines<sup>18</sup>, three printers. Sections like filing, nazarat, etc., were to be provided with thin clients<sup>19</sup> and printer.

Scrutiny of records revealed that in four test-checked districts (Allahabad, Ballia, Jaunpur and Lakhimpur Kheri), thin client machines including monitors, keyboards and mice were supplied (three client machines per court room) between March and May in 2009, to be installed in the court rooms. Audit observed that out of 468 machines supplied in these districts,

<sup>16</sup> Construction of boundary wall in civil court, Allahabad: ₹ 16.43 lakh (revised estimate of ₹ 40.83 lakh pending for approval) and construction of office room at District Judge's residence, Chitrakoot: ₹ 13.90 lakh (revised estimate of ₹ 36.54 lakh pending for approval)

<sup>17</sup> 59 SO + 47 SA.

<sup>18</sup> It was clarified (April 2010) by the Hon'ble High Court, Allahabad, that two client machines would be installed in each court room.

<sup>19</sup> A thin client is a light weight computer that is purpose-built for remoting into a server. It depends heavily on another computer (its server) to fulfill its computational roles.



208 machines<sup>20</sup> (44 per cent) amounting to ₹ 27.87 lakh were lying idle without utilisation for more than five years as of July 2016.

### 3.2.5 Monitoring

As per the scheme guidelines, a DLMC<sup>21</sup> was to be set up for monitoring of works in each district. The committee was to submit a quarterly report regarding works undertaken under the scheme to the State Level Monitoring Committee headed by the Chief Secretary/Planning Secretary.

Scrutiny of records in the test-checked districts revealed that no report was submitted to the State Level Monitoring Committee by any of the test checked districts during 2011-16. This indicated the inadequacy of monitoring under scheme by the agencies concerned.

***Recommendation: The Government should initiate a prompt and effective monitoring with all executing agencies at the Government as well as district level to ensure timely completion of work.***

### 3.2.6 Limitations

Audit was constrained as very limited data/information was furnished by the department. Besides, most of the audit observations were not responded to by the department. Moreover, Uttar Pradesh Processing and Construction Co-operative Federation Limited (PACCFED), despite repeated reminders did not furnish data/information, sought for in connection with the works executed under CSS. All these constrained the efficacy of audit and our findings.

### 3.2.7 Conclusion

In sum, financial management was inadequate as 33 per cent budgeted amounts remained unspent. Funds were released to the executing agencies without assessing needs and were also unnecessarily provided as advances resulting in parking of funds in violation of rules. Executing agencies continued to earn interest on deposits made from Government advances, which were not credited back to Government account. Implementation was weak as merely 37 per cent of court rooms and 28 per cent of residences were constructed against the targets set under Twelfth Five Year Plan. The award and execution of works were faulty as works were awarded without inviting tenders and signing any agreements/MoUs with executing agencies. The executing agencies therefore lacked accountability and considerably delayed execution of works. Further, the constructions were taken up without carrying out proper surveys, approval of maps and unavailability of clear sites resulting in time and cost over-run and deficient execution of works.

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<sup>20</sup> Allahabad: 114 machines (₹ 15.93 lakh); Ballia: 27 machines (₹ 3.62 lakh); Jaunpur: 45 machines (₹ 6.03 lakh) and Lakhimpur Kheri: 22 machines (₹ 2.95 lakh)

<sup>21</sup> Consisting of the District Magistrate, the District Judge or equivalent and the Executive Engineer, Public Works Department.



## MEDICAL EDUCATION DEPARTMENT

### 3.3 Audit on Equipment Management in Medical Colleges of Uttar Pradesh

#### 3.3.1 Introduction

Uttar Pradesh is the most populous State in the country and have public health indicators far below the national average. Inadequacy of infrastructure available in medical colleges and their associated teaching hospitals are areas of serious concern in the State which needs to be addressed on priority. The Medical Education Department is responsible for establishment and maintenance of well-equipped medical colleges including teaching institutions, which are the premier referral centres for peripheral hospitals.

Medical Education Department, Government of Uttar Pradesh (GoUP) functions under the overall supervision of the Principal Secretary. At the Departmental level, Director General Medical Education and Training (DGMET) is responsible for developing human resources in the health sector and to improve the standards of medical education both at undergraduate and post-graduate levels in the field of Medical sciences. DGMET is assisted by two Additional Directors, two Joint Directors and a Finance Controller. The Principals of respective State Medical Colleges report directly to DGMET.

There are nineteen<sup>1</sup> Government Medical Colleges/Institutions (GMCs) in the State as of March 2016. An expenditure of ₹ 11,230.32 crore was incurred by the Medical Education Department during 2011-16.

Out of 19 GMCs, four viz; King George Medical University, Lucknow (KGMU, Lucknow), Lala Lajpat Rai Memorial, Medical College, Meerut (LLRM, Meerut), Baba Raghav Das, Medical College, Gorakhpur (BRD, Gorakhpur) and Maharani Laxmi Bai, Medical College, Jhansi (MLB, Jhansi) were selected for audit by using SRSWOR<sup>2</sup> method.

Allotment of funds to the four test-checked GMCs and expenditure thereof during 2011-16 are given below:

**Table 1: Details of allotment and expenditure of four test-checked GMCs**

Name	2011-12		2012-13		2013-14		2014-15		2015-16		Grand Total	
	A	E	A	E	A	E	A	E	A	E	A	E
BRD, Gorakhpur	48.69	48.6	59.98	59.65	90.56	82.11	149.45	140.84	103.67	94.93	452.35	426.13
MLB, Jhansi	119.47	52.13	54.99	47.88	154.6	146.91	164.04	151.66	116.13	108.94	609.23	507.52
LLRM,, Meerut	63.36	63.13	65.29	59.62	86.88	65.62	69.67	66.87	101.61	97.23	386.81	352.47
KGMU, Lucknow	311.71	311.38	396.52	383.03	482.24	467.92	419.75	408.28	466.2	461.81	2076.42	2032.42
<b>Total</b>	543.23	475.24	576.78	550.18	814.28	762.56	802.91	767.65	787.61	762.91	3524.81	3318.54

<sup>1</sup>State Government : 16 GMCs and Central Government: 03 GMCs

<sup>2</sup>SRSWOR- Simple Random Sampling without replacement.

As evident from Table-1 above, out of a total allotment of ₹ 3524.81 crore, the four GMCs incurred an expenditure of ₹ 3318.54 crore, i.e. 94 *per cent*. However, MLB, Jhansi spent only 83 *per cent* of the funds allocated during 2011-16, leaving an unspent balance of 17 *per cent*.

### **Audit Findings**

#### **3.3.2 Financial Management**

##### **3.3.2.1 Operation of Personal Ledger Account**

Uttar Pradesh Personal Ledger Account Rules, 1998 provides that Personal Ledger Account (PLA) can be opened in the name of Head of Offices with the consent of Accountant General.

However, as per the information made available by the Accountant General (A&E), Uttar Pradesh, the authority for operating the PLA was granted up to March 2008 for managing the expenditure of KGMU only. Further, no extension was granted beyond the period of March 2008.

It was observed that all the four test-checked GMCs were parking funds in PLA of KGMU, Lucknow in violation of the above mentioned provisions. The other irregularities while parking the funds in PLA by the GMCs are discussed below:

As of March 2016 an amount of ₹ 155.71 crore pertaining to the four test-checked GMCs was parked in the PLA of the KGMU Lucknow as detailed below:

**Table 2: Details of funds kept in PLA as of March 2016**

(₹ in crore)		
Sl. No.	Name	Amount kept in PLA
1	King George Medical University, Lucknow	96.00
2	Lala Lajpat Rai Memorial, Medical College, Meerut	18.27
3	Baba Raghav Das, Medical College, Gorakhpur	27.38
4	Maharani Laxmi Bai, Medical College, Jhansi	14.06
<b>Total</b>		<b>155.71</b>

Further scrutiny revealed that Government issued (July 2013 to March 2016) orders to various medical institutions (14 GMCs including the four test-checked GMCs, Director, Ayurved Services and Director General, Medical and Health Services) that the amount released for procurement of equipment such as Ventilator, Digital microtome rotary, C-Arm image intensifier, General Laparoscopy set (HD) etc. vide various orders (July 2013 to March 2016) instructed that the amount should be kept in PLA account of KGMU, Lucknow and shall be withdrawn as and when required with the approval of Finance Department and countersignature of the DGMET. Audit observed that an amount of ₹ 527.40 crore (including ₹ 155.71 crore pertaining to four test-checked GMCs) was parked in the PLA of Finance Officer, KGMU, Lucknow (July 2013 to March 2016).

Out of the amount of ₹ 527.40 crore parked in PLA of KGMU, Lucknow, a sum of ₹ 361.59 crore was transferred to respective GMCs and Director, Ayurved Services up to June 2016 while a sum of ₹ 165.81 crore remained parked in PLA of KGMU, Lucknow as of June 2016 as shown below:

**Table 3: Year-wise position of funds parked in PLA of KGMU, Lucknow and released there from**

(₹ in crore)

Year	Opening Balance	Amount Parked	Amount Released	Closing Balance
2013-14	0.00	204.80	0.00	204.80
2014-15	204.80	147.19	128.03	223.96
2015-16	223.96	175.41	160.36	239.01
2016-17 (upto 6/16)	239.01	Nil	73.20	165.81

(Source: KGMU, Lucknow)

The parking of funds in PLA not only violated the financial rules but also deprived the patients of adequate health care as essential equipment could not be procured in time as discussed in paragraph 3.3.3.

Government accepted the audit observation and directed KGMU to obtain necessary permission from AG as required under extant rules.

### 3.3.2.2 Diversion of funds

As per General Financial Rules, 2005, it is the duty and responsibility of a controlling officer in respect of funds placed at his disposal to ensure that the expenditure is incurred for the purpose for which funds have been provided.

Scrutiny of budget documents of KGMU, Lucknow revealed that funds sanctioned for the procurement of equipment was diverted for incurring expenditure on salaries (₹ 45 crore) and for other obligatory expenses (₹ 25 crore) such as payment of house tax, water tax, electricity, medicines etc. without obtaining approval of the Government.

In reply, it was stated (August 2016) that in order to meet out the committed liability of payment of salaries and other obligatory expenses, the aforementioned amount was drawn from the funds earmarked for procurement of equipment after obtaining approval of the Finance Committee of KGMU. Reply was not acceptable as prior approval of the Government was not obtained and the Finance Committee of KGMU was not authorised to regulate such diversions.

***Recommendation: Government should enforce effective control systems to discourage parking of funds in PLAs and to ensure that funds are utilised for the purposes for which it was sanctioned.***

### 3.3.2.3 Interest on Government Funds

Government of Uttar Pradesh (GoUP) instructed<sup>3</sup> (March 2012) that interest accrued out of Government funds must be deposited in Government account.

<sup>3</sup>A-1-122/10/2012/10(33).2010 Finance (Accounts) Section-1 Lucknow, dated 21.3.2012

Test-check of records of KGMU revealed that during 2011-16, an amount of ₹ 210 crore was provided by the Government for procurement of equipment. Audit observed that an unspent amount of ₹ 58.53 crore pertaining to the period 2011-16 was parked in savings bank account as of March 2016. The minimum interest accrued on the amount kept in bank account was ₹ 2.83 crore.

Against the aforementioned accrued interest of ₹ 2.83 crore, KGMU deposited only ₹ 0.95 crore in Government account as of March 2016 and ₹ 1.88 crore was yet (December 2016) to be deposited by KGMU in Government account.

Government confirmed the facts and figures and stated that directions would be issued to KGMU, Lucknow for depositing the amount of interest in Government accounts.

### **3.3.3 Equipment Management**

#### **3.3.3.1 Shortage of Clinical Equipment**

Audit observed that all the four associated teaching hospitals had shortage of clinical equipment which was as high as 43.24 *per cent* against the minimum requirements prescribed by MCI. GMC-wise position of availability and shortage of clinical equipment is given in Table 4:

**Table 4: Details of shortage of clinical equipment**

Name of Medical Institution	Number of clinical departments	Minimum Quantity required as per MCI norms	Quantity available	Shortfall	Percentage of shortfall
LLRM, Meerut	11	2,535	1,018	1,517	59.84
BRD, Gorakhpur	11	1,683	1,225	458	27.21
MLB, Jhansi	12	1,714	1,081	633	36.93
KGMU, Lucknow	11	2,916	1,698	1,218	41.77
<b>Total</b>	<b>45</b>	<b>8,848</b>	<b>5,022</b>	<b>3,826</b>	<b>43.24</b>

(Source: Information furnished by respective GMCs)

Department-wise details of shortage of clinical equipment in the test-checked teaching hospitals are given in *Appendix 3.3.1*.

The GMCs did not initiate adequate measures to procure the clinical equipment despite availability of ₹ 165.81 crore in the PLA of KGMU, Lucknow meant for all the GMCs in the State. Large shortages of clinical equipment not only had an adverse impact on quality of education imparted to students but also affected health care service delivery to general public in these areas.

Government accepted the facts and assured that suitable action would be taken to mitigate the deficiencies as pointed out by audit.

#### **3.3.3.2 Shortage of teaching equipment**

There was shortage of teaching equipment (other than clinical) in all the test-checked GMCs against the minimum requirements prescribed by MCI. The shortfall ranged between 50.06 to 72.37 *per cent* in the test-checked GMCs (March 2016) as detailed in Table 5:

**Table 5: Details of shortage of equipment (other than clinical)**

Name of Medical Institution	Number of departments (other than clinical)	Minimum Quantity required as per MCI norms	Quantity available	Shortfall	Percentage of shortfall
LLRM, Meerut	08	6,037	2,240	3,797	62.90
BRD, Gorakhpur	08	4,477	1,955	2,522	56.33
MLB, Jhansi	08	4,477	2,236	2,241	50.06
KGMU, Lucknow	07	7,310	2,020	5,290	72.37
<b>Total</b>	<b>31</b>	<b>22,301</b>	<b>8,451</b>	<b>13,850</b>	<b>62.10</b>

(Source: Information furnished by respective GMCs)

Department-wise details of shortage of equipment (other than clinical) in the test-checked GMCs are given in **Appendix 3.3.2**.

The GMCs did not initiate adequate measures to procure the clinical equipment despite availability of funds as discussed in para 3.3.3.1 above. The huge shortage of teaching equipment not only affected the quality of education but may also attract de-recognition of courses in certain departments/GMCs by MCI.

Government accepted the facts and figures and assured to take suitable action to mitigate the deficiencies.

**Recommendation:** *The system of procurement of equipment in the GMCs need to be streamlined and closely monitored for ensuring timely procurement and availability of equipment in the teaching hospitals.*

### **3.3.3.3 Idle Clinical Equipment**

Apart from the shortage of equipment pointed out above, audit also noticed that equipment purchased were not put to use in two out of four GMCs as detailed below:

#### ***MLB, Jhansi***

The only Cobalt Teletherapy and Brachytherapy unit purchased in September 2006 for ₹ 1.76 crore for providing adequate treatment to cancer patients was kept idle since 2009 as Medical Physicist and Radiotherapy technician were not available. During physical verification by Audit in June 2016, Cobalt Teletherapy and Brachytherapy unit were found idle and locked in a room of the department.

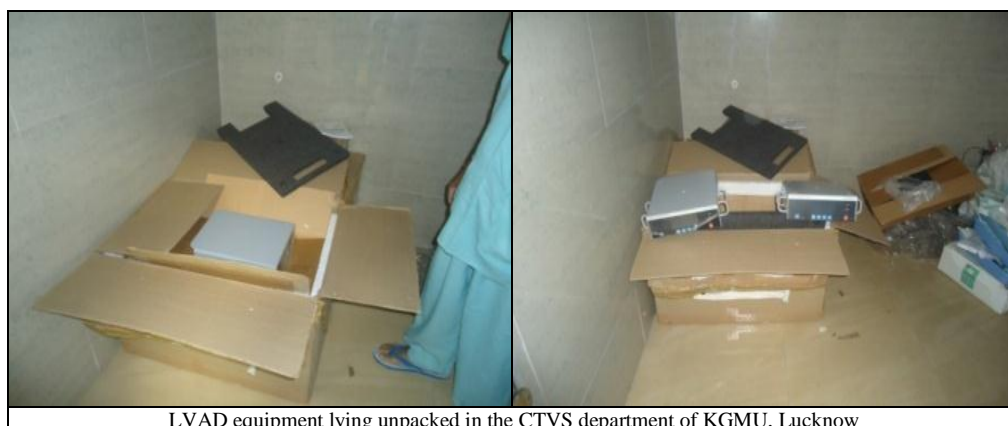
Bio-chemical Analyser for Biochemistry Department was procured in June 2011 for ₹ 22.99 lakh. However, the equipment was not functioning since March 2013. Head of the department (HOD), MLB, Jhansi stated that an AC and distilled water plant was required for proper functioning of the equipment which was not available.

#### ***KGMU, Lucknow***

A Left Ventricular Assist Device (LVAD) was procured for ₹ 93.80 lakh in November 2014 for Cardiothoracic and Vascular Surgery Department. The

said equipment is used for performing heart transplant in patients. However, audit found that the equipment was procured without obtaining permission for performing organ transplantation of heart/lungs under the Transplantation of Human Organ Act, 1994. The necessary permission for transplantation was obtained belatedly from DGMET in June 2016. However, no action was initiated by KGMU to operationalise the equipment.

During the course of physical verification by audit in August 2016, it was found that the said equipment was not installed even after nearly two years of its purchase and was lying unpacked in the Department as depicted below.



On being pointed out by audit; it was stated by the HoD of Cardio Thoracic Vascular Surgery department that the said equipment could not be put to use as Nephrologist was not available.

Hence, purchases in these cases were made without ensuring availability of required infrastructure, accessories, qualified staff etc., and the objective of procurement of the equipment was defeated as no heart transplant surgery could be conducted by the Department since the period of its purchase. Further, the investment of ₹ 2.93 crore, also remained largely unfruitful.

Government, while accepting the facts assured that matter would be investigated. Reply was not acceptable as KGMU failed to ensure the availability of Nephrologist before procurement of the equipment.

#### **3.3.3.4 Maintenance of clinical equipment**

In order to ensure proper functioning of the equipment, maintenance should be carried out, as prescribed. As such, provision for Annual Maintenance Contract (AMC) must be ensured once the warranty period was over.

It was noticed that out of 212 equipment installed in 15 Departments of MLB, Jhansi, 76 equipment costing ₹ 2.74 crore were not in working condition due to lack of AMC. Similarly, in BRD, Gorakhpur, equipment like Colposcope (used for screening of cases of cervix cancer), Nd-YAG Laser (used for intraepithelial lesion treatment), NST machine (used for Foetal monitoring during labour) and USG machine (used for Prenatal diagnosis and gynaecological diagnosis) were not functional for more than five years due to lack of AMC. In KGMU, Lucknow, two<sup>4</sup> equipment purchased at an aggregate

<sup>4</sup> Roche Cobas Integra 400 plus; Roche Elecsys 2010



cost of ₹ 48.00 lakh in 2008-09 for conducting bio-chemical and hormonal tests and installed in the Endocrinology Unit of Medicine department were not functional due to lack of AMC.

Thus the GMCs were not able to conduct tests for cervix cancer, foetal monitoring, pre-natal diagnosis, bio-chemical and hormonal tests etc.

It was further observed that 218 equipment (21.5 per cent) installed in 11 departments of BRD, Gorakhpur and 94 equipment (9.86 per cent) in 10 departments of MLB, Jhansi were not covered under AMC. Requests for allocation of funds of ₹ 1.05 crore in October 2015 and ₹ 1.01 crore in May 2016 were sent by the Principals of these colleges to DGMET for AMC. However, as of August 2016, no funds were allocated to these GMCs.

Government while accepting the facts and figures stated that budgetary provisions would be made for maintenance of equipment.

### 3.3.3.5 Procurement of clinical equipment

#### Magnetic resonance imaging

Magnetic resonance imaging (MRI) is a medical imaging technique used in radiology to image the anatomy and the physiological processes of the body. MRI scanners use strong magnetic fields, radio waves and field gradients to form images of the body.

Government sanctioned (July 2013) ₹ eight crore for procurement of MRI machine for BRD, Gorakhpur and the order was placed in September 2014 and supply received in May 2015.

Audit examination of the procurement records disclosed that:

Despite large value of the procurement order, BRD, Gorakhpur allowed only 15 days for submitting the bids after issue of notice inviting tender (NIT) against the requirement of providing minimum of one month for submission of bids as per rules<sup>5</sup>;

After two unsuccessful attempts, NIT was issued third time in January 2014 and the technical bids were opened by the Purchase committee in February 2014. Against the three bids received, two firms qualified the technical bids. The financial bids of two firms were opened by the Purchase committee in March 2014 and the lowest bid of ₹ 11.75 crore was shortlisted. Keeping in view of shortage of funds, the members of the purchase committee negotiated<sup>6</sup> with the lowest bidder who agreed to provide MRI unit with required accessories and turnkey price (inclusive of all taxes and duties) at a cost of ₹ 8.00 crore. However, the warranty period was reduced from five to two years. GoUP approved the proposal (August 2014) with the condition that warranty period should be for five years. However, audit noticed that in disregard of the Government approval, BRD, Gorakhpur issued (September 2014) order for purchase of the MRI unit with warranty period of two years only. The machine was delivered in May 2015. Hence, BRD, Gorakhpur

<sup>5</sup> Para 360(2) of financial hand book Volume-6.

<sup>6</sup> Negotiation meeting was held on 14 March 2014.



extended undue favour to the supplier by reducing the warranty from five to two years. If the AMC cost of ₹ 32.00 lakh per year is taken as basis, then the amount of undue favour would work out to ₹ 96 lakh being the cost of three years warranty period which was reduced.

The time specified for delivery in case of imported items was 90 days from the date of issue of purchase order failing which a penalty of 0.5 per cent per week subject to a maximum of 5 per cent of FOB value was to be imposed. However, despite a delay of more than 5 months in the delivery of MRI unit, no penalty was imposed by BRD, Gorakhpur resulting in undue benefit of ₹ 40 lakh to the vendor towards liquidated damages.

Various clauses of tender document were disregarded while awarding the contract to the bidder such as (i) the tender document stipulated that Sales tax, VAT, entry tax, excise and custom duty and all other charges and Government duties must be included in the prices quoted. However, the bidder in their financial bid quoted rates exclusive of taxes and duties; (ii) the tender document specified providing of manpower, reporting and maintenance work for three years, however, the bidder in their bid refused to undertake the responsibility of manpower and reporting etc.

The Company quoted their bid for supplying Magnetom, Model-Aera 1.5 T MRI unit, however, during the course of physical verification (May 2016) of MRI unit installed, audit noticed that name of the model was not printed in the unit though the brochure submitted against the NIT explicitly indicated the model name printed in the unit.

Though, the machine was installed in September 2015, it was not taken over by the Radio diagnosis Department of BRD, Gorakhpur as of May 2016.

On being pointed out in audit, BRD Gorakhpur stated that the specification of the MRI unit would be confirmed from the supplier and would be intimated separately to Audit. BRD accepted that the requisite staff to operate the MRI unit was not available with them.

Government while accepting the facts directed Principal, BRD, Gorakhpur to bring further facts to the notice of the Government.

### **Cobalt 60 unit**

Cobalt-60 unit is used to give radiation therapy to cancer patients. Government sanctioned (October 2014) ₹ 3.50 crore for establishment of Cobalt-60 unit at BRD, Gorakhpur. The first and second Notice Inviting Tenders (NITs) issued (November 2014 and December 2014) were cancelled due to receipt of less than three bids. The third NIT was published on January 2015 with date of opening of technical bid on 03rd February 2015. However, on the request of two firms, the date of opening of bid was extended to 10th February 2015.

It was noticed that only two bids were received against the third NIT and both firms qualified the technical specifications. The financial bids were opened (February 2015) and the rate of ₹ 4.34 crore (inclusive of five years warranty, taxes and duties, turnkey price and Comprehensive Maintenance Contract (CMC) cost was found to be the lowest. As the availability of funds for

procurement of cobalt unit was ₹ 3.50 crore only, the purchase committee negotiated (March 2015) with the firm and cost of the Cobalt-60 unit was agreed at ₹ 3.50 crore excluding CMC price but including warranty, taxes and reduced turnkey. The cost of CMC excluded was ₹ 61.50 lakh.

Audit noticed following irregularities in the procurement:

NIT stipulated a technical requirement that the vendor should have supplied 10 units of the same model in India. Audit however, observed that this essential condition was not met by PMTPL as it had supplied only 6 units in India. Despite this, PMTPL was declared technically qualified and its financial bid was opened.

Audit observed that the details of technical specifications were shared with PMTPL before issue of first NIT in November 2014. The fact was evident from the letter of the firm (October 2014) wherein the firm suggested modifications in various technical specifications of the Cobalt-60 unit. The college, accordingly, revised the technical specifications to match the specifications of the Cobalt-60 unit proposed for supply by PMTPL. It was highly irregular on the part of BRD, Gorakhpur to share technical specifications with a specific vendor even before the issue of NIT and formulate the specifications based on suggestions of only one vendor.

The scope of turnkey work was reduced in the revised offer by the firm which included only basic room modification, electrification and air-conditioning of the cobalt room. Due to reduction in the scope of the turnkey work, the cost of the turnkey was revised from ₹ 23.50 lakh to ₹ 11.79 lakh in the revised offer submitted after negotiation. Since the cost of CMC excluded was ₹ 61.50 lakh, it was improper on the part of the purchase committee to accept reduction in the scope of the turnkey project, as the cost of ₹ 3.50 crore was inclusive of full turnkey cost.

The approval of Atomic Energy Regulatory Commission (AERC) before placing the order was not obtained which was contrary to the existing norms.

The supply order was issued (June 2015) and the equipment was received in December 2015 but could not be installed as of May 2016 due to the turnkey work still remaining incomplete.

### **Extra expenditure on procurement of Ventilators**

Scrutiny of records related to procurement of Ventilators by KGMU, Lucknow revealed that 15 ventilators for Trauma Centre, New ICU were purchased for ₹ 3.66 crore at the rate of ₹ 24.42 lakh each. However, KGMU purchased the ventilators (August 2015) without ensuring the genuineness of the rates which was evident from the fact that the same equipment was supplied to SGPGI, Lucknow (March 2015) by the same firm at the rate of ₹ 18.36 lakh per ventilator. Thus, lack of proper due diligence and absence of rate analysis resulted in an excess payment of ₹ 90.90 lakh<sup>7</sup> by KGMU, Lucknow in procurement of 15 ventilators.

<sup>7</sup> ₹ 24.42 - ₹ 18.36x15 = ₹ 90.90 lakh.

Government assured to submit specific reply on the issue to audit shortly.

### **3.3.3.6 Tendering procedure**

Audit observed that KGMU, Lucknow was not following correct procedure for tendering and procurement of equipment as laid down in Financial Handbook. Audit scrutiny of the tender records for procurement of the equipment by KGMU, Lucknow for 2014-15 revealed that:

First Notice Inviting Tender (NIT) for procurement of equipment for various Departments of KGMU was issued in December 2014. As minimum required number of bids were not received, second and third NITs were issued in January and February 2015 respectively. However, the number of days provided for submitting the bids in second and third NITs were reduced to 16 and 9 days respectively against the minimum prescribed period of one month.

Before issuing the second and third NITs, KGMU did not cancel the earlier NITs and instead considered all bids which were received during first, second and third NITs while finalising the procurement of equipment.

It was stipulated in the second and third NITs that the firms who had already submitted their bids in response to first or second NITs should not apply again.

It was also noticed that the same procedure was adopted by KGMU, Lucknow during the previous years also which was not in consonance with the prescribed financial rules and tendering procedure.

Government accepted the audit observation and assured to issue necessary directives to KGMU.

***Recommendation: Prescribed financial Rules and tendering procedure should be strictly adhered in procurement of equipment.***

### **3.3.4 Conclusion**

GMCs did not procure clinical and teaching equipment though adequate funds were provided by the Government, resulting in shortages of equipment.

The GMCs failed to provide adequate treatment to cancer/heart patients as equipment such as Cobalt Teletherapy, Brachytherapy unit, Left Ventricular Assist Device, etc. were not being operated in hospitals due to lack of doctors/technical personnel/infrastructure. The GMCs did not execute Annual Maintenance Contract for equipment. As a result, the machines were not functional and tests for cervix cancer, foetal monitoring, prenatal diagnosis, bio-chemical and hormonal tests etc. could not be conducted.

GMCs violated the provisions of General Financial Rules while procuring equipment by extending undue favour to suppliers and purchasing equipment at a higher rate.

Financial management of the GMCs was not adequate as there were instances of retention funds for long periods in PLA, diversion of funds, etc. This not only violated the provisions of financial rules but also deprived the patients of adequate health care as essential equipment were not procured in time.

## AGRICULTURE DEPARTMENT

### 3.4 Delay in construction of independent feeder line

**Project for construction of independent feeder line for operation of tube wells in a Government farm could not be completed even after a delay of nine years and releasing 100 per cent of the project cost. The Department suffered a loss of ₹ 1.12 crore as no seeds could be produced in 591.91 hectare land and the expenditure of ₹ 1.60 crore incurred on construction of feeder line remained unfruitful.**

Financial rules<sup>1</sup> stipulate that agreements for works should invariably be in writing and there should generally be a stipulation prescribing the time frame for completion of work and the quantity of work to be executed. Rules<sup>2</sup> also provide that even in cases where a formal written contract is not made, no order for supplies etc., other than petty purchase up to ₹ 500, should be placed without at least a written agreement as to price.

With a view to increase the production of seeds in Government agriculture farms under the 'Scheme for increase in production of seeds in Government Agriculture Farms year 2006-07', Government accorded administrative sanction (December 2006) for ₹ 1.12 crore to establish 11 KVA independent feeder line from Sandila sub-station to *Rajkiya Usar Sudhar Prakshetra, Dhakauni, Hardoi* (Farm) to operate 40 tube wells established in the Farm by making 1448.48 hectare sodic farm land arable. No time frame was prescribed in the Government sanction for completion of the work.

Scrutiny of records of Farm Superintendent, *Rajkiya Usar Sudhar Prakshetra, Mohammadpur, Hardoi* (RUSP) (July 2014) and Finance Controller, Agriculture Directorate, UP, Lucknow (March-April 2015) revealed that the Agriculture Department paid<sup>3</sup> entire cost of ₹ 1.12 crore (January 2007) in advance to Executive Engineer, Electricity Distribution Division-II, Hardoi (EE) of UP Power Corporation Limited (UPPCL) for construction of 11 KVA independent feeder line, without executing any agreement or Memorandum of Understanding (MoU). As per the work order, work was to be completed in the year 2006-07.

Audit observed (May 2016) that the work of construction of 11 KVA independent feeder line had not been completed even after nine years of the original schedule date of completion and payment of full amount in advance to the UPPCL. It was noticed that EE had installed poles only and all remaining items of work costing 88 per cent of the original project cost were yet to be executed as of May 2016. The Department failed to take any action against the UPPCL by levying liquidated damages as it had neither signed any agreement nor entered into any kind of MoU to make the UPPCL accountable.

<sup>1</sup> Financial Hand Book Vol. VI, para 351

<sup>2</sup> Financial Hand Book Vol. V, Appendix XIX (4)

<sup>3</sup> Bank Draft no. 127412 dated 17.01.2007.

Further, Agriculture Department also paid an additional sum of ₹ 48.19 lakh<sup>4</sup> during April 2007 to December 2011 to EE on demand, over and above the original approved project cost of ₹ 1.12 crore for additional items of work. These additional items of work also remained incomplete as of May 2016.

Delay in completion of 11 KVA independent feeder line resulted in Department not being able to produce seeds over 591.91 hectare (out of 1,448.48 hectare) land due to unavailability of electricity to operate tube wells for irrigation. On this being pointed out by Audit, Superintendent, RUSP stated (May 2016) that work of independent feeder line was not completed by UPPCL despite reminders. Reply of the Superintendent was not acceptable as the Department neither signed any MoU nor linked the payment terms with the progress of work and released additional payments also without insisting on completion of work. It also did not get the matter investigated. In reply to an audit query, Superintendent, RUSP stated that Department was incurring a loss of ₹ 12.40 lakh per year on account of seeds not being produced in 591.91 hectare land.

The matter was referred to the Government (June 2016). Government replied (January 2017) that report would be sent after detailed investigation of the matter.

The fact remains that due to lapses on the part of the Department of Agriculture, the project for construction of independent feeder line could not be executed even after a delay of nine years and releasing 100 *per cent* of the project cost. Further, Agriculture Department also suffered a loss of ₹ 1.12 crore<sup>5</sup> on account of seeds not being produced in 591.91 hectare land and rendering the expenditure of ₹ 1.60 crore incurred so far on construction of feeder line as unfruitful. The matter needs investigation for fixing responsibility.

### **3.5 Loss on production of seeds due to not taking possession of land transfer by Yamuna Expressway Authority**

**Government incurred loss of ₹ 1.22 crore on production of seeds due to the failure of Agriculture Department in getting possession of alternate land in lieu of land provided to Yamuna Expressway Authority.**

Government granted permission (July 2009) to the Yamuna Expressway Authority (authority) to acquire 8.882 hectare land of state farm *Raya*<sup>6</sup>, Mathura for construction of Yamuna Expressway. Further, it was decided (September 2009) by the Government that alternate land indentified by a joint team<sup>7</sup> would be transferred by the Authority to the Agriculture Department (Department) at the earliest in lieu of acquired land.

Scrutiny of records (March 2015 and June 2016) of Deputy Director (Research), Regional Agriculture Testing and Demonstration Centre, Mathura (RATDC, Mathura) revealed that 8.882 hectare land<sup>8</sup> (21.947 acres) of

<sup>4</sup> Receipt no. 01/025083 dated 25.4.2007 : ₹ 19.11 lakh, cheque no 345889 dated 21.10.2009 : ₹ 18.14 lakh, cheque no. 602135 dated 13.12.2011 : ₹ 10.94 lakh.

<sup>5</sup> @ ₹ 12.40 lakh per year.

<sup>6</sup> Tehsil Mant Gram Dewana, Suraj, Tehsil Mahawan Gram Dhaku.

<sup>7</sup> Consist of District Agriculture Officer, concerned Sub District Magistrate, representative of authority and Concessionaire.

<sup>8</sup> District Mathura, Tehsil Mant Gram Dewana 5.5513 hectare(13.717 acres), Gram Suraj 1.1909 hectare (2.943 acres), Gram Dhaku 2.1398 hectare(5.287 acres). One acre is equal to 0.4047 hectare.

agriculture research farm at *Raya* was transferred (September 2009) to the Authority by the Department. As per circle rate<sup>9</sup> of year 2008, cost of land was ₹ 1.62 crore<sup>10</sup> which was valued for ₹ 10.87 crore<sup>11</sup> as per revised (September 2015) circle rates. In lieu of the acquired land, the Authority transferred (June 2010) 8.882 hectare<sup>12</sup> alternate land to the Department through a *Kabza Adhikar Patra* which was jointly signed by the officers of Authority and Department.

Audit observed that the Department did not initiate any action to take possession of the alternate land and did not get its name entered in revenue records even after a lapse of five years of transfer of land to the Department by the Authority. Further, in view of transfer of 8.882 hectare land to the Authority, the farming of seeds could also not be initiated on the alternate land due to failure of the Department to take possession of land. As such, the seeds worth ₹ 1.22 crore<sup>13</sup> could not be produced in the farm resulting in loss of ₹ 1.22 crore.

On this being pointed out by Audit, RATDC, Mathura replied (June 2016) that the Authority got the *Kabza Adhikar Patra* signed (June 2010) by misleading the officers and the alternate land was still in name of the Authority in revenue records. However, correspondence was being made to take possession of the land. Reply was not acceptable as the Department failed to take effective action and obtain possession of the land from the Authority even after six years of transferring its land to the Authority.

The matter was referred to the Government (June 2016). Government replied (January 2017) that report would be sent after detailed investigation of the matter.

Thus, due to failure of the Department in getting physical possession of the land (₹ 1.62 crore) in exchange of the land transferred to the Authority seeds worth ₹ 1.22 crore could not be produced.

## BACKWARD CLASS WELFARE DEPARTMENT

### 3.6 Unfruitful Expenditure on construction of Other Backward Class girls hostel

**Expenditure of ₹ 1.16 crore incurred on construction of Girls hostel buildings for students of Other Backward Class was rendered unfruitful as hostels were lying unutilised for more than four to six years.**

To provide adequate hostel facilities to girl students of Other Backward Classes (OBCs), Government of India (GoI) introduced a scheme in 1998-99

<sup>9</sup> Gram Dewana ₹ 8 lakh, Gram Suraj ₹ 7 lakh and Gram Dhaku ₹ 6 lakh per acres.

<sup>10</sup> 13.717 acres: ₹ 109.75 lakh, 2.943 acres: ₹ 20.60 lakh, 5.287 acres: ₹ 31.72 lakh.

<sup>11</sup> Gram Dewana 5.5513 hectare @ ₹ 120 lakh per hectare: ₹ 666.15 lakh, Gram Suraj 1.1909 hectare @ ₹ 120 lakh per hectare: ₹ 142.90 lakh, Gram Dhaku 2.1398 @ ₹ 130 lakh per hectare: ₹ 278.17 lakh.

<sup>12</sup> Gram Dewana khasra no.482 me: 5.482 hectare, khasra no. 486: 1.664 hectare, khasra no 487 aa ba:1.736 hectare (total 8.882 hectare)

<sup>13</sup> Year 2009-10 ₹ 19.11 lakh, Year 2010-11 ₹ 19.31 lakh, Year 2011-12 ₹ 18.28 lakh, Year 2012-13 ₹ 18.38 lakh, Year 2013-14 ₹ 20.65 lakh, Year 2014-15 ₹ 26.76 lakh.



with 50 per cent central assistance for construction of hostels in the States/UTs with large OBC population but having inadequate hostel facilities.

Scrutiny of records of District Backward Class Welfare Officer (DBCWO), Hardoi (January 2014) and further information collected (April 2016) revealed that a proposal for construction of 39 seat girls hostel in the campus of Government Girls Intermediate College, Pihani, Hardoi, was prepared by District Inspectors of School after assessment of requirement and it was sent (April 2006) to Director, Backward Class Welfare, Uttar Pradesh, Lucknow through District Magistrate, Hardoi. Government approved the proposal for construction of the hostel at a cost of ₹ 51.18 lakh and nominated (January 2009) Construction and Design Services, Uttar Pradesh Jal Nigam as construction agency. The construction work was completed in October 2009 and handed over to DBCWO, Hardoi in February 2010 but the hostel building was lying unutilised since its take over by DBCWO, Hardoi. Despite this, an amount of ₹ 9.21 lakh was released by the Government in April 2011 for increasing the capacity of the hostel from the existing 39 seats to 50 seats and the work was completed in September 2011. As the hostel was lying vacant, Director, Backward Class Welfare, Uttar Pradesh, Lucknow handed over (September 2011) the hostel to *Zila Basic Siksha Adhikari* for Kasturba Gandhi Vidyalaya (KGV) temporarily for one year as per request of District Magistrate, Hardoi as KGV building was under construction. However, after completion of KGV building and shifting of KGV to its own building, the hostel again remained unoccupied as of September 2016.

Similarly, scrutiny of records of DBCWO, Barabanki (October 2014) revealed that proposal for construction of 33 seat girls hostel, in the campus of Government Girls Intermediate College, Haidergarh, Barabanki under the above scheme was prepared by Principal of the College and sent to Director, Backward Class Welfare, Uttar Pradesh, Lucknow by District Magistrate, Barabanki (January 2006). Government granted approval for the construction of the hostel building at a cost of ₹ 42.01 lakh (March 2008) and Uttar Pradesh Samaj Kalyan Nirman Nigam Ltd. was nominated as executing agency. The work was completed in February 2010. Government further released ₹ 13.17 lakh in February 2010 for increasing the capacity of the hostel to 50 seats. Work was completed in March 2011 and hostel building was handed over to DBCWO, Barabanki in June 2011. The hostel was lying unutilised since the taking over of hostel building by DBCWO, Barabanki, though several letters have been sent by Director, Backward Class Welfare and District Magistrate, Barabanki to the Principal, Government Girls Intermediate College, Haidergarh, Barabanki for utilising the hostel.

The matter was referred to the Government in May 2016. The Government in its reply (July 2016) stated that District Backward Class Welfare Officer, Hardoi and District Magistrate, Hardoi are making efforts to make the hostel operational. The reply was not acceptable as no staff and infrastructural facilities such as electricity, water etc. are available as per the current status (August 2016) of the hostel informed by the Principal to DIOS Hardoi. Further, regarding hostel at Barabanki, both the Principal and the Government replied that hostel was lying vacant as students of the college were from nearby locality and were not willing to stay in hostel.



Thus, the construction of hostels (₹ 1.16 crore<sup>14</sup>) without proper assessment of the requirement at Hardoi and Barabanki proved unfruitful as the same were lying vacant even after lapse of more than six and four years respectively.

## HOME DEPARTMENT

### 3.7 Injudicious purchase of troop carriers

**Injudicious decision of the Department for purchase of troop carriers in place of buses for transportation of Home Guard trainees resulted in unfruitful expenditure of ₹ 1.12 crore.**

Rule 205 and 206 of Uttar Pradesh Budget Manual stipulate that every officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence will exercise in respect of expenditure of his own money. Further, due care for economic viability should be taken before exercising such financial powers.

Scrutiny of records (July 2013 and June 2016) of the Director General (DG), Home Guards, Lucknow and further information collected revealed that Perspective Plan (2007-12) under Police Modernisation Scheme of the Home Guards Department envisaged provision of ten buses<sup>15</sup> for transportation of trainees to firing range for fire practices. A revised proposal for procurement of five buses costing ₹ 60.00 lakh was submitted (January 2008) to Government of India (GoI) as against the total requirement of 13 buses (one bus for each training centre)<sup>16</sup> for transportation of trainees for firing practices, as eight buses (three buses with seating capacity of 45 and five buses with seating capacity of 32 persons) were already available with the department. GoI released ₹ 60 lakh, for the plan year 2007-08 and ₹ 62.50 lakh for year 2009-10 in March 2008 and November 2009 respectively and against that, the Deputy Commandant General (DCG), Home Guards placed the supply orders<sup>17</sup> (March 2010) for eight Troop Carriers to M/s Tata Motors Limited. Against the orders placed, payment of ₹ 109.27 lakh (March 2010) and ₹ 2.73 lakh (January 2012) were made to M/s Tata Motors Limited by the Department.

Audit examination disclosed that these Troop Carriers were used<sup>18</sup> only for zero to 421 Kilometres during January 2013 to March 2016. This implied that all the eight Troop Carriers were lying idle without any use. It was also noticed that the Department revised its proposal (June 2012) citing no utility and high operational cost of troop carriers proposed procurement of motor cycles. On the recommendation of the department, the State Empowered Committee (SEC) approved (July 2012) procurement of 140 motorcycles under the plan year 2008-09 in place of proposed eight Troop Carriers for

<sup>14</sup> ₹ 60.39 lakh on hostel at Hardoi + ₹ 55.18 lakh on hostel at Barabanki = ₹ 115.57 lakh, rounded to ₹ 1.16 crore.

<sup>15</sup> Two buses each year at a cost of ₹ 12 lakh.

<sup>16</sup> 12 District Training Centres and one Central Training Institute.

<sup>17</sup> Supply order (March 8, 2010) at the cost of ₹54,63,664.00 for four Troop Carriers against the Annual Plan 2007-08 and at the cost of ₹54,63,664.00 for four Troop Carriers against the Annual Plan 2009-10.

<sup>18</sup> District Training Centres at Allahabad- Nil Kms; Agra- 140 Kms; Azamgarh- 301 Kms; Varanasi- 421 Kms and Jhansi- 300 Kms.

which GoI had sanctioned ₹ 89.60 lakh in August 2009. Accordingly, department placed a supply order (March 2013) on M/s Hero Motor Corporation Limited for procurement of 140 motorcycles at a total cost of ₹ 75.47 lakh.



On being pointed out by audit (July 2013 and June 2016) on poor utility of troop carriers, DG, Home Guards, stated that only eight heavy vehicles viz., troop carriers were purchased as per requirement. The reply was not acceptable as eight troop carriers procured were not useful for transportation of trainees to firing range due to their high operational cost and were lying idle. Further, recommendation of department and approval of SEC for procurement of 140 motor cycles in place of another eight troop carriers earlier proposed also indicated that the decision of

department to purchase troop carriers for the transportation of the Home Guard trainees was injudicious and financially imprudent.

The matter was referred to the Government (June 2016). Government replied (December 2016) that a technical committee would be set up to make the troop carriers functional and assured to provide reasons for not utilising the troop carriers.

The fact remains that the injudicious decision of the Department for procurement of Troop Carriers for the transportation of the Home Guard trainees to firing ranges resulted in unfruitful expenditure of ₹1.12 crore.

### **3.8 Recovery of ₹ 34.44 crore from Railways not realised**

**Due to violation of provisions stipulated under Government Accounting Rules, the State Government suffered a loss of ₹ 34.44 crore on deployment of Government Railways Police under North Central Railways.**

The Government Accounting Rules 1990<sup>19</sup> provide that the cost<sup>20</sup> of Government Railways Police (GRP), without distinction of 'Crime' and 'Order Police', will be shared between the State Government and Railways on 50:50 basis.

<sup>19</sup> Item V of Appendix V

<sup>20</sup> Cost include Pay and all types of allowances in respect of GRP staff including office and supervisory staff upto the level of Inspector General of Police provided they are exclusively incharge of GRP, office expenses and contingencies, cost of pensionary charges, cost of rent of building occupied by GRP staff.

Scrutiny of records (September 2015 and October 2016) of the Deputy Inspector General (DIG), Railways, Government of Uttar Pradesh, Allahabad, revealed that DIG had raised bills<sup>21</sup> of ₹ 345.77 crore to North Central Railways (Railways) for services rendered by GRP during 2006 to 2016 but Railways paid ₹ 299.99 crore only. Scrutiny further revealed that out of the total disallowed amount of ₹ 45.76 crore from the bills of GRP, ₹ 34.44 crore<sup>22</sup> was disallowed by Railways on account of rent and admissible pensionary charges. This implied that the Railways did not pay their share of 50 per cent cost of GRP expenditure on account of rent and pensionary charges in violation of Rules. Thus, the State Government suffered a loss of ₹ 34.44 crore against the bills of GRP during 2006 to 2016 as payment was not made by Railways.

On being pointed out in audit, the DIG accepted the facts and stated that Railways did not provide the details of deductions made on the bills to GRP. He further stated that several correspondences against the deductions of rent and pensionary charges were made to Railways but no response was received from them.

The reply was not acceptable as neither the matter was escalated to higher levels in Government of UP and Railways Ministry nor was any meeting held to discuss and resolve the issue as per provisions of Rules.

Thus, the State Government suffered a loss of ₹ 34.44 crore on deployment of GRP under Railways during 2006 to 2016 due to its failure to effectively take up the matter with Railways and ensure that 50 per cent cost of rent and pensionary charges of GRP was shared by Railways as provided under Rules.

The matter was referred to the Government (October 2016) and reminders were issued (November 2016) for furnishing the reply and holding discussion. However, neither reply was furnished nor was the date for discussion fixed by the Government as of December 2016.

## HORTICULTURE AND FOOD PROCESSING DEPARTMENT

### 3.9 Deposit of ₹ 32.60 crore in State Employment Guarantee Fund

**Unauthorised expenditure of ₹ 32.60 crore incurred on Horticulture project (*Udyanikaran*) from the fund of Mahatma Gandhi National Rural Employment Guarantee Scheme was not deposited in State Employment Guarantee Fund in violation of directions of Government of India.**

Government of Uttar Pradesh (GoUP) decided (October 2008) to execute Horticultural Project *Udyanikaran* in rural areas, which aimed to develop farms on the personal land of eligible beneficiaries in form of single or collective activity, under Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS). Further, GoUP decided to finance (June

<sup>21</sup> Include Pay, DA, T.A., Other Allowances (CCA,HRA,WA,KMA,PA), Office contingencies and pensionary charges 10 per cent.

<sup>22</sup> 50 per cent rent and 50 per cent of 10 per cent of pensionary charges which are born by railways as per Item V of Appendix V of GAR , 1990. (pensioner charges ₹17.35 crore and rent ₹17.09 crore)

2009) the scheme in the ratio of 60:40 (labour: material) from the available funds of MNREGS for the work of farming, vegetables, flowers and spices under the Horticultural project for the enhancement of the livelihood of families in the category<sup>23</sup> of BPL and SC/ST. Accordingly, ₹ 36.04 crore<sup>24</sup> was allotted and released by GoUP under MNREGS and an expenditure of ₹ 32.60 crore<sup>25</sup> was incurred on the execution of *Udyanikaran* during the period 2009-2013 against the allocation made to District Horticulture Officers.

Scrutiny of records (May 2013 and June 2016) of Director, Horticulture and Food Processing, Lucknow (Director) and information collected (June 2014) from Commissioner, Rural Development revealed that funding of *Udyanikaran* from MNREGS was stopped by GoUP and Joint Secretary, Rural Development Department, GoUP issued orders (September 2012) to all District Magistrates and CDOs informing that project has been abandoned and directed them not to spend any money under MNREGS with immediate effect as GoI had found the *Udyanikaran* project ineligible and uncovered under MNREGS. He directed DMs and CDOs to investigate the matter and deposit the whole amount spent on the *Udyanikaran* back into the State Employment Guarantee Fund (SEGF).

Audit observed that though work of farming vegetables, flowers and spices under the horticultural project (*Udyanikaran*) was not covered under any project/work mentioned in schedule-I of the MNREGS Act, GoUP had formulated *Udyanikaran* scheme for funding and implementation under MNREGS without any prior consultation with GoI. Such a decision of GoUP was highly irregular and amounted to diversion of MNREGS funds. Further, despite clear directions (September 2012) for carrying out investigation and refunding the entire amount spent from MNREGS for *Udyanikaran* project, GoUP had not taken any action to deposit ₹ 32.60 crore back into SEGF even after more than three years of the receipt of instructions. The State Government also did not investigate the matter as of June 2016.

On matter being reported to Government (June 2016), Principal Secretary, Horticulture and Food Processing Department stated (November 2016) that the expenditure incurred by Horticulture Department was as per the guidelines issued by Rural Development Department (RDD) and amount was directly sent to the districts by RDD. Amount made available by RDD to districts was expended on horticulture projects. Later on when Government of India clarified that horticulture projects cannot be financed from the funds of MNREGS, RDD immediately stopped expenditure on horticulture project under MNREGS and balance amount was demanded back by RDD. Accordingly, horticulture projects were stopped with immediate effect and balance funds were returned back to RDD. As all the works were executed as per guidelines of RDD, further action about how the money already spent on Horticulture projects was to be adjusted would be decided by RDD in consultation with Finance Department.

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<sup>23</sup> Families in the categories of Below Poverty Line (BPL) and Scheduled Castes / Scheduled Tribes (SCs/STs).

<sup>24</sup> Funds released of the period 2009-10: ₹ 7.66 crore 2010-11: ₹ 9.71 crore ; 2011-12: ₹ 16.54 crore ; 2012-13: ₹ 2.13 crore.

<sup>25</sup> Expenditure incurred for the period 2009-10 : ₹ 554.549 lakh; 2010-11 ; ₹ 959.042 lakh; 2011-12: ₹ 1612.192 lakh; 2012-13 : ₹ 134.058 lakh.

The reply of the Principal Secretary, Horticulture and Food Processing Department confirms that no concrete action had been taken by the GoUP to refund the amount of ₹ 32.60 crore and credit the same to SEGF till date.

Thus, the expenditure of ₹ 32.60 crore incurred from the fund of MNREGS on the inadmissible horticulture project *Udyanikaran* during the period 2009-2013 and not crediting it back to SEGF by GoUP was in violation of directions issued by GoI.

### IRRIGATION AND WATER RESOURCES DEPARTMENT

#### 3.10 Royalty not recovered (₹ 444.82 crore)

**Failure to realise royalty on water supplied to thermal power stations led to loss of ₹ 444.82 crore to the Government.**

The Northern India Canal and Drainage Act 1873<sup>26</sup> regulating irrigation, navigation and drainage in northern India provides that Government is entitled to use and control, for public purposes, the water of all rivers and streams flowing in natural channels and all lakes and other natural collections of still water. Every supply of canal-water<sup>27</sup> shall be deemed to be given at the rates and subject to the conditions prescribed by the rules to be made by the State Government in respect thereof. The Government in 1985 while deciding the policy for supply of water to Industrial/private sector for other than irrigation purpose, fixed the rates of royalty which were revised<sup>28</sup> from time to time.

Scrutiny of the records (January 2015) of the Superintending Engineer, Irrigation Works Circle, Obra-Sonebhadra (SE) revealed that Rihand hydro-electric project including Rihand dam was handed over to Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) in January 2000<sup>29</sup>. Audit further observed that water of Rihand Dam was being supplied to four Thermal Power Stations (TPSs) by UPJVNL for power generation purposes without making any payment of royalty (September 2016) to Irrigation Department (ID) as indicated in the Table below:

**Table 1: Details of royalty to be recovered**

Sl. No.	Name of Thermal Power Stations	Period	Amount of royalty (₹ in lakh)
1	Anpara Thermal Power Project, Anpara-Sonebhadra, U.P. (UP Rajya Vidyut Utpadan Nigam Limited)	01/2000 to 09/2016	7,931.27
2	Vindhyachal Super Thermal Power Project, Vindhyanagar, Singarauli M.P. (National Thermal Power Corporation)	03/2000 to 09/2016	15,344.13
3	Rihand Super Thermal Power Project, Beejpur, Sonebhadra, U.P. (National Thermal Power Corporation)	03/2000 to 09/2016	9,606.12
4	Singarauli Super Thermal Power Project, Shaktinagar, Sonbhadra, U.P. (National Thermal Power Corporation)	03/2000 to 09/2016	11,600.00
<b>Total</b>			<b>44,481.52 or ₹ 444.82 crore</b>

<sup>26</sup> Section 31.

<sup>27</sup> Including reservoirs.

<sup>28</sup> ₹ 1,50,000 per cusec per year w.e.f. 1998 and ₹ 6,00,000 per cusec per year w.e.f. 2011.

<sup>29</sup> Vide notification dated 18.01.2001 and as amended dated 25.01.2001.



The supply of water by UPJVNL to Thermal Power Stations without charging any royalty was violative of Government policy and provisions of the Act which requires realisation of royalty at prescribed rates. Audit further noticed that in a meeting (October 2013) chaired by Principal Secretary, Irrigation, it was decided to send bills to UPJVNL for payment of royalty on supplied water and remit it to Irrigation Department after realisation from the consumer units. Accordingly, the Department raised (October 2014) a bill amounting to ₹ 325.24 crore (up to March 2014) to the UPJVNL for payment of royalty on the supplied water. However, cumulative bill (upto September 2016) amounting to ₹ 444.82 crore still remained unpaid as of December 2016.

On being pointed out by Audit, the Government stated (December 2016) that action would be taken to execute an MoU and settle the matter by holding meeting at Principal Secretary level.

Thus, failure to realise the royalty on water supplied to the thermal power stations led to loss of ₹ 444.82 crore to the Government.

### **3.11 Failure to recover Centage Charges**

**Failure to recover centage charges of ₹ 1.37 crore and avoidable loss of interest amounting to ₹ 0.79 crore thereon.**

Financial rules<sup>30</sup> stipulate levy of centage charges on deposit works undertaken by the Department for local bodies and other parties. The Government directed<sup>31</sup> (February 1997) executing agencies to levy centage charges at the rate of 12.5 *per cent* on deposit works of non-Government organisations, local bodies and commercial departments and remit the same into treasury under proper head of account.

Scrutiny of records (December 2012 and June 2016) of Executive Engineer, Barabanki Division, Sharda Canal, Barabanki (EE) revealed that a project for renovation of channels of Rajauli Distributory and Moradabad-Chinhat Distributory systems was taken up by the Irrigation Department at the request of UP Jal Nigam, Lucknow (UPJNL) to prevent seepage losses and provide 100 cusec raw water to UPJNL. The project was sanctioned (October 2007) as a part of Lucknow Drinking Water Project at a cost of ₹ 19.01 crore to be funded under Jawahar Lal Nehru National Urban Renewal Mission (JNNURM). The cost was revised to ₹ 28.63 crore in March 2010. UPJNL made available ₹ 17.00 crore to Irrigation Department (Department) between March 2008 to February 2013 to execute the project as Deposit Work without signing any Memorandum of Understanding (MoU) with the Department. Finance Controller, Irrigation Department instructed (June 2008) the EE to remit Centage charges into treasury before utilising the funds released for the work. The Centage charges for ₹ 17.00 crore worked out to ₹ 2.12 crore. Audit noticed (June 2016) that out of ₹ 2.12 crore being Centage charges on ₹ 17.00 crore, UPJNL remitted (September 2013) ₹ 0.75 crore and the balance amount (₹ 1.37 crore) had not been remitted as of December 2016.

<sup>30</sup> Para 635 & 636 of Financial Hand Book Volume-VI.

<sup>31</sup> No.A-2-87/Dus-97-17(4)-75 dated 27.02.97.

On being pointed out, Government replied (December 2016) that action would be taken against the EE concerned and efforts would be made to recover the outstanding centage charges from UPJNL. The fact remains that though the issue of centage charges not being paid by UPJNL was included in the Audit Report (Revenue Receipts), Government of Uttar Pradesh for the year ended 31 March 2010, no action has been taken till date for recovery of the same.

Thus, due to failure of EE to observe Financial Rules and act on the instructions of the Finance Controller, centage charges of ₹ 1.37 crore<sup>32</sup> was not recovered from UPJNL for last three years which resulted in a avoidable loss of interest amounting to ₹ 0.79 crore thereon (*Appendix 3.4*).

### 3.12 Excess payment of ₹ 6.89 crore to the contractor

**Excess payment of ₹ 6.89 crore was made to the contractor by Madhya Ganga Canal Construction Division-5, Bijnor in violation of the conditions of the contract.**

Paragraph 367 of Financial Hand-Book Volume-VI stipulates that engineers and their subordinates are responsible for ensuring that the terms of contracts are strictly enforced and no act is done tending to nullify or vitiate a contract.

Government accorded Administrative and Financial sanction for Madhya Ganga Canal Project, Stage-II for ₹ 1,060.76 crore in July 2007. The project consisted of construction of Head Regulator, Main Canal, Chandausi Branch Canal and Distribution System.



Against the above project, the Chief Engineer (CE), Madhya Ganga Nahar Pariyojna, Aligarh issued (December 2007) technical sanction for a work costing ₹ 11.69 crore for construction of Main Canal from Km. 0.000 to 0.350, Silt Ejector at Km. 0.300, Escape Channel and Tail fall. After competitive tendering, the Superintending Engineer (SE), Irrigation Works circle, Aligarh entered into (January 2008) an agreement<sup>33</sup> (Contract) for the execution of the work at a cost of ₹ 10.85 crore. As ground water is generally encountered when excavation was carried out below sub-soil water level, the sanctioned estimate of the work included an item of work of 4,98,165 Kilo Watt Hour (KWH) dewatering at the agreement rate of ₹ 32.17 per KWH. The

<sup>32</sup> ₹ 2.12 crore - ₹ 0.75 crore = ₹ 1.37 crore.

<sup>33</sup> No.01/SE/2007-08, Date of start:11.01.2008, Scheduled date of completion:10.07.2009, Extended date of completion:31.08.2011.



quantity of dewatering was fixed at 5,00,000 KWH in schedule A of the bid document. The Clause 19.06 of the contract amply clarified that the quantity of dewatering work as given in schedule A of the bid (5,00,000 KWH) was approximate and might vary to any extent on lower or higher side, but, the contractor would not be entitled for any extra claims above the quantity mentioned in the schedule A of the bid.

Audit observed that after the execution of the agreement, the estimate was revised (June 2008) to a cost of ₹ 18.07 crore in view of the additional work of construction of Guide Bund, Provincial Road Bridge (PRB) and diversion to be executed as per directives (May 2008) of CE. It was highly irregular on the part of the CE to increase the scope of the work by 55 per cent within five months of signing of agreement and award the additional work to the same contractor without fresh tendering.

Audit also observed that as per the revised estimate, the quantity of dewatering was increased from 4,98,165 KWH to 7,58,591 KWH<sup>34</sup>. The quantity of dewatering to be executed under this agreement was subsequently reduced to 7,00,000 KWH<sup>35</sup> as the construction work of PRB was transferred to the National Highway Division, PWD, Saharanpur in November 2009.

Scrutiny of the records (November 2012 and June 2016) of the Executive Engineer, Madhya Ganga Canal Construction Division-5, Bijnore (EE) revealed that against the contract of ₹ 10.85 crore, a sum of ₹ 22.26 crore<sup>36</sup> was paid (including variation of ₹ 6.89 crore against the revised sanctioned estimate of ₹ 18.07 crore) to the contractor which included payment of ₹ 9.14 crore for dewatering of 32,52,089 KWH as against the contracted quantity of 7,00,000 KWH for ₹ 2.25 crore as given in the Table below:

**Table 2: Excess payment made for dewatering including all cost of diesel sets and other equipment required for dewatering**

Item	Quantity as per original Estimate	Additional item of work in Revised Estimate	Total (Col. 2+3)	Contracted Quantity	Executed Quantity	Excess of executed quantity over revised quantity (Col. 6-5)	Excess payment made at the rate of ₹ 27.00 per KWH
1	2	3	4	5	6	7	8
Main Canal from Km. 0.000 to 0.350	2,00,000	0	2,00,000	5,00,000	32,52,089	25,52,089	6,89,06,403
Silt Ejector at Km. 0.300	48,165	0	48,165				
Escape Channel	1,00,000	0	1,00,000				
Tail fall	1,50,000	0	1,50,000				
Guide Bund	0	2,00,000	2,00,000				
Provincial Road Bridge	0	60,426	60,426	0			
Diversion	0	0	0	0			
<b>Total</b>	<b>4,98,165</b>	<b>2,60,426</b>	<b>7,58,591</b>	<b>7,00,000</b>	<b>32,52,089</b>	<b>25,52,089</b>	<b>6,89,06,403</b>
<b>Say ₹ in crore</b>							<b>6.89</b>

<sup>34</sup> 4,98,165 KWH (for original work)+2,60,426 KWH (for additional work Guide bund & PRB)=7,58,591 KWH.

<sup>35</sup> 5,00,000 KWH (for original work)+2,00,000 KWH (for additional work Guide bund)=7,00,000 KWH.

<sup>36</sup> 25<sup>th</sup> running bill dated 30.01.2012.

Though no extra payment was admissible for dewatering of quantity in excess of 7,00,000 KWH as per Clause 19.06 of the contract, EE with the approval of CE irregularly made excess payment of ₹ 6.89 crore to the contractor by allowing payment of ₹ 9.14 crore for 32,52,089 KWH quantity of dewatering instead of restricting the payment to ₹ 2.25 crore for 7,00,000 KWH in compliance of the contractual provisions.

On being pointed out by audit, Government stated (December 2016) that action would be taken against the CE, SE, EE and Divisional Accountant after fixing the responsibility. Thus, an excess payment of ₹ 6.89 crore was made to the contractor in contravention to the conditions of the contract.

### 3.13 Irregular construction of tube wells in over exploited blocks

**Irregular expenditure of ₹ 3.13 crore on the construction of tube wells in over exploited and critical blocks despite the restriction imposed by the Government.**

Government had issued orders (October 2014) for classification of development blocks into over-exploited, critical and semi-critical categories on the basis of evaluation of groundwater resources conducted in 820 development blocks of 75 districts of the state. Accordingly, Government imposed restrictions on the construction of all types of tube wells in 111 over-exploited and 68 critical blocks of 44 districts with effect from the date of issue of the order (13 October 2014). Government further directed that any public or private tube well-constructed in these areas, after the issue of above Government orders, would not be energised.

Scrutiny (February-March 2016) of records of Executive Engineer, Tube well Construction Division, Agra (EE) and further information collected (June 2016) revealed that the Division constructed 22 tube wells in five over-exploited blocks and six tube wells in two critical blocks at the cost of ₹ 2.69 crore (November 2014 to March 2015: 17 tube wells costing ₹ 1.99 crore, 2015-16: 11 tube wells costing ₹ 0.70 crore) in districts Aligarh, Etah, Firozabad, Hathras, and Kasganj after the imposition of the restriction by the Government (*Appendix-3.5*).

Further, in disregard to the Government directives, these tube wells were also energised at a cost of ₹ 44.10 lakh between March 2015 and March 2016. This indicated that there was no monitoring by the Irrigation and Water Resources Department and Minor Irrigation and Ground Water Department on the construction of tubewells by public/private users in 111 over-exploited and 68 critical blocks of 44 districts and the Government departments themselves were not adhering to the restrictions imposed by the Government vide orders issued by the Chief Secretary on 13 October 2014 banning construction of tube wells in these areas.

On being pointed out by Audit, the Government stated (December 2016) that warning would be issued for future. The reply was not acceptable as the Government orders of October 2014 imposing restrictions on construction of

tube wells were made effective from the date of issue of the order and issue of mere warning by Government without any concrete action against irregular constructions of tube wells will further compound the problem.

Thus, an irregular expenditure of ₹ 3.13 crore (Construction: ₹ 2.69 crore, Energisation: ₹ 0.44 crore) was incurred on the construction and energisation of tubewells in over exploited and critical blocks in contravention to the Government order.

### **3.14 Loss of ₹ 2.56 crore due to adoption of higher carriage rates**

**Fixing of higher rate for carriage in schedule of rates in comparison with the prevailing lowest rate in the vicinity led to the loss of ₹ 2.56 crore to the Government.**

Financial rules<sup>37</sup> stipulate that to facilitate the preparation of estimates, a Schedule of Rates (SoR) showing the lowest of the prevailing rates in the vicinity for each kind of work should be maintained in the Division.

Scrutiny of records (November 2014 and June 2016) of Executive Engineer, Lower Ganga Canal Division, Etawah (EE) revealed that the State Government accorded (January 2014) Administrative and Financial sanction<sup>38</sup> to the Project of construction/widening/strengthening of metalled road from Saifai to Achhalda at a cost of ₹ 35.25 crore. It was noticed that the estimates were prepared based on SoR of PWD. However, while preparing the estimates, works of 'Construction of granular sub-base' and 'Providing & laying, spreading and compacting stones aggregates of specific size to water bound macadam' were irregularly split in two parts viz., cost of stone ballast at Ramnagar quarry as per PWD SoR and rate of carriage of stone ballast from quarry to work-site as per the SoR of Irrigation Department (ID). The rate of carriage of stone ballast as per the SoR of ID was higher than rate provisioned in the SoR of PWD. This resulted in excess payment of ₹ 2.56 crore (*Appendix 3.6*).

On being pointed out in audit, Government stated (December 2016) that scrutiny of schedule of rate would be undertaken by the Committee of Chief Engineers.

Fact remains that adoption of higher rate for carriage based on SoR of ID rather than that of PWD (adopted for preparation of estimate) resulted in loss of ₹ 2.56 crore to the Government.

### **3.15 Loss to the Government due to inflated estimate**

**Loss to the Government of ₹ 4.74 crore due to inflated estimate of Flood protection work and construction of Anti-erosion structures.**

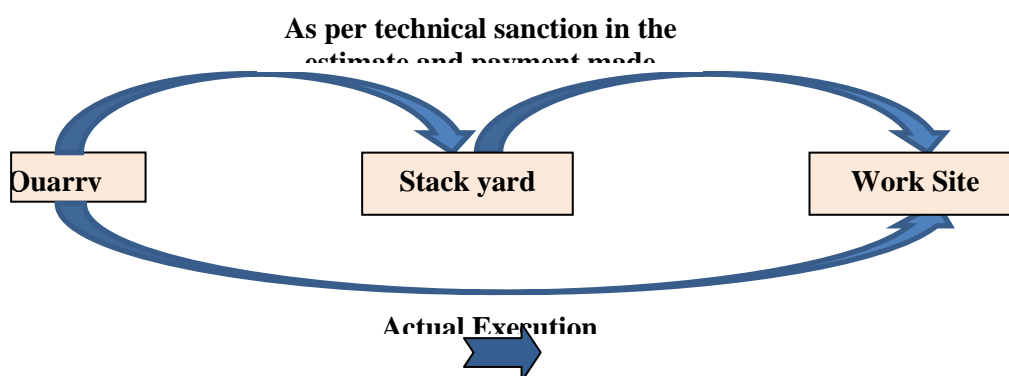
With a view to reduce the cost of work on account of unused items and wastage, the State Government ordered (August 2011) for executing vertical

<sup>37</sup>Para 264 and 523 of Financial Hand Book, Volume VI

<sup>38</sup>No.- 7/5904/13-27-sin.-4-83(W)pari./13 dated 08.01.2014

contracts for construction works, where contractors were to be paid for complete work including both supply and construction of the structure.

Scrutiny of records (January, 2016) of Executive Engineer, Flood Works Division-I, Basti (EE) revealed that Sthai Baad Samitti sanctioned ₹ 131.46 crore during May 2010 to April 2015 for construction of anti-erosion structures<sup>39</sup> at left river bank of river Ghaghara. The technical sanctions for the works were accorded by the Chief Engineer for ₹ 118.98 crore during January 2014 to June 2015. Construction works were in progress through 13 agreements. Scrutiny further disclosed that all the contracts were vertical contracts and the cost of stone works included (i) cost of stone (ii) carriage of stone from quarry to work sites; and (iii) labour cost to construct the structure. A total expenditure of ₹ 45.36 crore had been incurred on work under observation against these agreements as of July 2016.



Audit observed that the rate for stone work was inflated by making provisions for loading at quarry site, unloading and stacking at the stack yard and again loading at stack yard, and unloading and stacking at work site.

The cost of one unloading, stacking and one loading at stack yard which was already included in the rate analysis of stone work at site should not have been allowed. There was no justification for making provisions for a mid-way stack yard in vertical tendering especially when a specific work is given to each contractor at specific location. It was intimated by the EE that actually no supply was taken at stack yard but contractor directly collected boulders at the work site before its use on work. Further scrutiny revealed that instead of standard conversion rate of 0.71 cum of volume for one metric ton of weight of stone, the Division had adopted 0.69 cum in 11 out of 13 projects while in other two projects of protection work of Chanpur-Gaura embankment between Km. 0.00 to 1.00 and protection work of Kataria-Chandpur embankment between Km. 4.4 to 5.4, the conversion rate used and analysed was 0.71 cum. These two irregularities resulted in excess payment of ₹ 4.74 crore to the contractors (*Appendix 3.7*).

On being pointed out by Audit, Government replied (December 2016) that explanation would be sought by the Engineer-in-chief and Head of

<sup>39</sup> At Vikramjot- Dhuswa bundh, Kataria- Chandpur bundh, Chandpur- Gaura bundh, Gaura Saifabad bundh and Kashipur- Dubouliya bundh.

Department from the Superintending Engineers who were members of the Committee on Schedule of Rate.

Thus, by allowing provisions of extra unloading, stacking and loading of stone boulders and use of inflated conversion rate as 0.69 cum in place of 0.71 cum per MT, an excess payment of ₹ 4.74 crore was made to the contractors by the Division.

## **LABOUR DEPARTMENT**

### **3.16 Avoidable Expenditure on organising ceremonial functions**

**An avoidable expenditure of ₹ 15.06 crore was incurred on organising functions to distribute cheques to beneficiaries of *Berojgari Bhatta* (Unemployment allowance) *Yojna* in 69 districts though the unemployment allowance was to be credited to the beneficiaries bank accounts.**

The State Government launched (May 2012) *Uttar Pradesh Berojgari Bhatta Yojna* (scheme) for providing Berojgari Bhatta (Unemployment Allowances) to all eligible<sup>40</sup> unemployed persons of the State with effect from May, 2012. Rule 8.4(i) of the Scheme *Niyamavali* provided that the payment of unemployment allowance was to be made on quarterly basis in the savings bank account opened in a Nationalised Bank or in *Kshetriya Gramin Bank* by the beneficiary. Further, details<sup>41</sup> of the bank account opened by beneficiaries were to be filled in application form of scheme and were to be authenticated by concerned bank authority for speedy remittance of *Berojgari Bhatta* through Core Banking System.

Scrutiny of records (February 2016) of the Director, Training and Employment Uttar Pradesh, Lucknow (Director) revealed that Department distributed an amount ₹ 20.58 crore to 1,26,521 unemployed persons as unemployment allowance by organising functions in 69 districts during the year 2012-13. The State Government incurred a total expenditure of ₹ 6.99 crore on transportation of beneficiaries to places where functions were organised and ₹ 8.07 crore on other related activities like seating arrangements, and refreshments etc. The expenditure on organising functions for distribution of cheques was avoidable in view of the fact that the payment of unemployment allowance could have been easily credited in the bank accounts of the beneficiaries without incurring any expenditure.

On being pointed out in Audit, Director stated that the expenditure on ceremonial functions had been incurred out of the funds allocated under the head Miscellaneous expenditure as per decision taken in the meeting of

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<sup>40</sup> With academic qualification of High School; Age between 30 to 40 years; Domicile of Uttar Pradesh; Family annual income should be less than ₹ 36,000 from all sources in case of unemployed male, in case of unmarried, widow, separated/divorced women annual income of her Mother- Father and in case of married women annual income of Father in law- Mother in law should not exceed ₹ 1,50,000 from all sources; & Should be registered in Employment Office.

<sup>41</sup> Bank Name, Branch Name, Account Number and IFSC Code.

Secretaries headed by the Chief Secretary. The reply is not acceptable as the scheme guidelines did not provide for such mode of delivery/payment of unemployment allowances to the beneficiaries.

Government in reply (September 2016) stated that function was fully government function and expenditure incurred on distribution of the cheques was as per the instruction issued by the Government.

Reply of the Government was not tenable as provision of transportation of such large number of the beneficiaries to function places and other activities like seating arrangements and refreshment etc., for distribution of cheques of unemployment allowances was not envisaged in the Scheme Guidelines, 2012. Further, the unemployment allowances could have been easily credited in bank account of beneficiaries as bank details such as Bank Name, Branch Name, Account Number and IFSC Code were filled by beneficiary in application form duly authenticated by concerned bank authorities.

The Government, during discussion (November 2016), while accepting the facts and figures, stated that opening of the Bank Account in Nationalised Bank was mandatory as per scheme *Niyamavali*, however, payment to the beneficiary through Bank Account was not binding.

Thus, incurring an expenditure of ₹ 15.06 crore on organising the functions merely to handover cheques of ₹ 20.58 crore to the beneficiaries which cannot be justified and shows complete lack of financial propriety and concern for saving public money.

## MEDICAL EDUCATION AND TRAINING DEPARTMENT

### 3.17 Functioning of State Drug Testing Laboratory

**Due to lack of required technical manpower and failure in procurement of chemicals in State Drug Testing Laboratory, Lucknow, an expenditure of ₹ 1.78 crore incurred on strengthening of the laboratory remained unfruitful as no drug samples could be tested in the lab during last six years.**

Mention was made in paragraph 3.3.18 in the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 2004 regarding inefficient working of the Drug Testing Laboratory (DTL), Lucknow despite receipt of ₹ 65 lakh (April 2001) released by Government of India (GoI) for strengthening and upgradation of the Lab which had remained unutilised as of December 2004. The para was discussed in the Public Account Committee in November 2010 wherein the Government assured that DTL would be made functional very soon.

Scrutiny of records (December 2015) of Director, Ayurvedic Services, Uttar Pradesh, Lucknow (Director) and further information collected (May 2016) revealed that the construction work of the DTL building was completed at a cost of ₹ 58.14 lakh in March 2007 and was handed over to the Department in



February 2008. GoI had also released (October 2008) ₹ 65.33 lakh for procurement of equipment and the Department purchased equipment worth ₹ 65.33 lakh in February 2011.

Audit scrutiny disclosed that despite construction of new Lab building and procurement of equipment, the DTL was not functional, which rendered the entire expenditure unfruitful. Audit noticed that DTL had a sanctioned strength of only three staff consisting of one Government analyst, one Junior Analyst and one Clerk. The post of Government Analyst was the senior most position in the lab. The Analyst was assigned the duty of furnishing reports of the results of tests/analysis in accordance with Rules of Drugs and Cosmetics Act, 1940. The Government Analyst of DTL had retired in May 2009 and the post had remained vacant for last seven years. DTL since then has been functioning with one Junior Analyst and a clerk only. An amount of ₹ 55.29 lakh was spent on their pay and allowances during March 2009 to June 2016. As per norms<sup>42</sup>, about 6,000 samples were received from 3,000 licensed drug manufacturing units were to be tested per year by DTL. However, it was noticed that only 265 samples were received during the period as against required 42,000 sample as per norm. Even out of total 265 samples received, only two samples were tested in 2009-10 and thereafter no testing of sample could be done by DTL as of May 2016.

On being pointed out by Audit, Director stated (December 2015 and May 2016) that DTL could not be made functional due to lack of technical manpower and procurement of chemicals for testing was not made.

Reply was not acceptable, as DTL was not made functional till date despite assurances of the Government given to the Public Accounts Committee, even after additional funds for human resources were made available<sup>43</sup> by GoI. GoUP had also sanctioned (April 2011) additional three posts<sup>44</sup> on contract basis but the appointment were not made by the Director even after a lapse of more than five years. Further, despite availability of funds<sup>45</sup>, no chemical was purchased since 2010-11 as no Government Analyst was posted in DTL.

Thus, due to lack of required technical manpower apart from chemicals for testing not being procured despite availability of funds, the expenditure of ₹ 1.78 crore (₹ 58.14 lakh for construction of building, ₹ 65.33 lakh for purchase of equipment and ₹ 55.29 lakh on pay and allowances of staff) incurred for strengthening of Drugs Testing Laboratory remained unfruitful.

The matter was referred to the Government in June 2016. During discussion (December 2016), Government accepted the facts and figures.

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<sup>42</sup> As per Good Practices Norms at least two samples from each drug production unit per year to be tested.

<sup>43</sup> ₹ 10 lakh from April 2001 to March 2008 and ₹ 6.86 thereafter as of May 2016.

<sup>44</sup> Scientific Officer -3, Analyst/ Lab Technician-2 and Class-IV Employee-4.

<sup>45</sup> Lab was provided funds for purchase of chemicals : 2011-12- ₹ one lakh; 2012-13- ₹ 2.5 lakh; 2013-14- ₹ 2.5 lakh; 2014-15- ₹ 2.5 lakh and 2015-16- ₹ 2.5 lakh.



### 3.18 Avoidable payment of fixed electricity charges

**Avoidable payment of ₹ 1.81 crore by Dr. Ram Manohar Lohia Institute of Medical Sciences, Lucknow to Madhyanchal Vidyut Vitran Nigam on account of fixed/demand charges due to failure of the medical institute to apply for reduction of load despite their actual electricity consumption being much lower than the sanctioned load.**

Para 4.41 of UP Electric Supply Code, 2005 stipulates that reduction of contracted load shall be permissible for all categories of consumers having electronic meters capable of recording demand, if their consumption is ascertained to be lower than the normal consumption in past six months or for such period that takes seasonality into account.

Scrutiny of records (March 2016) of Dr. Ram Manohar Lohia Institute of Medical Sciences, Lucknow (Institute) and further information collected revealed that the construction agency, *Uttar Pradesh Rajkiya Nirman Nigam Limited (UPRNN)*, had made a request in October 2007 for sanction of the permanent electricity load of 3333 KVA<sup>46</sup> for Institute on the basis of expected consumption. The *Madhyanchal Vidyut Vitran Nigam Limited (MVVNL)*, however, sanctioned (August 2008) electricity load of 6298 KVA, on the basis of covered area and approved map for the Institute under the rate schedule HV-I at supply voltage of 33 KV through independent feeder and the supply was started from October 2012. The rate schedule HV-I envisaged for billing of fixed /demand charges on the basis of actual load utilised or 75 per cent of the sanctioned load (in case utilisation was less than 75 per cent of sanctioned load). The fixed/demand charges were to be paid at the rate of ₹ 240 per KVA in addition to electricity charges as per actual consumption of electricity.

Audit further observed that the consumption pattern of demand as recorded by installed meter ranged between 1,200 to 2257.8 KVA during June 2013 to March 2016 which showed that the demand for sanction of the load of 3,333 KVA made earlier by UPRNN in October 2007 was adequate. However, the Institute could not decide its requirement and failed to take up the matter with MVVNL for reduction of sanctioned load in terms of rule 4.41 of UP Electricity Supply Code, 2005 to 3,333 KVA based on their actual demand pattern. Had the Institute got the sanctioned load reduced to 3,333 KVA it could have paid fixed/demand charges for ₹ 2.04 crore in place of ₹ 3.85 crore for the period June 2013 to March 2016. As such, Institute made an avoidable payment of ₹ 1.81 crore to MVVNL (*Appendix 3.8*) due to their failure to get the demand revised.

On being pointed out in Audit, Institute stated that *Vidyut Vitaran Nigam* was final authority to sanction electric load. However, at the instance of Audit, the matter was taken up with MVVNL (August 2016) and the load was got reduced (September 2016) to 3000 KVA. Though we appreciate the action taken by the Institute now to reduce the sanctioned load at the instance of

<sup>46</sup> 3000 KW = 3333 KVA (0.9 KW=1 KVA)

Audit, the fact remains that the institute management failed to take timely action for reduction of load as per Maximum Demand Indicator (MDI) recorded in the bill issued by MVVNL to avoid the excess expenditure required for sound financial management.

Thus, avoidable payment of ₹ 1.81 crore was made to MVVNL as fixed/demand charges due to failure of the Institute to apply for reduction of sanctioned load based on actual consumption as envisaged in UP Electricity Supply Code, 2005.

The matter was referred to the Government (July 2016). During discussion (December 2016), Government accepted the facts and figures.

### **MINOR IRRIGATION AND GROUND WATER DEPARTMENT**

#### **3.19 Loss of ₹ 1.04 crore due to rejection of bids of lower rate**

**Loss of ₹ 1.04 crore to the Government due to execution of contracts on higher rate by rejecting lower bids without assigning any reason.**

Rule 21 of General Finance Rules 2005 stipulates the standards of financial propriety which envisage that every officer incurring or authorising expenditure from public moneys should be guided by high standards of financial propriety. Every officer should also enforce financial order and strict economy and see that all relevant financial rules and regulations are observed, by his own office and by subordinate disbursing officers and is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money. Further, Government ordered (December 2007) that tendering officer should ask the tenderer to provide detailed justification for offering rates below the estimated departmental rates and also instructed (June 2012) for obtaining an additional performance security from the tenderers quoting rates below the estimated rates.

Scrutiny of records (December 2013 and January 2016) of Executive Engineer, Minor Irrigation Division, Hamirpur (EE) revealed that tenders were invited<sup>47</sup> for construction of 27 check dams and EE rejected tenders for 26 Check Dams in which rates quoted by the tenderers were lower by 15.43 per cent to 39.55 per cent in comparison to the departmental estimates. No justification was sought from the tenderers for quoting lower rates. It was improper on the part of EE to reject the rates, as per directives, without seeking detailed justification from the tenderers quoting rates below than the departmental rates. EE had also not recorded reasons for rejecting the tenders. Audit, further, observed that EE retendered<sup>48</sup> the works and executed agreements for construction of 22 Check Dams at much higher rates than rates quoted in the tenders which were rejected. This resulted in the loss of ₹ 1.04 crore to Government (*Appendix 3.9*). It was stated in reply by EE that since the tenderers quoted lower rates repeatedly with intention to hamper the

<sup>47</sup> Tender Notice No. 01/07.11.2012

<sup>48</sup> Tender Notice No. 03/03.12.2012, 05/21.12.2012, 06/09.01.2013, 07/24.02.2013

work instead of healthy competitive feelings, the tenders were rejected. However, it was noticed that even the rates quoted next time for the same works were below the estimated rates (13.87 to 31.52 *per cent*) which should have also been rejected based on the justification given by EE for rejecting the tenders in earlier case.

Thus, injudicious rejection of tenders and execution of works at higher rates led to the loss of ₹ 1.04 crore to the Government.

The matter was referred to the Government (September 2016). Government accepted the audit observation and stated (December 2016) that action would be taken against responsible officers.

### 3.20 Unfruitful expenditure of ₹ 5.94 crore

#### Unfruitful expenditure of ₹ 5.94 crore on construction of rain water harvesting/recharging structures

Para 212 of the Uttar Pradesh Budget Manual (UPBM) stipulates that the feasibility report of a project should also focus on initial environmental analysis and risk factors.

Ministry of Water Resources, Government of India sanctioned (November 2010) a demonstrative rain water harvesting/recharging project under Ground Water Management and Regulation Scheme. Under the project, an amount of ₹ 10.61 crore was sanctioned for recharging work in 116 parks identified in Lucknow district. Against the allocated amount, ₹ 7.29 crore was released (November 2010) as first installment.

Scrutiny of records (October 2014 and July 2016) of Director, Ground Water Department, Lucknow (Director) and information collected from Executive Engineer, Minor Irrigation Division, Lucknow (EE) revealed that Ground Water Department (GWD) constructed (October 2012) recharge structures in 42 parks at a cost of ₹ 2.94 crore and Minor Irrigation Department (MID) constructed (January 2012) recharge structures in 38 parks at a cost of ₹ 3.00 crore. Audit observed that Hon'ble High Court of judicature at Allahabad, Lucknow bench had directed<sup>49</sup> (June 2011) to ensure that no polluted water was discharged into the ground during the rainy season which might contain hazardous elements and chemicals polluting the underground water. It was also observed that Indian Institute of Toxicology Research, Lucknow (IITR) had recommended (October 2011) that recharge of rain water in a planned and systematic manner with proper monitoring would not cause risks of ground water pollution. On the direction (July 2012) of Special Secretary, Minor Irrigation and Ground Water Department, IITR collected<sup>50</sup> water samples in September 2012 from parks of Gomti Nagar and Indira Nagar, Lucknow and found that bacteriological quality of water was

<sup>49</sup> On Public Interest Litigations filed by the residents of Indira Nagar and Gomti Nagar area of the district.

<sup>50</sup> Collected by a team comprising officers of GWD, MID, Central Ground Water Board and representative of IITR.

unacceptable. Instead of rectifying the problems in the recharge system as recommended by IITR in October 2011, it was decided (October 2012) under the chairmanship of Hon'ble Minister, Minor Irrigation and Ground Water Department, to hand over the recharge structures to Nagar Nigam, Lucknow (NN). Further, instead of developing a mechanism to ensure that no polluted water was discharged into ground, GWD and MID plugged the recharge structures. GWD stated (May and June 2016) that it handed over the recharge structures of 42 parks to the NN in January 2013. However, it was noticed that these were not handover to NN till date.

On being pointed out (September 2016), Government replied (December 2016) that bore-wells were plugged due to the orders of Hon'ble High Court. Reply of the Government was not acceptable as Hon'ble High Court had only directed to ensure that no polluted water was discharged into the ground water but the department plugged them instead of complying the directions of the Hon'ble High Court. Further, the project was also not transferred to NN till date as stated by the Department.

This indicated that the Department had taken up the project without conducting proper feasibility studies which resulted in unfruitful expenditure of ₹ 5.94 crore.

## **MINORITY WELFARE AND WAQF DEPARTMENT**

### **3.21 Unfruitful expenditure on construction of polytechnic building**

**Expenditure of ₹ 8.00 crore incurred on civil work for construction of polytechnic building in Bagpat district proved unfruitful, besides parking of ₹ 4.30 crore outside government account resulting in loss of interest of ₹ 0.81 crore .**

As per para 456 of Financial Hand Book Volume-VI, advances to contractors are as a rule prohibited, and every endeavour should be made to maintain a system under which no payments are made except for work actually done. Further, to protect Government interests, Model Bid Document<sup>51</sup> provides (January 2007) for inclusion of a clause for levy of liquidated damages in cases of default of the contractor in adhering to the approved construction schedule. Rules also provide for awarding works on competitive basis.

With a view to improve the socio-economic conditions of minorities, under the Centrally Sponsored Scheme of Multi Sectoral Development Programme for minority concentration districts, Government of UP sanctioned (April 2011) a project for establishing a Government Polytechnic (including two hostels) at a cost of ₹ 12.30 crore at *Kirthal* in Bagpat district. The sanctioned cost of ₹12.30 crore included ₹ 8.00 crore for civil works and ₹ 4.30 for furniture, vehicle, library, machinery etc.

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<sup>51</sup>The standard terms and conditions of agreement as per adopted by Public Works department upon which an agreement lies.

Scrutiny of records (March 2015) of District Minority Welfare Officer, Bagpat (DMWO) and information collected (April 2016) from Director, Minority Welfare (Director) revealed that Uttar Pradesh Projects Corporation Limited (UPPCL) was nominated (April 2011) as executing agency without any competitive bidding and an Memorandum of Undertaking (MoU) was signed with the UPPCL by the Government for the construction work. The first instalment of ₹ 6.15 crore (77 per cent of amount earmarked for civil work) was released (April 2011) as advance to UPPCL even before signing of MoU (May 2011) for award of work, violating the basic financial principles enumerated in Rule 456 of FHB. The UPPCL submitted Utilisation Certificate of first instalment in January 2013. Thereafter, Government released second installment in July 2013 with the condition that work was to be completed within four months and no additional amount would be sanctioned if there was any increase in the project cost.

Audit further observed that in September 2013, the second installment of ₹ 6.15 crore was made available to UPPCL by the Director including the amount of ₹ 4.30 crore earmarked for furniture, vehicle, library and machinery etc., which was lying with UPPCL till date (October 2016). UPPCL submitted a revised estimate of ₹ 14.06 crore for civil work (May 2014) which was examined and evaluated for ₹ 13.62 crore by Technical Committee of the District and sent (October 2014) to Government for approval. A committee, formed to examine the proposals of the revised cost under Multi Sectoral Scheme, found the proposal unjustified (June 2015) as there was considerable delay in submission of Utilisation Certificate (UC) of first installment by UPPCL which resulted in the price escalation. UPPCL completed only 64 per cent of work by December 2014 after spending full amount of ₹ 8.00 crore released for the civil work in advance. The work was stopped since January 2015 and could not progress as UPPCL demanded additional funds against the revised estimate submitted to the Department.

On being pointed out, DMWO stated (March 2015) that work could not be completed due to lack of funds and price escalation. Reply was not acceptable as funds were released much in advance to the UPPCL in contravention of financial rules and despite this, UPPCL did not adhere to the approved time schedule for completion of the construction work. Further, the work was awarded on fixed cost basis and no revision in cost was permissible and even after serious mis-match between physical and financial progress achieved by UPPCL, no action was taken against UPPCL to levy liquidated damages. Funds of ₹ 4.30 crore which were earmarked for furniture, vehicle, library and machinery etc., was also still lying with UPPCL.

Thus, due to failure of the Department the civil works could not be completed even after a lapse of more than three years from the release (September 2013) of second and final installment of funds. This resulted in expenditure of ₹ 8.00 crore remaining unfruitful. Further, amount of ₹ 4.30 crore sanctioned and released for furniture, vehicle, library and machinery etc., was also not utilised and lying with the UPPCL, outside the government account with resultant loss

of interest amounting to ₹ 0.81<sup>52</sup> crore worked out at the rate of Government borrowings for the relevant period. As such, the programme objective to provide better infrastructure for education and skill development to minorities remained unachieved and in the absence of polytechnic, the students of minorities were deprived of getting employment oriented technical education at the polytechnic.

The Government during discussion (November 2016) accepted the facts and figures.

## **PUBLIC WORKS DEPARTMENT**

### **3.22 Unauthorised payment to contractors**

**Unauthorised payment of ₹ 2.35 crore was made to contractors by Provincial Divisions Mau and Varanasi for excess use of bitumen content in laying of Dense Graded Bitumen Macadam (DBM) layer for strengthening of the road, in violation of IRC norms and E-in-C's orders**

Indian Road Congress-111-2009 (IRC)<sup>53</sup> stipulates that in construction of roads, bitumen content of 4 *per cent* is admissible in case where the thickness of Dense Graded Bitumen Macadam (DBM) crust is more than 7.5 cm. Further, as per circular issued by the Engineer-in-Chief (E-in-C) in July 2012, 4 *per cent* bitumen content was to be used where the thickness of DBM crust was more than 7.5 cm and no additional charges on bitumen content were payable to the contractor for using excess bitumen content. However, deviations from the IRC specifications and E-in-C directives were noticed in audit wherein against the requirement of 4 *per cent* of bitumen content, 4.5 *per cent* of bitumen content were used as discussed below:

#### **Case-I**

Scrutiny of the records (September 2015) of Executive Engineer (EE), Provincial Division, Mau revealed that the Government accorded (January 2013) administrative and financial sanctions of ₹ 22.22 crore and ₹ 21.84 crore for widening and strengthening of *Alinagar-Indara-Majhwara-Madhuban Road* (Shadeed Marg) for Km 0.00 to 12.00 and Km 12.00 to 23.40 respectively. The Chief Engineer, Azamgarh Zone accorded technical sanctions (January 2013) to the detailed estimates with specification of laying 9.0 cm DBM containing bitumen content of 4.5 *per cent* against the admissible norm of 4 *per cent*. Accordingly, Superintending Engineer, Ballia Circle (SE) executed two agreements<sup>54</sup> for ₹ 20.20 crore and ₹ 19.76 crore respectively in January 2013 and the works were still in progress. The contractors have been

<sup>52</sup> 2013-14: ₹ 0.27 crore @ 6.43 *per cent*, 2014-15: ₹ 0.27 crore @ 6.40 *per cent* and 2015-16: ₹ 0.27 crore @ 6.35 *per cent* average borrowing rates.

<sup>53</sup> Para 3.5.2.

<sup>54</sup> Agreement no. 08/SE-Ballia Circle dated 19.01.2013 for ₹ 20.20 crore and Agreement no. 09/SE-Ballia Circle dated 19.01.2013 for ₹ 19.76 crore.



paid ₹ 20.14 crore<sup>55</sup> and ₹ 18.54 crore<sup>56</sup> as of March 2016 and June 2015 respectively against the above two works.

Audit observed that against the requirement of 18.00 tonne of bitumen as per the norm of 4 per cent bitumen in DBM, the Division executed 4.5 per cent of bitumen i.e. 20.250 tonne in DBM. Approval of excess bitumen content by the CE in violation of norms resulted in excess use of 2.250 tonne<sup>57</sup> in the DBM leading to additional expenditure of ₹ 0.80 crore (*Appendix 3.10*).

### Case-II

Similarly, scrutiny of the records (November 2015) of Executive Engineer (EE), Provincial Division, Varanasi revealed that the Government accorded (September 2013) administrative approval and financial sanction of ₹ 40.39 crore for widening and strengthening of *Mohan Sarai-Cant Road* (Urban Part) for Km 319.00 to 330.30 (total 11.300 km). The Chief Engineer, Varanasi zone accorded technical sanctions (September 2013) to the detailed estimate with specification of laying of 12.0 cm DBM containing the bitumen content of 4.5 per cent against the admissible 4 per cent bitumen norm. Accordingly, Superintending Engineer, Varanasi Circle (SE) executed agreement<sup>58</sup> for ₹ 34.83 crore in September 2013 and the work was completed in September 2015 after incurring an expenditure of ₹ 37.50 crore<sup>59</sup> as of March 2016.

Audit observed that against the requirement of 18.00 tonne of bitumen as per the 4 per cent bitumen norm, Division admitted claim of 4.5 per cent of bitumen (20.250 tonne) in DBM. As such, approval of excess bitumen content by CE resulted in excess use of 2.250 tonne<sup>60</sup> in the DBM which led to excess avoidable expenditure of ₹ 1.55 crore (*Appendix 3.10*).

On being pointed out (May 2016), Government confirmed (November 2016) the facts and figures in respect of EE, PD, PWD Mau. In respect of EE, PD, PWD, Varanasi, Government stated that DBM layer was laid in two layers i.e. 70 mm and 50 mm and it was as per guidelines. The reply was not acceptable as in accordance to the E-in-C circular if total thickness of DBM layer was more than 75 mm then Bitumen content would be 4 per cent in the mix. Further as per the directive issued by the E-in-C there was no provision of laying the DBM layer of more than 75 mm by bifurcating it into two layers with the use of 4.5 per cent bitumen.

Thus, approval of excess quantity of 2.250 tonne<sup>61</sup> bitumen in DBM by CE in violation of norms led to avoidable expenditure of ₹ 2.35 crore (₹ 0.80 crore and ₹ 1.55 crore).

<sup>55</sup> 9<sup>th</sup> Running Bill dated 31.03.16.

<sup>56</sup> 10<sup>th</sup> Running Bill dated 18.06.15

<sup>57</sup> Bitumen @ 4.5 per cent of weight of mix aggregate 20.250 tonnes - Bitumen @ 4 per cent of weight of mix aggregate 18.000 tonnes= 2.250 tonnes

<sup>58</sup> Agreement no. 55/SE-Varanasi Circle dated 27.09.2013 for ₹ 34.83 crore.

<sup>59</sup> 37<sup>th</sup> Final bill dated 31.03.2016.

<sup>60</sup> Bitumen @ 4.5 per cent of weight of mix aggregate 20.250 tonnes - Bitumen @ 4 per cent of weight of mix aggregate 18.000 tonnes= 2.250 tonnes

<sup>61</sup> Bitumen @ 4.5 per cent of weight of mix aggregate 20.250 tonnes - Bitumen @ 4 per cent of weight of mix aggregate 18.000 tonnes= 2.250 tonnes



### 3.23 Excess consumption of Wet Mix Macadam

**Execution of excess quantity of Wet Mix Macadam (WMM) in widening and strengthening of a road led to avoidable expenditure of ₹ 2.79 crore.**

Paragraph 318 of Financial Hand-Book Volume-VI stipulates that technical sanction of a work is a guarantee that proposals are structurally sound and the estimates are accurately calculated and based on adequate data. In road strengthening works, the overlay thickness is generally expressed in terms of Bituminous Macadam (BM) layer thickness. In case other compositions such as Wet Mix Macadam (WMM), Dense Graded Bitumen Macadam (DBM) and Bitumen Concrete (BC) are used in overlay, the following equivalency factors are applied in determining the thickness of the overlay required for achieving the desired strengthening:

1 cm of BM = 1.5 cm of WMM

1 cm of BM = 0.7 cm of DBM/BC

Audit observed violation of the above provision of Rules resulting in excess avoidable expenditure as discussed below:

Government accorded (January 2013) Administrative and Financial sanction of ₹ 41.61 crore under State Road Fund for widening and strengthening of *Bulandshahar-Anupshahar Marg* (MDR-58), km. 2 to 20 (19 km). The Chief Engineer, Meerut Zone (CE) issued technical sanction (January 2013) for the same amount. As per the technical sanction, widening of the road from 5.50 metre to 7.00 metre and strengthening of the crust from the existing 22.50 cm to 56.50 cm consisting of non-bituminous work like Wet Mix Macadam (WMM) and bituminous works like DBM and BC, were to be carried out. The Superintending Engineer, Bulandshahar Circle (SE) executed the contract bond<sup>62</sup> in (February 2013) and work was completed in September 2014 after incurring an expenditure of ₹ 33.03 crore<sup>63</sup>.

Scrutiny of records (November 2014) of Executive Engineer (EE), Provincial Division (PD), Bulandshahar and further re-examination in May 2016 revealed that the overlay thickness of 31.42 cm of BM was laid by EE with the approval of CE as against the required thickness of 26.42 cm as per IRC specifications. Audit examination of detailed estimates prepared by EE, recommended by SE and approved by the CE (January 2013) disclosed that there was an error in conversion of WMM layer thickness into the equivalent BM thickness which resulted in approval and execution of five cm excess overlay as indicated in the table below:

<sup>62</sup> C.B. No. 16/SE-B.S.R.O/12-13 dated 05.02.2013

<sup>63</sup> 13<sup>th</sup> Running bill No. 24 dated 22-09-2014.

**Table 3: Details of Excess overlay of WMM**

Sl. No.	Item of work	IRC 81-1997 norms for 26.42 cm overlay		As per technical sanction		Actual execution		Excess overlay (in cm) (col. 8-6)
		Work to be executed (in cm)	Equivalent BM thickness (in cm)	Work to be executed (in cm)	Equivalent BM thickness (in cm)	Work executed (in cm)	Equivalent BM thickness (in cm)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	WMM	15.00	10.00	22.50	10.00	22.50	15.00	5.00
2.	DBM	7.50	10.71	7.50	10.71	7.50	10.71	0.00
3.	BC	4.00	5.71	4.00	5.71	4.00	5.71	0.00
<b>Total</b>		<b>26.50</b>	<b>26.42</b>	<b>34.00</b>	<b>26.42</b>	<b>34.00</b>	<b>31.42</b>	<b>5.00</b>

Due to erroneous preparation of estimate by EE/SE and issue of incorrect technical sanction by CE, an overlay of 31.42<sup>64</sup> cm in terms of BM was laid instead of required 26.42 cm which resulted in excess execution of 10,500 cum of WMM (January 2014). Hence, an avoidable expenditure of ₹ 2.79 crore was incurred due to excess overlay in road widening and strengthening work.

On being pointed out (November 2014), CE admitted (May 2015) that conversion of 22.5 cm of WMM as 10 cm in terms of BM in the overlay design was wrongly adopted instead of 15 cm as per IRC 81-1997. He further stated that the matter has been forwarded to E-in-C office for taking action against the erring officials.

The Government confirmed (November 2016) the facts and figures and stated that though technical sanction was accorded as per IRC 81-1997 but the work was executed as per IRC-37. Reply of Government confirms that the division violated the technical sanction issued by CE and incurred an avoidable expenditure of ₹ 2.79 crore by consuming excess quantity of WMM.

### **3.24 Excess expenditure of ₹ 12.72 crore on construction of road**

**In violation of Departmental orders two PWD divisions overlaid 150 mm of Granular Sub Base (GSB) as drainage layer in construction of 71 km road resulting avoidable expenditure of ₹ 12.72 crore.**

As per paragraph 3 of Indian Road Congress guidelines, a blanket course of atleast 225 mm thickness should be provided on the expansive soil subgrade as a sub-base to serve as an effective intrusion barrier and should extend over the entire formation width. Engineer-in-Chief, Public Works Department, Lucknow instructions (September 2005) also reiterated the need for making a provision of 225 mm blanket coat of medium sand, stone dust or non-plastic mooram in full formation width should be provided in roads passing through black cotton soil area.

<sup>64</sup> DBM = equivalency factor of 7.50 cm in terms of BM = 10.71 cm, WMM = equivalency factor of 22.50 cm in terms of BM = 15 cm, BC = equivalency factor of 4.00 cm in terms of BM = 5.71 cm. Total = 31.42 cm in terms of BM.

Government accorded (January 2014) administrative and financial sanctions totalling ₹ 142.25 crore<sup>65</sup> for widening and strengthening of Erach-Gursahay-Mauranipur Marg (MDR-31) from km 1.00 to 71.00 (71 km). The Chief Engineer, Jhansi Zone accorded (January 2014) technical sanction to the detailed estimates for the same amount. As per detailed estimate, the California Bearing Ratio (CBR) was three *per cent* and Million Standard Axle (msa) of the road was 29.60. Accordingly, pavement design for 415 mm thickness of crust was approved comprising of 300 mm WMM, 75 mm DBM and 40 mm BC. As the road was being constructed in black cotton soil area, 225 mm of blanket coat layer (Estimated quantity: 1,54,204 cum) of stone dust was provisioned in full formation width<sup>66</sup> to act as intrusion barrier for expansive black cotton soil subgrade. Further, 150 mm of Granular Sub Base (GSB) layer (Estimated quantity: 1,27,274 cum) was also provisioned for drainage purposes. The Superintending Engineer, Jhansi Circle, Jhansi executed two contract bonds (February 2014) for execution of works with stipulated dates of completion as August 2015 with two firms as indicated below:

**Table 4: Details of Contract Bonds**

Sl No.	Name of Division	Length	Bond No.	Date of Start	Schedule date of Completion	Amount (₹ in crore)
1.	Construction Division-III, PWD, Jhansi	km 1.00 to km 20.00	CB No.74/SE-JHS Cir/2013-14 dated 03.02.2014 (above 11.25 <i>per cent</i> )	03.02.2014	02.08.2015	35.64
2.	Provincial Division, PWD, Jhansi	km 21.00 to km71.18	CB No.76/SE-JHS Cir/2013-14 dated 12.02.2014(above 4.00 <i>per cent</i> )	12.02.2014	11.08.2015	91.93

Scrutiny of the records (April 2015) and further information collected (February 2016) from Executive Engineer, Provincial Division, Jhansi (EE) and Executive Engineer, Construction Division-III, Jhansi (April 2016) revealed that 1,38,911 cum<sup>67</sup> blanket coat layer of stone dust was executed in full formation width of the road to act as intrusion barrier for expansive black cotton soil subgrade. Further, 150 mm GSB was also executed in full formation width of the road over blanket coat as drainage layer which was not required as overlaid 22.5 mm blanket coat of stone dust act as intrusion barrier to prevent the expansion of the black cotton soil due to rain or moisture.

On being pointed out, Government stated (December 2016) that for the widening work of the road 150 mm thickness of GSB followed by 225 mm thickness of stone dust was used above the subgrade in full formation width for construction of sub base as filter layer. Reply was not acceptable as excess quantity of GSB 68,178.30 cum was overlaid beyond the widened portion of

<sup>65</sup> Km 1.00 to km 20.00: ₹ 40.05 crore and km 21.00 to km71.18 : ₹ 102.20 crore.

<sup>66</sup> Width of formation or road way is the width of carriage way including separators and shoulders.

<sup>67</sup> Quantity of blanket coat layer 98645 cum. in Provincial Division and 40266 cum. in Construction Division.

the carriageway upto the formation edge of the road resulting in avoidable expenditure of ₹ 12.72 crore<sup>68</sup> (*Appendix 3.11*).

### 3.25 Excess payment of ₹ 2.62 crore to the contractor

**Due to adoption of higher specifications pertaining to the National Highways and State Highways coupled with incorrect calculation of characteristic deflection resulted in excess payment of ₹ 2.62 crore to the contractor.**

Paragraph 318 of Financial Hand-Book Volume-VI states that technical sanction of a work is a guarantee that proposals are structurally sound and the estimates are accurately calculated and based on adequate data. Further, Indian Road Congress<sup>69</sup> (IRC) norms stipulate that for strengthening of the road of National Highways (NH) and State Highways (SH), the overlay design based on Benkelman Beam Deflection (BBD) test should be framed by adding the value of two-times of standard deviation to individual deflection. However, in case of roads other than NH and SH, only one-time standard deviation is added to individual deflection<sup>70</sup>.

Scrutiny of records (September 2015) of Executive Engineer, Provincial Division, Kannauj (EE) revealed that the Government accorded (January 2013) administrative and financial sanction of ₹ 11.87 crore for widening of *Ramashram to G.T.Road* from km. 0.000 to 19.500 (total 19.500 km) categorised as Other District Road (ODR). The Chief Engineer, Kanpur Zone (CE) accorded (July 2013) technical sanction for ₹ 11.19 crore to the detailed estimate. The Superintending Engineer, Kannauj-Farrukhabad Circle (SE) executed a contract bond<sup>71</sup> (July 2013) with stipulated date of completion as July 2014. It was observed that widening of the road commenced in July 2013 and after completion of two km road length (from 17.500 km to 19.500 km) at a cost of ₹ 28.79 lakh, Government revised (March 2015) the administrative and financial sanction of the road to ₹ 28.83 crore by substantially increasing the scope of the work from “Widening” to “Widening and strengthening”. Accordingly, CE accorded (March 2015) technical sanction for ₹ 27.63 crore for the same with adoption of specification for strengthening work as Wet Mix Macadam (WMM), DBM and SDBC by adopting higher specifications which were applicable only for NH and SH roads.

Further, Department carried out BBD test<sup>72</sup> (October 2013) for “widening and strengthening” of road and accordingly the characteristic deflection<sup>73</sup> (CD)

<sup>68</sup> 48882 cum @ ₹ 1,647.00 = ₹ 8,05,09,148 + ₹ 1,12,71,281 (14 per cent above of tender rate) say ₹ 9.17 crore. (53<sup>rd</sup> R/B-Vr.No.49 dated 31.12.2015) of Provincial Division and 19,296 cum @ ₹ 1,650.00 = ₹ 3,18,38,400 + ₹ 35,81,820 (11.25 per cent above of tender rate) say - ₹ 3.54 crore (10<sup>th</sup> R/B-r.No.28 dated 18.01.2016) of Construction Division.

<sup>69</sup> IRC 81-1997

<sup>70</sup> For NH and SH roads -  $Dc=X+2\alpha$

For roads other than NH and SH -  $Dc=X+\alpha$

(where X= individual deflection,  $\alpha$  = standard deviation and Dc= characteristic deflection)

<sup>71</sup> CB No- 66/SE-KFC/2013-14 dated 25.07.2013 of ₹ 9.47 crore.

<sup>72</sup> Banchel Beam Deflection Test carried out for evolution of the requirement of strengthening of flexible pavement in terms of BM

<sup>73</sup> Its value along with Million Standard Axle (msa) determines the required overlay in term of BM

was calculated as 4.2 and 4.8 for both chainages<sup>74</sup> after adding the value of two-times of standard deviation to individual deflection. Audit noticed that two-times of standard deviation to individual deflection was applicable for NH and SH roads and not in case of ODRs. Audit further observed that characteristic deflection works out to be three<sup>75</sup> only, but, was wrongly taken as 4.2 and 4.8 for both the chainages. Accordingly, the overlay in terms of BM for both the chainages was computed to 220 mm and 240 mm against the requirement of 190 mm in terms of BM (*Appendix 3.12*).

The work was completed in November 2015 and payment of ₹ 23.30 crore was made to the contractor which included avoidable expenditure of ₹ 2.62 crore (*Appendix 3.13*). The Government, during discussion (November 2016) confirmed the facts and figures and accepted that crust of the road was erroneously designed on the basis of wrong calculations.

Thus, adoption of higher specifications coupled with wrong calculation of characteristic deflection resulted in excess expenditure of ₹ 2.62 crore.

## REVENUE DEPARTMENT

### 3.26 Unfruitful expenditure on construction of residential quarters

**Injudicious selection of site for construction of residential quarters resulted in unfruitful expenditure as 84 quarters were lying vacant for last five years.**

Rule 21 of General Financial Rule 2005 and paragraph 169 of the Financial Hand Book Volume-V(Part-I) stipulate that every Government officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money. Further, Para 212 of Uttar Pradesh Budget Manual stipulates that feasibility report should be prepared to ensure that the project is conceptually sound and feasible.

Scrutiny of records (April 2014) of District Magistrate, Gautam Buddha Nagar (DM) and further information collected (May 2016) revealed that the Government accorded (January 2007) administrative approval and financial sanction<sup>76</sup> of ₹ 1.74 crore for construction of residential buildings at tehsil Sadar to provide Government accommodation to the employees



Unoccupied residential building at  
Tahsil Sadar, Gautam Buddha Nagar

<sup>74</sup> For channage 0.000 to 6.300 and 6.300 to 19.500 km's

<sup>75</sup> Individual deflection (2.682) + standard deviation (0.1772x2= 0.3540) =3.0360 Say 3.0

<sup>76</sup> G O No. 167/1-5-07-53/06 dated 19.01.2007

of tehsil. Similarly, Government also accorded sanction<sup>77</sup> (February 2008) of ₹1.74 crore for construction of residential buildings at tehsil Jevar. The Government nominated U.P. *Sahkari Vidhayan Evam Sheet Grah Sangh* Limited (PACCFED) Meerut in January 2007 and U.P. Project Corporation Ghaziabad (UPPCL) in February 2008 for construction of 42 residences<sup>78</sup> in each of Sadar and Jevar tehsils respectively. However, no assessment of demand was made before construction of these residences. Construction of residential buildings at tehsil Sadar and Jevar was completed by respective executive agencies in January 2011 and May 2011 by incurring an expenditure of ₹ 2.31 crore and ₹ 2.99 crore against the revised sanction of ₹ 2.32 crore (April 2010) and ₹ 3.00 crore (May 2010) for tehsil Sadar and Jevar respectively. The PACCFED and UPPCL had handed over the constructed buildings to the Department in April 2011 and July 2011 respectively. Scrutiny further revealed that constructed buildings were lying unoccupied, as none of 42 residences could be allotted to employees at tehsil Sadar and only three out of 42 residences were allotted to employees at tehsil Jevar.

On being pointed out, DM stated (May 2016) that the residential buildings were constructed at isolated localities three to four kilometres away from main roads for which even public conveyance was not available. Due to lack of security and public conveyance, employees of the tehsils were not interested to opt for these residences.

Reply of the DM shows that Department had not made any assessment of demand for houses by the employees at tehsil headquarters and accessibility of the site for construction of residential quarters was also not verified before issuing sanction.

Thus, injudicious site selection for residences and their construction without assessing demand led to unfruitful expenditure of ₹ 5.30 crore on construction of 84 quarters. Besides, an avoidable expenditure of ₹ 39.30 lakh was incurred on payment of house rent allowance paid to the employees during April 2011 to March 2016.

Government during discussion (November, 2016) stated that there was a change in utilisation of buildings and allotment has been started now. Fact remains that injudicious site selection proved that even after a lapse of more than five years of taking over the constructed buildings, 84 residential quarters are still awaiting occupancy.

<sup>77</sup> G O No. 396/1-5-08-196/2007 dated 13.02.2008

<sup>78</sup> Type I – 19, Type II – 18, Type III – 04, Type IV – 01



**SOCIAL WELFARE DEPARTMENT**

**3.27 Unfruitful expenditure on construction of Scheduled Caste girls hostel**

**An expenditure of ₹ 1.74 crore on construction of two hostel buildings for schedule caste girls remained unfruitful as the hostels were unoccupied even after six to 11 years after construction.**

Under Special Component Plan for Schedule Caste (SC), Government of Uttar Pradesh Government (GoUP) sanctioned (March 2008) ₹ 80.90 lakh for construction of 50 seated hostel building at village Rasoolpur, Pirathi, in Bijnore district for SC girls. Uttar Pradesh Samaj Kalyan Nirman Nigam Ltd. (UPSKNNL) was nominated as construction agency and land was made available in September 2008.

Scrutiny of records (March 2015) and further information collected (August 2016) from DSWO, Bijnore revealed that the work was started in October 2008 and the project cost was revised to ₹ 90.16 lakh due to cost escalation. UPSKNNL completed (October 2009) the work at a cost of ₹ 90.16 lakh and handed over the hostel building to the DSWO, Bijnore in October 2009. Audit observed that the hostel was not functional as of May 2016 and no staff, superintendent, warden etc., were posted for making the hostel functional. It was also observed that the hostel building was constructed in a remote area far away from urban locality. As girls were not willing to avail this hostel facility due to security reasons, District Magistrate, Bijnore sought (May 2015) approval of Director, Social Welfare, UP to convert it from girls to boys' hostel. In this regard DSWO, Bijnore stated (August 2016) that hostel has been converted into boys' hostel and made functional.

Since the hostel was constructed for girls, security and safety should have been the prime consideration in selection of site for the hostel. The fact that the girls are unwilling to stay in the hostel due to its remote location indicates that no feasibility/ pre-project study was conducted to ensure proper selection of site, resulting in failure to provide hostel accommodation to the SC girls, the purpose for which it was intended.

Similarly, in the case of another hostel (Capacity-100) for SC girls at the campus of Dr. Bhimrao Ambedkar University, Agra (University) constructed by UPSKNNL at a cost of ₹ 65.24 lakh under Special Component Plan for SC and handed over (December 2004) to the Registrar of the University was still lying unoccupied (December 2016). It was noticed that the Department did not post any Superintendent for six years since the taking over the hostel in December 2004. Also, the necessary furniture was not provided for seven years to make the hostel functional. It was only in September 2010 that a Superintendent was posted by the Department and a sum of ₹ 15.64 lakh was allocated (January 2012) for furniture for the hostel. It was noticed that the entire amount of ₹ 15.64 lakh was spent on purchase of furniture and that the Superintendent was paid salary of ₹ 3.25 lakh as of July 2016.



Audit further noticed that despite posting of the Superintendent in 2010 and providing necessary furniture, the hostel has not been made functional by the University as of May 2016. Major reasons for the girls' hostel not becoming functional after 2012 were stated to be delay in grant of permission by the University administration for functioning of the hostel and unauthorised occupation of hostel rooms by University teachers and others as per the communications made by DSWO, Agra with the Registrar of the University during 2012-13. The hostel rooms were also being used irregularly by the University for storage of official records and files. The Chief Development Officer, Agra, in October 2015, complained to the Registrar of the University about the hostel not being made operational despite the SC girls staying in rented accommodation outside the campus.

This indicated that the Department as well as the University failed to make the hostel functional even after a period of 11 years. The University has not taken any action to get the unauthorised occupants evacuated from the hostel building and the Government also has not taken any effective action to enforce the terms and condition of the agreement under which the University was made responsible for maintenance and operation of the hostel.

Government, in reply (November 2016), stated that for hostel constructed in the Dr. B.R. Ambedkar University, Agra, a fact finding committee would be constituted and on the basis of the suggestions given by the committee, efforts would be made to make the hostel functional. Regarding hostel in Bijnore, Government stated that presently the hostel has been converted as a boys' hostel and 45 boys are residing in the hostel. Fact remains that both the hostels are not being used as girl's hostel for whom these were sanctioned and constructed and SC girls continue to be deprived of safe, suitable and affordable accommodation for stay.

Thus, failure of the Department to make hostel functional at University campus, Agra and construction of hostel building at Bijnore in remote area, resulted in unfruitful expenditure of ₹ 1.74 crore (₹ 65.24 lakh, ₹ 15.64 lakh & ₹ 3.25 lakh in Agra district and ₹ 90.16 lakh in Bijnore district), as both hostels remained unoccupied by SC girls for last 11 and six years respectively.

### Technical Education Department

#### 3.28 Unfruitful Expenditure on construction of polytechnic building

**Expenditure of ₹ 4.23 crore remained unfruitful as polytechnic building in Ghazipur District could not be completed even after a lapse of six years from the approval.**

Government accorded financial sanction and administrative approval (February 2010) for construction of a polytechnic building in village Lahuar, Zamania tehsil, Ghazipur district under central assistance scheme at a cost of ₹ 6.45 crore. As per financial sanction, the construction work of polytechnic building was to be executed by *Uttar Pradesh Rajkiya Nirman Nigam*

*Limited*<sup>79</sup> (UPRNNL) and the work was scheduled to be completed by January 2012. Further, the sanctioned amount was to be released to UPRNNL in two equal installments - first installment after making the land available to UPRNNL and second installment after 75 per cent expenditure of first installment and ensuring satisfactory progress and quality of work.

Scrutiny of records (February 2016) of Principal, Government Polytechnic, Ghazipur (Principal) and further information collected revealed that Government interest were not safeguarded and the work was awarded on nomination basis without competitive bidding and also without executing agreement/Memorandum of Understanding (MoU). An amount of ₹ 2.00 crore was released to UPRNNL by the Department in March 2010 but the land was made available to construction agency in January 2011 by the Department. The remaining amount of ₹ 4.45 crore was released (July 2011) to the UPRNNL by the Director, Technical Education, Kanpur (Director) without linking it to the progress of work and even before obtaining (September 2012) first utilisation certificate. Audit further observed that after spending ₹ 4.23 crore (only 20 per cent physical progress) the work was stopped in May 2012 due to misappropriation of funds by the officials of the UPRNNL.

Due to pausage of time on the disciplinary action taken against the erring officials, UPRNNL submitted (December 2014) a revised estimate of ₹ 13.41 crore to Director, Technical Education through Principal, Government Polytechnic, Ghazipur for completion of the work. Government accorded approval (March 2015) of revised estimate for ₹ 11.56 crore. Against revised estimate no fund was released as unutilised amount of ₹ 2.22 crore pertaining to earlier released amount of ₹ 6.45 crore was still lying with UPRNNL.

On being pointed out (May 2016), Government accepted (November 2016) the facts and stated that a committee would be constituted to enquire into the matter with submission of report within three months and on the basis of the report of the committee action would be taken. Further, assurance was also given that in future MOU would be signed for all the construction works with time schedule for completion of each step of work.

Thus, failure in execution of agreement/MoU with the UPRNNL, release of funds without taking into account the physical progress of the work and lack of proper monitoring by the Department led to unfruitful expenditure of ₹ 4.23 crore on construction of polytechnic building. Besides, the objective of providing a polytechnic in village *Lahuar*, *Zamania tehsil* stands defeated as students had to travel about 30 km to village *Andhau*, *Ghazipur tehsil* where the nearest polytechnic was available.

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<sup>79</sup> Uttar Pradesh Rajkiya Nirman Nigam Limited, Varanasi Unit-II

### Vocational Education Department

#### 3.29 Unfruitful expenditure on construction of ITI building

**Due to the Department's failure to adhere to the standard contracting norms, the ITI building in Sant Kabir Nagar District could not be completed even after a lapse of five years and incurring an expenditure of ₹ 2.78 crore. Department did not take any penal action against the construction agency despite considerable delay and use of substandard construction material as well as poor workmanship.**

With a view to provide technical education to the students belonging to Scheduled Caste, Government accorded (December 2010) sanction for construction of an Industrial Training Institute (ITI) building at Hainsar Bazar, Sant Kabir Nagar at a cost of ₹ 3.59 crore under Scheduled Caste Sub Plan.

Scrutiny of records (May 2015) of the Principal ITI, Mehandawal, Sant Kabir Nagar (Principal) and further information collected (April 2016) revealed that out of the total sanctioned cost of ₹ 3.59 crore for the construction work, first instalment of ₹ 1.44 crore was released to the executive agency Uttar Pradesh Labour and Construction Co-operative Federation Limited (LACCFED) in December 2010. LACCFED commenced the work in January 2011. The second installment of ₹ 144.36 lakh was released to the executive agency in March 2012.

Audit examination disclosed that:

The department awarded the work to the construction agency LACCFED without signing any MoU stipulating the terms of agreement. No time line for completion of work was indicated in the Government sanction. It was highly improper on the part of the department not to sign any agreement or MoU with LACCFED to hold them accountable in case of delay and failure in adherence to construction schedule and quality parameters.

The department released ₹ 2.88 crore (80 *per cent* of sanctioned cost) to the construction agency without linking the payments with the actual progress of work. This was in serious violation of financial rules and also indicated complete lack of monitoring by the department.

After spending ₹ 2.78 crore as per the utilisation certificate (May 2016) of LACCFED, the physical progress of the work made by LACCFED was only 40 *per cent* when the work was stopped in September 2012. The balance amount of ₹ 0.10 crore was still lying with LACCFED as of August 2016. The department has not taken any action to recover the unspent amount alongwith interest from the defaulting construction agency LACCFED. Neither any penalty has been imposed for their failure to execute work despite release of

timely payments nor has the matter been referred to the appropriate agency for investigation and fixing responsibility for delay.

On the request (October 2012) of the Director, Training and Employment, Lucknow (Director) for nomination of other construction agency in place of LACCFED, Government issued (November 2012) directives to stop further release of funds to LACCFED and get the matter inspected through Technical Audit Cell (TAC) of Public Works Department (PWD)/Irrigation Department (ID) and to send the inspection report regarding quality of construction work and physical and financial verification of work at the earliest. Although, no time schedule was prescribed by the Government for carrying out the inspection through the TAC, the Director instructed (December 2012) the Principal to send the report of TAC within a week. However, two-member inspection Committee of engineer of PWD and ID was constituted only in March 2013 and the Committee submitted its report as late as November 2013 to the Director. Though, the Committee in its' inspection report indicated that the construction agency used substandard material and the workmanship was very poor, no action was taken by the Director or Government to get the defects/deficiencies rectified from the construction agency or seek adequate compensation.

Government belatedly nominated Uttar Pradesh *Awas Vikas Parishad* in January 2015 as a construction agency in place of LACCFED for completion of the remaining work but no funds were made available to the nominated construction agency to complete the balance work due to procedural delays in sanction of estimates.

On being pointed out (May 2015 and April 2016), the Principal, and the Director, Training and Employment, UP, Lucknow stated that due to substandard work, the construction of ITI building was stopped. Government stated (November 2016) that as the account of construction agency had been seized by the Income Tax authorities, Government was unable to recover the balance amount from LACCFED.

The reply was not acceptable as construction agency (LACCFED) was engaged on nomination basis without inviting competitive rates, which was in violation of CVC order issued in July 2007 after Supreme Court decided that contracts by the State, its corporations, instrumentalities and agencies must be normally granted through public auction/public tender by inviting tenders from eligible persons. Further, no agreement prescribing detailed terms and conditions was executed, even date of completion was not prescribed, and thus there was no yardstick to monitor performance and progress of work resulting in stoppage of work and use of substandard material/poor workmanship.

Thus, the intended objective of providing technical education to students of Scheduled Caste stands defeated as the construction of the ITI building was not completed even after a lapse of five years rendering the expenditure of ₹ 2.87 crore unfruitful.

ALLAHABAD  
THE **05 March 2017**



**(P K KATARIA)**  
Principal Accountant General (G&SSA)  
Uttar Pradesh

COUNTERSIGNED

NEW DELHI  
THE - 8 MAR 2017



**(SHASHI KANT SHARMA)**  
Comptroller and Auditor General of India



# Appendices





## Appendix 2.1.1

### Details showing major interventions under SSA

(Reference: Paragraph no. 2.1.1)

Sl. No.	Particular of interventions
1.	Preparatory activities for micro-planning, household surveys, studies, community mobilisation, school-based activities, training and orientation at all levels
2.	Appointment of teachers;
3.	Opening of new primary, alternative schooling facilities like Education Guarantee Scheme (EGS)/Alternative and Innovative Education (AIE) centres
4.	Opening of new upper primary schools
5.	Construction of additional classrooms, schools and other facilities.
6.	Maintenance and repair of school buildings
7.	Provision of free textbooks to all girls and SC/ST boys
8.	Provision of school uniform
9.	Provision of teaching/learning equipment for primary schools, on upgradation of EGS to regular schools or in setting up of a new Primary School.
10.	TLE for upper primary schools
11.	Provision for disabled children
12.	Interventions for out of school children
13.	Innovative activities for girls education, early childhood care and education, interventions for children belonging to SC/ST community
14.	Computer education for upper primary level
15.	School grant
16.	Teachers grant
17.	Management cost
18.	Teachers training
19.	Training of community leaders
20.	Setting up Block Resource Centres (BRCs)/Cluster Resource Centres (CRCs)
21.	Research, Evaluation, Monitoring and Supervision
22.	Establishment of State Institute of Educational Management and Training

## Appendix 2.1.2

### Timeline for completion of various activities under RTE Act

(Reference: Paragraph no. 2.1.1)

Activities	Timeframe
Establishment of neighbourhood school	3 Years (31 March 2013)
Provision of school <i>infra-structure</i> , all weather school buildings, one-classroom-one-teacher, office cum-store-cum-head teacher's room, toilets and drinking water, barrier free access, library, playground, fencing/boundary wall	3 years (31 March 2013)
Provision of teacher as per prescribed PTR	3 years (31 March 2013)
Training of untrained teachers	5 years (31 March 2015)
All quality interventions and other provisions	With immediate effect

(Source: RTE Act and SSA framework)

## Appendix 2.1.3

### Statement showing audit criteria for Performance Audit on RTE

(Reference: Paragraph no. 2.1.4)

Sl. No.	Criteria used for Performance Audit
1.	The Right of Children to Free and Compulsory Education Act, 2009
2.	U P Right of Children to Free and Compulsory Education Rules 2011
3.	Persons with Disabilities (Equal Opportunities, Protection of Rights & Full Participation) Act, 1995 (PwD Act, 1995)
4.	Manual for Planning and Implementation of Inclusive Education in SSA for education of Children With Special Needs (CWSN)
5.	SSA Framework for implementation strategies based on Right of Children to Free and Compulsory Education Act, 2009 (Revised Framework 2011)
6.	SSA Manual on Financial Management and Procurement.
7.	AWP&B approved by Project Approval Board, Ministry of Human Resource Development (MHRD), GoI
8.	Guidelines u/s 35 (1) regarding deployment of teachers for elections u/s 27 of the RTE Act
9.	Guidelines u/s 35 (1) of the Act regarding implementation of Section 25 (1)
10.	Guidelines on safety and security of children
11.	Advisory on implementation of Sections 31 and 32 of RTE Act
12.	Advisory under Section 35(1) of RTE Act, 2009 for elimination of Corporal Punishment in schools
13.	RTE Rules/Guidelines/Notification as available on MHRD website
14.	Agenda/minutes of meetings of Executive Committee of UPEFAPB
15.	Directives and instructions issued by the UPEFAPB for implementation
16.	District Information System for Education
17.	Evaluation reports of SSA
18.	State Financial Rules

### Appendix 2.1.4

#### Statement showing difference in DISE data and data found in joint physical inspection of test-checked schools in Gorakhpur, Kanpur Dehat, Pilibhit, Rampur and Sonbhadra districts

(Reference: Paragraph no. 2.1.6.2)

Particulars	As per DISE	As verified by audit	Difference in per cent
Number of children enrolled	17,729	15,999	10
Number of teachers deployed	494	539	-9
Number of boundary wall available	92	87	5
Number of toilets available	131	130	1
Number of Separate toilets for boys and girls	129	115	11
Number of toilets in use	131	117	11
Availability of Water facility in schools	122	123	-1
Availability of playground in schools <sup>1</sup>	90	87	3
Availability of wiring/electricity connection	67	60	10
Availability of kitchen-cum-store	69	71	-3
Number of CWSN enrolled	68	51	25
Availability of library	98	50	49
Number of classrooms available	668	601	10
Whether joint bank account of SMC was operated	84	81	4

(Source: DISE data and Joint Physical Verification of Schools)

### Appendix 2.1.5

#### Comparison of two sets of data - UDISE and AWP&B –number of schools

(Reference: Paragraph no. 2.1.6.2)

Year	In terms of Number of Schools			In terms of Enrolment		
	As per AWP&B	As per DISE	Difference	As per HHS	As per DISE	Variation
2010-11	1,59,443	2,01,475	-42,032	NA	NA	NA
2011-12	2,18,854	2,21,653	-2,799	3,87,23,343	3,54,04,745	33,18,598
2012-13	2,28,488	2,39,817	-11,329	3,92,75,777	3,70,98,290	21,77,487
2013-14	2,34,021	2,40,332	-6,311	3,85,78,870	3,67,26,500	18,52,370
2014-15	2,46,867	2,43,014	3,853	3,79,76,795	3,68,38,720	11,38,075
2015-16	2,46,013	2,45,919	94	3,82,16,571	3,64,25,633	17,90,938

<sup>1</sup> In test checked schools of district Sonbhadra and Gorakhpur, we found 10-10 playgrounds in each district whereas DISE data showed 18 and 2 playgrounds in both the districts respectively.

### Appendix 2.1.6

#### Statement showing difference in figures of expenditure reported in UCs and Annual Financial Statements

(Reference: Paragraph no. 2.1.7.2)

(₹ in crore)

Year	Actual expenditure as per Annual Audited Financial Statements	Expenditure shown in Utilisation Certificate	Difference
	(A)	(B)	(B-A)
2010-11	4,888.63	5,202.08	313.45
2011-12	5,151.51	5,482.35	330.84
2012-13	6,871.21	7,181.45	310.24
2013-14	8,697.04	8,830.97	133.93
2014-15	7,642.84	8,020.00	377.16
2015-16	12,545.82	12,686.39	140.57
<b>Total</b>	<b>45,797.05</b>	<b>47,403.24</b>	<b>1,606.19</b>

(Source: Annual Financial Statements and UCs)

### Appendix 2.1.7

#### Year-wise position of funds in transit for SSA, NPEGEL and KGBVs

(Reference: Paragraph no. 2.1.7.3)

Year	SPO to district level implementing units		District level implementing units to SPO	
	No. of Items	Amount (in ₹)	No. of Items	Amount (in ₹)
2002-03	2	15,37,800.00		
2003-04	7	53,50,440.00		
2004-05	5	21,58,970.00		
2005-06	2	11,74,650.00		
2006-07	3	4,06,380.00		
2007-08	8	56,06,317.00		
2008-09	2	16,37,800.00		
2009-10	1	1,00,000.00		
2010-11	1	1,90,000.00		
<b>Unreconciled for more than five years (A)</b>		<b>1,81,62,357.00</b>		
2011-12	2	23,400.00		
2012-13	16	2,77,63,239.00	10	16,71,918.00
2013-14	13	13,16,75,930.00	6	7,53,75,459.00
2014-15	0	0	0	0
2015-16	7	11,82,10,333.00	2	2,51,500.00
<b>Sub Total (B)</b>	<b>69</b>	<b>29,58,35,259.00</b>	<b>18</b>	<b>7,72,98,877.00</b>
<b>Money in transit under reconciliation (C)</b>		<b>30,18,707.35</b>		<b>1,42,41,187.49</b>
<b>Total (A+B+C)</b>		<b>29,88,53,966.35 (D)</b>		<b>9,15,40,064.49 (E)</b>
<b>Grand Total (D+E)</b>				<b>39,03,94,030.84</b> Say 39.03 crore

(Source: Annual Financial Statement of SPO)

## Appendix 2.1.8

### Statement showing operation of multiple bank accounts under SSA

(Reference: Paragraph no. 2.1.7.3)

Sl. No.	Name of the Bank	Account No.	Component to which relate	Joint or single operation	Date of opening of account	Date of last transaction	Balance as on 31.3.2016 (in ₹)
1	B.O.B., Narahi Branch	08700100018403	Capital	Joint	9.10.2014	31.03.2016	6,81,87,653
2	B.O.B., Narahi Branch	08700100016693	General	Joint	13.03.2014	31.03.2016	39,54,27,156
3	Canara Bank, Hazratganj	0363101028088	NPEGEL	Joint	22.07.2005	31.03.2016	1,36,09,250
4	Canara Bank, Hazratganj	0363101556543	Capital	Joint	20.04.2011	31.03.2016	36,04,28,500
5	Canara Bank, Hazratganj	0363101027801	KGBV	Joint	09.02.2005	29.02.2016	1,19,77,055
6	Canara Bank, Hazratganj	0363101022825	General	Joint	02.02.1999	31.03.2016	3,56,72,31,409
7	Allahabad Bank	50257868143	General	Joint	08.01.2015	31.03.2016	12,94,90,841
<b>Sub Total</b>							<b>4,54,63,51,864</b> <b>Say ₹ 454.64 crore</b>
8	B.O.B., Narahi Branch	08700100016851	KGBV	Joint	14.07.2014	31.12.2015	5,41,915
9	I.O.B., Main Branch, Lucknow	020701000049052	General	Joint	19.02.2001	28.02.2016	202056
10	I.O.B., Raj Bhawan, Lucknow	192201000010001	General	Joint	12.12.2012	28.02.2016	422933
<b>Sub Total</b>							<b>11,66,904</b> <b>Say ₹ 0.11 crore</b>
<b>Grand Total</b>							<b>45,47,518,768</b> <b>Say ₹ 454.75 crore</b>

(Source: Bank Statements provided by SPO)

**Appendix 2.1.9**

**Details showing suspected misappropriation of funds received for construction of school building**

(Reference: Paragraph no. 2.1.7.3)

Block	School	Year	Utilisation of funds (₹ in lakh)	Funds withdrawn (₹ in lakh)	Status	
<b>Funds withdrawn but no construction</b>						
<b>Sultanpur</b>						
Kurebhar	UPS Arwal Kiri Karwat	2011-12	9.01	45.10	No schools constructed	
Dhanpatganj	UPS Dharmdaspur	2011-12	9.01			
Dostpur	UPS Madhavpur	2011-12	9.01			
	PS Katat Purshottam	2008-09	4.53			
Jaysinghpur	UPS Katat Gudbad	2011-12	9.01			
Kadipur	PS Husunpur	2008-09	4.53			
<b>Total (A)</b>			45.10	45.10		
<b>Sonbhadra</b>						
Nagavan	UPS Dubeypur	2008-09	₹ 5.40 lakh withdrawn	5.40	School not constructed as funds withdrawn by unidentified person	
<b>Total (B)</b>				5.40		
<b>Total (A+B)</b>				50.50		
<b>Maharajganj</b>						
Mithaura	PS Parshachak Gobrahi	2012-13	2.01	2.01	No ACR constructed	
<b>Funds withdrawn but schools partially constructed</b>						
<b>Sonbhadra</b>						
Myorepur	UPS Belhatti	2003-04	A teacher, whose appointment was found fake, was made construction in charge of these works who embezzled ₹ 4.22 lakh.	2.05	8 ft walls constructed	
	UPS Khadpathar	2003-04		2.34	1 ft walls constructed	
Chatra	UPS Raghunathpur	2003-04		2.73	6ft wall constructed	
	PS Hirankhuri	2003-04		1.32	1 ft wall constructed	
Nagwan	PS Barvatola	2003-04		Another teacher, whose appointment was found fake, was made construction in charge of these works who embezzled ₹ 10.81 lakh.	2.41	7 ft wall constructed
	UPS Baijnath	2003-04			2.80	8 ft wall constructed
	UPS Markundi	2003-04			2.80	6 ft wall constructed
	UPS Chervi	2003-04			2.80	6 ft wall constructed
<b>Total</b>				<b>19.25</b>		

(Source: Records provided by DPO)



### Appendix 2.1.10

#### Details showing incomplete construction of school buildings and ACRs in district Sultanpur found during joint physical inspection

(Reference: Paragraph no. 2.1.8.1)

(₹ in lakh)

Block	School	Year	Funds drawn	Status
Lambua	UPS Dhariyamau	2008-09	5.15	Constructed upto foundation level
	PS, Kaharbujahi	2012-13	3.00	Incomplete
	PS Sutanpur	2011-12	3.83	Semi-constructed
<b>Total</b>			<b>11.98</b>	

(Source: Joint Physical Verification of schools)

### Appendix 2.1.11

#### Statement showing short enrolment of children in Upper Primary Schools

(Reference: Paragraph no. 2.1.8.2)

Year	Identified as per HHS			Enrolment as per DISE			Children not covered		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
2011-12	79,36,278	71,68,979	1,51,05,257	45,72,356	46,43,586	92,15,942	33,63,922	25,25,393	58,89,315
2012-13	79,50,677	72,12,126	1,51,62,803	51,51,707	52,75,380	1,04,27,087	27,98,970	19,36,746	47,35,716
2013-14	77,44,328	70,14,092	1,47,58,420	53,82,427	54,02,487	1,07,84,914	23,61,901	16,11,605	39,73,506
2014-15	75,61,053	68,13,253	1,43,74,306	55,17,106	55,14,685	1,10,31,791	20,43,947	12,98,568	33,42,515
2015-16	75,19,497	67,71,943	1,42,91,440	55,94,629	55,60,656	1,11,55,285	19,24,868	12,11,287	31,36,155
<b>Total</b>			<b>7,36,92,226</b>			<b>5,26,15,019</b>			<b>2,10,77,207</b>

(Source: HHS data provided by SPO and District Information System for Education)

### Appendix 2.1.12

#### Statement showing excess enrolment of children in Primary Schools

(Reference: Paragraph no. 2.1.8.2)

Year	Identified as per HHS			Enrolment as per DISE			Excess enrolment in comparison to children identified
	Boys	Girls	Total	Boys	Girls	Total	
2011-12	1,26,09,144	1,11,17,317	2,37,26,461	1,34,30,576	1,27,58,227	2,61,88,803	24,62,342
2012-13	1,28,24,059	1,13,53,355	2,41,77,414	1,36,58,006	1,30,13,197	2,66,71,203	24,93,789
2013-14	1,26,86,162	1,12,12,387	2,38,98,549	1,33,36,608	1,26,04,978	2,59,41,586	20,43,037
2014-15	1,24,89,281	1,11,53,713	2,36,42,994	1,32,19,384	1,25,87,545	2,58,06,929	21,63,935
2015-16	1,22,97,660	1,10,41,282	2,33,38,942	1,29,35,607	1,23,34,741	2,52,70,348	19,31,406
<b>Total</b>			<b>11,87,84,360</b>			<b>12,98,78,869</b>	<b>1,10,94,509</b>

(Source: HHS data provided by SPO and District Information System for Education)

**Appendix 2.1.13**  
**Details showing Identification and enrolment of children**  
**in test-checked Districts**

(Reference: Paragraph no. 2.1.8.2)

Period	District	Identification		Enrolment		Difference	
		PS	UPS	PS	UPS	PS	UPS
2011-16	Bahraich	22,61,040	13,88,994	23,17,159	7,24,910	-56,119	6,64,084
2011-16	Farrukhabad	11,27,653	6,87,649	13,03,207	5,54,418	-1,75,554	1,33,231
2011-16	Ferozabad	12,25,217	7,99,292	15,14,736	5,98,607	-2,89,519	2,00,685
2011-16	Ghaziabad	16,21,399	9,13,605	17,05,644	6,70,037	-84,245	2,43,568
2011-16	Ghazipur	24,91,384	15,09,649	28,02,166	12,59,500	-3,10,782	2,50,149
2011-16	Gorakhpur	26,69,326	15,48,379	23,53,913	10,26,810	3,15,413	5,21,569
2011-16	Jhansi	10,84,129	6,51,063	11,63,754	5,99,924	-79,625	51,139
2011-16	Kanpur Dehat	8,90,882	6,18,898	7,85,493	3,83,345	1,05,389	2,35,553
2011-16	Lakhimpur Kheri	25,92,328	16,07,018	26,76,391	10,16,112	-84,083	5,90,906
2011-16	Maharajganj	19,16,338	10,81,433	18,46,281	6,35,855	70,057	4,45,578
2011-16	Mau	13,07,799	7,48,021	13,83,277	6,43,752	-75,478	1,04,269
2011-16	Pilibhit	11,22,117	7,50,264	12,11,032	5,62,562	-88,915	1,87,702
2011-16	Rampur	13,47,198	8,31,509	20,53,822	5,10,400	-7,06,624	3,21,109
2011-16	Sonbhadra	11,06,530	6,81,752	13,06,205	5,52,801	-1,99,675	1,28,951
2011-16	Sultanpur	14,44,129	9,37,037	15,46,946	7,52,456	-1,02,817	1,84,581
2011-16	Unnao	16,86,585	10,68,563	18,21,409	6,24,063	-1,34,824	4,44,500
<b>Total</b>		<b>2,58,94,054</b>	<b>1,58,23,126</b>	<b>2,77,91,435</b>	<b>1,11,15,552</b>		

(Source: HHS data provided by SPO and DISE)

## Appendix 2.1.14

### Details showing reasons for children remaining out of school

(Reference: Paragraph no. 2.1.8.2)

Sl. No.	Year Reasons for Children not going to School	2011-12		2012-13		2013-14		2014-15		2015-16	
		Total Boys	Total Girls	Total Boys	Total Girls	Total Boys	Total Girls	Total Boys	Total Girls	Total Boys	Total Girls
1	Involvement in domestic work	20,397	22,380	12,012	12,748	13,150	12,463	5,896	5,833	3,195	3,065
2	Rag-pickers	819	761	637	460	555	373	494	344	275	184
3	Domestic help	576	730	656	662	462	323	267	140	114	138
4	Working in mines/brick kilns	1,427	1,008	653	306	995	657	476	342	345	222
5	Working in garrage/factory	844	110	554	56	501	99	311	108	234	71
6	Agriculture	3,122	1,264	1,907	786	1,233	451	982	243	458	185
7	Traditional handicraft	1,258	865	988	776	641	447	676	641	358	249
8	Working in small hotels/dhabas	696	313	434	321	328	393	293	175	171	98
9	Looking after brothers and sisters	6,646	9,674	3,276	5,549	3675	6,050	2,051	2,825	1,128	1,510
10	Distance from the school	2,370	2,685	1,037	1,259	1,353	1,336	1,273	1,111	700	721
11	Excess children in classroom	74	57	41	113	32	30	45	175	2	16
12	Improper behaviour of teachers	80	54	34	36	23	19	19	42	4	8
13	Difficulty in learning due to teachers not being available	1,148	849	419	344	464	274	419	250	293	251
14	Without reasons	149	241	94	139	117	110	43	48	13	9
15	Nomadic family	1,472	1,297	813	672	704	590	733	606	430	300
16	Poverty	3,288	2,097	1,951	1,215	2,178	1,677	1,476	957	868	570
17	Severe disability	0	0	0	0	0	0	1,842	1,297	2,377	1,317
18	Others	12,360	8,566	8,301	5,193	14,920	11,476	4,941	3,131	2,396	1,636
<b>Total</b>		<b>56,726</b>	<b>52,951</b>	<b>33,807</b>	<b>30,635</b>	<b>41,331</b>	<b>36,768</b>	<b>22,237</b>	<b>18,268</b>	<b>13,361</b>	<b>10,550</b>

(Source: HHS data provided by SPO)

### Appendix 2.1.15

#### Details showing OSC identified and enrolled during 2011-16

(Reference: Paragraph no. 2.1.8.2)

Year	OSC identified	OSC covered	Percentage of coverage
2011-12	1,09,677	1,07,888	98.37
2012-13	64,442	64,202	99.63
2013-14	78,099	77,756	99.56
2014-15	40,505	40,491	99.96
2015-16	23,911	NA	-
<b>Total</b>	<b>3,16,634</b>	<b>2,90,337</b>	

(Source: Information provided by SPO)

### Appendix 2.1.16

#### Statement showing enrolment of children above 14 years during 2010-16

(Reference: Paragraph no. 2.1.8.2)

Year	PS	UPS	Total
2010-11	10,39,047	2,01,800	12,40,847
2011-12	10,41,405	9,08,575	19,49,980
2012-13	11,64,764	3,08,600	14,73,364
2013-14	11,64,212	3,88,383	15,52,595
2014-15	11,11,990	3,57,015	14,69,005
2015-16	10,75,229	3,55,924	14,31,153

(Source: Annual Work Plan & Budget 2016-17)

### Appendix 2.1.17

#### Statement showing increase/decrease in enrolment in private and Government schools

(Reference: Paragraph no. 2.1.8.2)

Year	Enrolment in Government/ Government aided schools			Enrolment in Private/ unaided schools		
	PS	UPS	Total	PS	UPS	Total
2010-11	1,54,30,350	42,59,229	1,96,89,579	85,34,809	37,02,551	1,22,37,360
2011-12	1,50,49,324	44,94,100	1,95,43,424	1,08,82,447	46,58,110	1,55,40,557
2012-13	14,159,320	44,60,533	1,86,19,853	1,19,37,930	58,64,099	1,78,02,029
2013-14	1,35,23,506	41,88,647	1,77,12,153	1,16,94,774	63,65,946	1,80,60,720
2014-15	1,30,70,057	40,26,868	1,70,96,925	1,19,92,756	68,47,725	1,88,40,481
2015-16	1,27,44,955	38,57,774	1,66,02,729	1,13,49,123	53,57,716	1,67,06,839
	<b>Decline in enrolment (%)</b>		<b>18.59</b>	<b>Increase in enrolment (%)</b>		<b>36.52</b>

(Source: District Information System for Education)

### Appendix 2.1.18

#### Statement showing target for attendance and achievement thereagainst during 2010-16

(Reference: Paragraph no. 2.1.8.2)

Year	Target (Per cent)		Achievement (Per cent)	
	PS	UPS	PS	UPS
2010-11	95	95	90	91
2011-12	95	95	91	90
2012-13	75	75	62	54
2013-14	95	95	63	60
2014-15	70	85	61	64 <sup>2</sup>
2015-16	80	85	68	72

{Source: AWP&B (2010-15) and information provided by Director Basic Education (2015-16)}

### Appendix 2.1.19

#### Statement showing names of printers with whom agreements were executed during 2015-16 who were found using substandard papers and defective printing during 2010-11

(Reference: Paragraph no. 2.1.8.2)

Sl. No.	Name of Publishers	
	2010-11	2015-16
1.	M/s Mudran Mahal, Agra	M/s Mudran Mahal, Agra
2.	M/s Singhal Agency, Lucknow	M/s Singhal Agency, Lucknow
3.	M/s Mahesh Pustkalaya, Mathura	M/s Mahesh Pustkalaya, Mathura
4.	M/s National Printers, Ranchi	M/s National Printers, Ranchi
5.	M/s Ramraja Printers and Publishers, Jhansi	M/s Ramraja Printers and Publishers, Jhansi
6.	M/s Saraswati Press, Mathura	M/s Saraswati Press, Mathura
7.	M/s PratibhaPrintrng Press, Mathura	M/s PratibhaPrintrng Press, Mathura
8.	M/s Bhagwat Printing Press, Mathura	M/s Bhagwat Printing Press, Mathura
9.	M/s RawatPrakashanMandir, Hathras	M/s RawatPrakashanMandir, Hathras
10.	M/s Upkar Printers and Publishers, Agra	M/s Upkar Printers and Publishers, Agra
11.	M/s Veer Bundelkhand Press, Jhansi	M/s Veer Bundelkhand Press, Jhansi
12.	M/s Kazmi Associates, Allahabad	M/s Kazmi Associates, Allahabad
13.	M/s Pioneer Printers, Agra	M/s Pioneer Printers, Agra
14.	M/s Sheel Printers, Mathura	M/s Sheel Printers, Mathura

(Source: Information provided by Director, Basic Education)

<sup>2</sup> Director, Basic Education, however, reported 60 and 61 per cent attendance in PSs and UPSs during 2014-15.

**Appendix 2.1.20**

**Statement showing excess procurement of text books during 2012-16**

(Reference: Paragraph no. 2.1.8.2)

(in ₹)

Name of District	No. of children enrolled	No. of Free text books required	No. of Free Text Books purchased	No. of excess FTBs purchased	Total cost of books	Average cost of one books {(6)/(4)}	Total cost of excess books {(5)*(7)}
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Maharajganj	12,15,525	74,23,281	83,60,376	9,37,095	9,21,31,662	11.02	1,03,26,787
Ferozabad	8,38,285	52,38,037	62,33,866	9,95,829	7,28,77,156	11.69	1,16,41,241
Ghazipur	15,17,174	96,46,156	1,04,11,095	7,64,939	12,81,34,165	12.31	94,16,399
Sonbhadra	10,51,638	64,24,066	71,94,699	7,70,633	10,17,37,557	14.14	1,08,96,751
<b>Grand Total</b>				<b>34,68,496</b>			<b>4,22,81,178</b>
				<b>Say 34.68 lakh</b>			<b>Say ₹ 4.23 crore</b>

(Source: Information provided by concerned DPOs)

## Appendix 2.1.21

### Details showing transportation of books in test-checked districts

(Reference: Paragraph no. 2.1.8.2)

Name of the district	Procedure adopted for cartage of books	Expenditure on transportation during 2011-16 (In Rupees)	Minimum and maximum Expenditure (In Rupees)	Per cent increase in maximum expenditure during 2011-16, as compared to lowest in any year	Reduction in procurement of books
(1)	(2)	(3)	(4)	(5)	(6)
Bahraich	During 2011-12 on the basis of rates approved in earlier years; during 2012-13 on the basis of rates approved by DM, thereafter on the basis of tendering process	2011-12: 99,000 2012-13: 2,19,700 2013-14: 21,05,890 2014-15: 13,08,450 <sup>3</sup> 2015-16: 10,50,000	Minimum (2011-12): ₹ 99,000  Maximum (2013-14): ₹ 21,05,890	Total expenditure of ₹ 21.06 lakh was incurred during 2013-14 on transportation of books from district to blocks and block to schools against expenditure of ₹ 0.99 lakh incurred in 2011-12. Thus, there was 2027 per cent increase during 2013-14, as compared to expenditure incurred during 2011-12.	2011-12: 30,86,208 2012-13: 33,25,435 2013-14: 32,24,393 2014-15: 33,19,660 2015-16: 33,52,892 <i>Percent increase (2011-14): 6.72</i>
Farrukhabad	2011-13: paid through residual amount of purchase of FTB. 2013-15: Paid through tendering process 2015-16: DM directed transport department for the same.	2011-12: 2,30,550 2012-13: 1,97,892 2013-14: 4,36,312 2014-15: 4,62,502 2015-16: 1,33,436	Minimum (2015-16): ₹ 1,97,892;  Maximum (2014-15): ₹ 4,62,502	The expenditure incurred on transportation of books during 2014-15 was 246 per cent of the expenditure <sup>4</sup> incurred on transportation of books during 2015-16.	2011-12: 18,44,416 2012-13: 14,54,029 2013-14: 14,00,626 2014-15: 14,46,994 2015-16: 13,40,126 <i>Percent decrease (2014-16): 7.38</i>
Firozabad	During 2011-12, BEO's carried books upto schools with help of NPRC's/teachers through available own resources. During 2012-13 books carried out upto NPRC's through vehicles hired at the rate approved by DM. During 2013-16 books made available upto school level through vehicles hired at the rate approved by DM.	2011-12: NIL 2012-13: 1,55,384 2013-14: 5,13,216 2014-15: 6,13,605 2015-16: 5,98,520	Minimum (2012-13): ₹ 1,55,384  Maximum (2014-15): ₹ 6,13,605	There was 294 per cent increase in transportation cost of books during 2014-15, as compared to expenditure incurred during 2012-13.	2011-12: 16,35,013 2012-13: 16,13,208 2013-14: 18,77,640 2014-15: 13,52,675 2015-16: 13,90,343 <i>Percent decrease (2012-15): 16.15</i>

<sup>3</sup> Payment of ₹13.08 lakh only was made during 2014-15 against bill of ₹15.30 lakh. Further, excess expenditure of ₹ 1.75 lakh was incurred in district during 2015-16 against the ceiling of 4 per cent of the cost of books fixed by SPO for incurring expenditure on transportation of books.

<sup>4</sup> Due to ceiling of 4 per cent of the cost of books fixed by SPO for transportation of books, the expenditure on transportation of books decreased during 2015-16.



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Ghazipur	2011-13: Carried out through BRC personnel through available own recourses. 2013-14: through open tender but no one participated in tender. Hence the committee under the chairmanship of DM decided to transport the books on the basis of rates as approved for Election-2012.	2011-12: Nil 2012-13: Nil 2013-14: 4,11,034 2014-15: 8,04,151 2015-16: 8,50,116	Minimum (2013-14): ₹ 4,11,034  Maximum (2015-16): ₹ 8,50,116;	There was 107 per cent increase in transportation cost of books during 2015-16, as compared to expenditure incurred during 2013-14).	2011-12: 32,54,364 2012-13: 29,03,167 2013-14: 27,20,689 2014-15: 25,28,984 2015-16: 22,58,255 <i>Percent decrease (2013-16): 17</i>
Ghaziabad	Information/records not provided				
Gorakhpur	On the basis of fuel consumption and daily rental without following tendering process.	2011-12: 2,31,585 2012-13: 2,26,384 2013-14: 2,52,575 2014-15: 40,94,52 2015-16: 7,72,000	Minimum (2012-13): ₹ 2,26,384  Maximum (2015-16): ₹ 7,72,000.	There was 241 per cent increase in transportation cost of books during 2015-16, as compared to the expenditure incurred during 2012-13.	2011-12: 30,93,472 2012-13: 25,29,373 2013-14: 38,53,884 2014-15: 30,75,809 2015-16: 22,98,657 <i>Percent decrease (2012-16): 9.12</i>
Jhansi	Neither tenders were invited nor rates for transportation of books were approved by a committee constituted under the chairmanship of DM. Instead, work orders to different transportations agencies were given on the basis of rates obtained from Regional Transportation Officer.	2011-12: 1,94,904 2012-13: 1,75,310 2013-14: 1,37,340 2014-15: 2,13,260 2015-16: 3,48,630	Minimum (2013-14): ₹ 1,37,340;  Maximum (2015-16): ₹ 3,48,630	There was 154 per cent increase in transportation cost of books during 2015-16, as compared to the expenditure incurred during 2013-14.	2011-12: 16,48,089 2012-13: 13,86,945 2013-14: 14,89,707 2014-15: 13,58,996 2015-16: 12,58,869 <i>Percent decrease (2013-16): 15.50</i>
Kanpur Dehat	2011-12: Paid through residual amount of purchase of FTB and School development fund. 2012-14: Paid through residual amount of purchase of FTB. 2014-15: by open tender, rate as approved by the DM. 2015-16: Approved rate of transport department/DM on the basis of Election 2014.	2011-12: Nil 2012-13: Nil 2013-14: 1,62,000 2014-15: 8,79,765 2015-16: 1,37,397	Minimum (2015-16): ₹1,37,397;  Maximum (2014-15): ₹ 8,79,765	The expenditure incurred on transportation of books during 2014-15 was 540 per cent of the expenditure <sup>5</sup> incurred on transportation of books during 2015-16.	2011-12: 14,30,725 2012-13: 11,78,310 2013-14: 15,01,123 2014-15: 11,96,238 2015-16: 11,31,104 <i>Percent decrease (2014-16): 5.44</i>

<sup>5</sup> Due to ceiling of 4 per cent of the cost of books fixed by SPO for incurring expenditure on transportation of books, the expenditure on transportation of books decreased during 2015-16.

Lakhimpur Kheri	2011-12: Carried out through BRC personnel 2012-14: transportation carried out as per approved rates for Election 2012, payment was done from residual amount of purchase of FTB. 2014-16: Through BRC again.	2011-12: Nil 2012-13: 3,91,130 2013-14: 6,94,620 2014-15: Nil 2015-16: Nil <sup>6</sup>	Minimum (2012-13): ₹.3,91,130;  Maximum (2013-14): ₹ 6,94,620	There was 78 per cent increase in transportation cost of books during 2013-14, as compared to the expenditure incurred during 2012-13.	2011-12: 33,25,779 2012-13: 32,35,971 2013-14: 31,55,426 2014-15: 29,05,794 2015-16: 29,37,081 <i>Percent decrease (2012-14): 2.49</i>
Maharajganj	Carried out through BRC during 2011-12. No expenditure was incurred by DPO. In other years through quotation/tender.	2011-12: Nil 2012-13: 33,252 2013-14: 1,54,050 2014-15: 36,000 2015-16: 2,44,915	Minimum (2014-15): ₹ 36,000;  Maximum (2015-16): ₹ 2,44,915	There was 636 per cent increase in transportation cost of books during 2015-16, as compared to the expenditure incurred during 2014-15.	2011-12: 23,23,383 2012-13: 19,99,236 2013-14: 21,16,676 2014-15: 21,04,069 2015-16: 20,40,398 <i>Per cent increase (2014-16) : 3.03</i>
Mau	Tendering	2011-12: 1,14,410 2012-13: 1,48,643 2013-14: 1,54,099 2014-15: 2,00,000 2015-16: 2,12,948	Minimum (2011-12): ₹ 1,14,410;  Maximum (2015-16): ₹ 2,11,948	There was 85 per cent increase in transportation cost of books during 2015-16, as compared to the expenditure incurred during 2011-12.	2011-12: 19,97,470 2012-13: 19,10,473 2013-14: 17,26,948 2014-15: 16,45,947 2015-16: 16,16,481 <i>Per cent decrease (2011-16): 19</i>
Pilibhit	Records not put up				
Rampur	During 2012-16, on the basis of rates approved for transportation by DM during Elections; During 2011-12 it was done on the basis of tendering process.	2011-12: 1,52,110 2012-13: 2,94,403 2013-14: 3,68,110 2014-15: 3,92,400 2015-16: 3,87,716	Minimum (2011-12): ₹ 1,52,110  Maximum (2014-15): ₹3,92,400	There was 158 per cent increase in transportation cost of books during 2015-16, as compared to the expenditure incurred during 2011-12.	2011-12: 18,54,680 2012-13: 16,16,215 2013-14: 14,71,352 2014-15: 13,05,196 2015-16: 12,86,561 <i>Per cent decrease (2011-15): 29.63</i>
Sonbhadra	By providing fuel to the vehicle arranged by Regional Transport Officer and payment of	2011-12: 89,902 2012-13:	Minimum (2013-14): ₹ 81,651;	There was 436 per cent increase in transportation cost of books during 2015-16, as compared to the	2011-12: 18,63,506 2012-13:

<sup>6</sup> Due to not commencing of district committee meeting, payment was not done

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	remuneration to the driver of the vehicle	1,12,668 2013-14: 81,651 2014-15: 90,000 2015-16: 4,37,499	Maximum (2015-16): ₹ 4,37,499	expenditure incurred during 2013-14.	19,06,490 2013-14: 17,36,518 2014-15: 17,50,797 2015-16: 18,00,894 <i>Per cent increase</i> (2013-16): 3.71
Sultanpur	Providing diesel and labour charges for loading and unloading of the books <sup>7</sup> . (The transporters claimed different rates for consumption of fuel in different years, loading-unloading charges for different kind of vehicles were varying to a large extent and total expenditure during 2014-15 and 2015-16 increased manifold without any justification)	2011-12: 5,21,343 2012-13: 4,99,560 2013-14: 5,75,103 2014-15: 15,17,178 <sup>8</sup> 2015-16: 13,46,758	Minimum (2012-13): ₹ 4,99,560;  Maximum (2014-15): ₹ 15,17,178	There was 204 per cent increase in transportation cost of books during 2014-15, as compared to the expenditure incurred during 2012-13.	2011-12: 25,84,997 2012-13: 21,99,148 2013-14: 19,08,959 2014-15: 20,81,858 2015-16: 18,80,734 <i>Per cent decrease</i> (2012-15): 5.33
Unnao	Per trip rate upto block level fixed by DM. Payment made on the basis of 3 trips to each block.	2011-12: 1,46,997 2012-13: 1,38,661 2013-14: 1,91,547 2014-15: 2,13,432 2015-16: 2,99,130	Minimum (2011-12): ₹ 1,38,661;  Maximum (2015-16): ₹ 2,99,130	There was 116 per cent increase in 2015-16 as compared to expenditure incurred in 2012-13.	2011-12: 23,54,829 2012-13: 22,66,603 2013-14: 20,08,436 2014-15: 18,73,904 2015-16: 18,70,278 <i>Per cent decrease</i> (2010-16):20.58

(Source: Information provided by concerned DPOs)

<sup>7</sup> (a) While inviting tenders, few components like consumption of diesel and mobil oil, which could have been made constant were left on the decision of the transporters. As a result, different transporters in different years quoted consumption of diesel for TATA truck ranging between 3 to 4 Kms/litre; for Eicher 407 ranging between 1.5 and 10 Kms/litre; for TATA 307 ranging between 6 and 12 Kms/litre and for TATA magic half ranging between 10 and 13 kms/ litre. Similarly, the consumption rate of mobil oil in different years for TATA truck was ranging between 25 and 20000 Km/litre; for Eicher 407 ranging between 300 and 25000 Kms./litre For TATA 307 ranging between 500 and 25000 Kms./litre and for TATA magic half ranging between 800 and 25000 Kms./liter, which were paid accordingly. The wide gap between the consumption rate of diesel and mobil oil was not justifiable.

(b) The loading and unloading charges were fluctuating; which was for TATA truck ranging between ₹ 1080 and ₹ 2400; for Eicher 407 ranging between ₹ 540 and ₹.2400; for TATA 307 ranging between ₹.540 and ₹ 1800 and for TATA magic half ranging between ₹ 540 and ₹1200.

(c) Transportation cost of ₹ 499560 and ₹575103 was paid for transportation of books during 2011-12 and 2012-13 respectively, the average of which was ₹ 5.37 lakh per year. Scrutiny of records, however revealed that the expenditure during the year 2014-15 was increased to ₹ 15.17 lakh which was 2.85 times of the expenditure incurred in previous years and was 8.8 per cent of the cost of books (₹2.11 crore), which was almost two times of the state average of transportation cost of books. Similarly, the expenditure incurred on transportation of books during 2015-16 was ₹ 13.47 lakh, which was 7.19 per cent of the cost of books (₹ 1.88 crore) whereas state average of previous year was 3.28 per cent. It was observed that justification for the rates quoted by transporters during 2014-15 and 2015-16 were not made on the basis of the rates approved during 2013-14. Analysis revealed that the consumption of diesel quoted by lowest bidders (transporters) during 2014-15 and 2015-16 was higher ranging between 8 to 60 per cent and 8 to 40 per cent, as compared to the consumption rate quoted during 2013-14. Similarly, loading and unloading charges were increased ranging between 77.5 per cent and 233 per cent during 2014-15 and 2015-16 respectively, as compared to the rates quoted during 2013-14, which was approved without any analysis. This resulted in excess expenditure of ₹ 12.04 lakh and ₹ 8.15 lakh during 2014-15 and 2015-16 respectively, as compared to the expenditure incurred in previous year.

<sup>8</sup> Consequent upon decision of SPO for special audit of districts incurring expenditure of more than 6 per cent of cost of books on payment of transportation cost, payment was limited to ₹ 15.17 lakh against the bill of ₹17.36 lakh during 2014-15

**Appendix 2.1.22**  
**Delays at various levels in procurement and distribution of**  
**Free Text Books during 2010-16**  
*(Reference: Paragraph no. 2.1.8.2)*

Name of the district	Delay in placing supply order (in days)	Date of start of supply of books by printers to districts						No. of FTBs received (SSA+GoUP)	No. of FTBs distributed after the month of July
		2010-11	2011-12	2012-13	2013-14	2014-15	2015-16		
Bahraich	0-16	23.07.2010	10.09.2011	18.09.2012	18.09.2013	30.05.2014	08.08.2015	1,93,29,940	1,09,42,311
Farrukhabad	2-23	15.06.2010	19.06.2011	20.06.2012	22.05.2013	15.06.2014	28.07.2015	89,30,234	26,79,059
Ferozabad	0-20	02.06.2010	06.07.2011	09.06.2012	30.05.2013	25.06.2014	02.06.2015	95,87,201	29,56,583
Ghaziabad	1-15	25.07.2016	28.08.2011	18.07.2012	28.10.2013	11.07.2014	22.07.2015	52,08,146	14,04,681
Ghazipur	1-18	12.06.2010	14.07.2011	09.06.2012	29.05.2013	09.06.2014	08.06.2015	1,69,37,390	77,03,058
Gorakhpur	0-16	30.06.2010	21.07.2011	02.07.2012	19.06.2013	17.06.2013	10.06.2015	1,82,82,467	73,12,988
Jhansi	0-23	18.06.2010	16.07.2011	08.06.2012	10.05.2013	09.06.2014	09.06.2015	86,77,175	36,18,722
Kanpur Dehat	1-12	14.06.2010	12.07.2011	26.07.2012	04.06.2013	05.06.2014	19.06.2015	73,37,761	28,31,771
Lakhimpur Kheri	0-10	06.2010	06.2011	05.2012	06.2013	05.2014	06.2015	1,80,26,972	21,39,387
Maharajanj	2-18	01.07.2010	05.07.2011	04.07.2012	25.06.2013	29.06.2014	06.07.2015	1,25,22,824	4,46,584
Mau	0-27	02.07.2010	14.07.2011	02.06.2012	24.06.2013	23.06.2014	24.06.2015	1,09,58,404	24,05,165
Pilibhit	Records/information not provided								
Rampur	0-16	29.05.2010	03.07.2011	04.06.2012	02.06.2013	31.05.2014	09.06.2015	95,83,039	31,33,838
Sonbhadra	0-18	15.05.2010	18.07.2011	07.06.2012	10.05.2013	03.06.2014	08.06.2015	1,10,64,487	43,10,518
Sultanpur	0-103	30.05.2010	01.07.2011	06.06.2012	08.05.2013	28.05.2014	12.06.2015	1,43,25,588	51,02,857
Unnao	0-2	11.07.2010	10.08.2011	10.07.2012	17.07.2013	27.06.2014	17.08.2015	1,27,71,233	21,21,670
<b>Total</b>								<b>18,35,42,861</b>	<b>5,91,09,192</b>

(Source: Information provided by concerned DPOs)

**Appendix 2.1.23**  
**Statement showing allotment, expenditure and coverage of children**  
**under Free Text Books component**  
*(Reference: Paragraph no. 2.1.8.2)*

Year	Allotment	Expenditure	Balance	Target	Actual enrolment	Actual coverage
2010-11	114.81	82.21	32.60	1,47,84,400	NA	1,43,40,731
2011-12	114.98	97.95	17.03	1,43,38,431	NA	1,41,99,371
<b>Sub total (A)</b>	<b>229.79</b>	<b>180.16</b>	<b>49.63</b>	<b>2,91,22,831</b>		<b>2,85,40,102</b>
2012-13	129.65	103.39	26.26	1,41,62,630	1,44,73,717	1,41,58,397
2013-14	252.02	126.30	125.72	1,40,12,396	1,40,10,725	1,39,34,258
2014-15	199.60	129.35	70.25	1,38,31,943	1,36,77,895	1,35,34,304
2015-16	186.41	152.30	34.11	1,32,94,158	1,32,39,443	1,31,53,093
<b>Sub total (B)</b>	<b>767.68</b>	<b>511.34</b>	<b>256.34</b>	<b>5,53,01,127</b>	<b>5,54,01,780</b>	<b>5,47,80,052</b>
<b>Grand total</b>	<b>997.47</b>	<b>691.50</b>	<b>305.97</b>	<b>8,44,23,958</b>	<b>5,54,01,780</b>	<b>8,33,20,154</b>

(Source: Information provided by SPO, SSA; enrolment as per DISE)

**Appendix 2.1.24**

**Statement showing belated supply of uniforms to students (State as a whole)**

(Reference: Paragraph no. 2.1.8.2)

Sl. No.	Year	Targeted date for distribution of uniforms	Status of distribution of uniforms upto targeted date	Delay in providing uniforms to children
1	2011-12	11.11.11	Only one set of uniform was provided to children	
2.	2013-14	30.11.13	21 districts failed to distribute uniforms upto 10.12.2013. The other districts distributed uniforms ranging between 1 and 71 per cent <sup>9</sup> upto the targeted date.	Due to delayed transfer of funds on 26.8.2013 (75 per cent) and 7.1.2014 (25 per cent), timely distribution of uniforms was not possible.
3	2014-15	30.9.14	No uniform was distributed in 46 districts upto the 30 October 2014 and only 50 to 74 per cent uniforms were distributed in remaining districts upto that date.	The funds for distribution of uniforms were transferred in two installments of 75 per cent and 25 per cent on 15.9.14 and 25.2.15 respectively.
4.	2015-16	20.8.15	No uniforms were distributed timely	Session started in April 2015. Funds for distribution of uniforms were transferred in two installments on 28.7.2015 (75 per cent) and 27.1.2016 (25 per cent).

(Source: Information provided by SPO)

<sup>9</sup> 9, 20, 5 and 18 districts distributed uniforms ranging between 1 to 30 per cent, 31 to 60 per cent, 61 to 70 per cent and 71 per cent respectively upto the targeted date.

### Appendix 2.1.25

#### Statement showing delay in distribution of uniforms to children (in test-checked districts)

(Reference: Paragraph no. 2.1.8.2)

Sl. No.	Name of District	Period	No. of Student	Delay in days
1	Bahraich	2012-16	38,894	39 to 199
2	Ferozabad	2011-16	44,336	31 to 168
3	Farrukhabad	2012-13	6,560	61
4	Ghaziabad	Information/records not provided		
5	Ghazipur	2011-16	1,44,418	67 to <b>230</b>
6	Gorakhpur	2012-15	33,732	58 to 221
7	Jhansi	2011-13, 2015-16	15,573	34 to 130
8	Kanpur Dehat	2011-16	00	Timely distributed
9	LakhipurKheri	2011-16	86,004	61 to 107
10	Maharajgan	2011-16	1,18,866	39 to 138
11	Mau	2011-16	3,09,733	33 to 209
12	Pilibhit	2011-16	00	Timely distributed
13	Rampur	2011-16	28,077	<b>20</b> to 145
14	Sonbhadra	2012-13, 2014-15	36,507	59 to 121
15	Sultanpur	2011-13, 2014-16	1,00,719	32 to 111
16	Unnao	2012-16	42,572	32 to 174
<b>Total</b>			<b>10,05,991</b>	

(Source: Information provided by concerned DPOs)

### Appendix 2.1.26

#### Statement showing year-wise position of construction of Primary and Upper Primary Schools

(Reference: Paragraph no. 2.1.8.3)

Year	Primary school (PS) <sup>10</sup>					Upper Primary school (UPS) <sup>11</sup>				
	Sanctioned	Balance school of the last year	Constructed	Under construction	Not started	Sanctioned	Balance school of the last year	Constructed	Under construction	Not started
2010-11	0	703	670	33	0	1,126	918	1943	101	0
2011-12	10,364	33	714	6,762	2,921	1,052	101	87	648	418
2012-13	0	9,683	5,709	3,491	483	0	1,066	617	364	85
2013-14	0	3,974	3,044	560	370	0	449	217	190	42
2014-15	0	930	367	102	461	0	229	115	37	77
2015-16	0	563	17	77	469	0	114	19	22	73
<b>Total</b>	<b>10,364</b>		<b>10,521</b>			<b>2,178</b>		<b>2,998</b>		

(Source: Information provided by SPO)

<sup>10</sup> There was opening balance of 703 PSs (not constructed) of previous years as on 1 April 2010. After adding the total 10364 PSs sanctioned during 2010-16, the total number of schools to be constructed during 2010-16 was 11067 PSs.

<sup>11</sup> There was opening balance of 918 UPSs (not constructed) of previous years as on 1 April 2010. After adding the total 2178 U PSs sanctioned during 2010-16 and deduction of 3 UPSs surrendered during 2014-15, the total number of schools to be constructed during 2010-16 was 3093 UPSs.

### Appendix 2.1.27

#### Statement showing reasons for schools not constructed

(Reference: Paragraph no. 2.1.8.3)

Name of the District	Insufficient cost for construction of schools
Sultanpur	Funds for construction of 344 new PSs (at the rate of ₹ 6.73 lakh per PS) and 12 UPSs (at the rate of ₹ 9.01 lakh per UPS) were provided during 2011-12. Though construction cost of these PSs and UPSs were transferred to respective SMCs, construction work of 48 PSs were not started even after the lapse of more than four years for want of additional funds by the construction incharges to meet the escalation in cost. Out of these schools not constructed, funds totalling ₹ 29.64 lakh was not returned by 12 SMCs, though directed to be returned upto December 2014
<b>Land dispute</b>	
18 districts <sup>12</sup>	Funds of ₹280.60 lakh was provided during 2011-12 for construction of 35 PSs and five UPS in 18 districts. Due to land dispute, these PSs and UPS were not constructed despite lapse of four years from release of funds.
<b>Selection of disputed site</b>	
Gorakhpur	Construction of UPS Amaiya, block khorabar (sanctioned in 2002-03) was started without having clear title of the land. At partially constructed stage, a person claiming the title of the land stopped construction of the school. During joint physical inspection, it was found that the school was running in five ACRs, sanctioned subsequently.
Gorakhpur	Construction of PS Payasi, block khorabar (sanctioned in 2007-08) was started without having clear title of land. At a semi constructed stage (about 95 percent), the school building was occupied by a person claiming to be the owner of the land. During physical verification it was found that animals and straw for feeding of animals was kept in the rooms of the school and PS Payasi was running in the building of UPS Payasi.
<b>Sanction of schools against the norms</b>	
Unnao	13 UPSs, sanctioned against the norms were surrendered in January 2013 but funds totaling ₹ 1.18 crore was not transferred to SPO.
Gorakhpur	47 PSs and 3 UPSs, selected against the prescribed norms, were replaced with other schools.

(Source: Records of SPO and concerned DPOs)

<sup>12</sup>Aligarh, Azamgarh, Ballia, Balrampur, Chitrakoot, Etah, Faizabad, Gonda, Hathras, Jaunpur, Kannauj, Kasganj, Mainpuri, Mathura, Pratapgarh, Sant Ravidas Nagar (Bhadohi), Sitapur and Shravasti.



### Appendix 2.1.28

#### Details showing schools running without building, in rented building and in dilapidated building

(Reference: Paragraph no. 2.1.8.3)

District	No of schools running without building	No of schools running in rented building <sup>13</sup>	No of schools running in dilapidated building
Bahraich	21 <sup>14</sup>	10	7
Farrukhabad	0	34	3
Ferozabad	0	39	14
Ghazipur	0	1	0
Ghaziabad	0	15	1
Gorakhpur	0	15	4
Jhansi	0	12	32
Kanpur Dehat	1	7	12
LakhimpurKheri	8	6	6
Maharajganj	0	3	4
Mau	0	3	5
Pilibhit	0	10	0
Rampur	0	12	0
Sonbhadra	0	0	0
Sultanpur	0	0	4
Unnao	0	1	2
<b>Total</b>	<b>30</b>	<b>168</b>	<b>94</b>

(Source: Records of concerned DPOs and DISE data)

<sup>13</sup>In physical verification of schools, one aided school and one UPS in districts Unnao and Maharajganj respectively was found in dilapidated condition without any education activities.

<sup>14</sup>8 schools in PS Mahasi was running without building for 6 to 11 years, one school in block Mihipurva was running in grass thatch for 10 years, 3 schools in block Mahasi and 2 Schools in block Payagpur were running in ACRs; 7 schools in block Balaha was running in ACRs as the school building was demolished in flood.

### Appendix 2.1.29

#### Details showing multiple schools running in single building

(Reference: Paragraph no. 2.1.8.3)

Name of the district	Number of schools running in single building	Number of such buildings	Total number of schools accommodated in these buildings
Bahraich	2 to 3	5	11
Ferozabad	2 to 3	26	55
Gorakhpur	2	7	14
Jhansi	2	10	20
Pilibhit	2 to 3	10	25
Sultanpur	2 to 3	5	12
Unnao	2 to 3	9	23
<b>Total</b>		<b>72</b>	<b>160</b>

(Source: Records of concerned DPOs)

### Appendix 2.1.30

#### Statement showing status of construction of composite schools in test-checked districts

(Reference: Paragraph no. 2.1.8.3)

Name of the district	No of schools Sanctioned	Sanctioned cost (₹ in lakh)	Scheduled date of completion	Status of construction	Remarks
Sultanpur	1 (October 2011)	41.04	March 2012	Civil work completed (2013)	Not operational as doors/windows and electrical work not completed
Gorakhpur	2 (January 2010)	71.24	June 2010	Completed (July 2011)	Not operational, a KGBV was running in one school
	1 (October 2011)	41.04	March 2012	Incomplete	Additional funds demanded by construction agency, not provided
Lakhimpur Kheri	2 (October 2011)	82.08	March 2012	Incomplete/ not transferred	One schools was incomplete and the other was not transferred
<b>Total</b>		<b>235.40</b>		<b>Say ₹ 2.35 crore</b>	

(Source: Records of concerned DPOs)

### Appendix 2.1.31

#### Details showing irregularities in construction of ACRs in violation of norms

(Reference: Paragraph no. 2.1.8.3)

(₹ in lakh)

Name of the district	Year	Violating RTE <sup>15</sup> Norms		Without ensuring RTE norms		Constructed without availability of land		Given without demand	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
Farrukhabad	2011-12	193	387.93	0	0	45	90.45	34	68.34
Ferozabad	2010-11	117	235.17	0	0	0	0	0	0
	2011-12	0	0	0	0	11	22.11	10	20.10
	2012-13	73	146.73	0	0	8	16.08	10	20.10
Gorakhpur	2010-11	29	58.29	0	0	0	0	0	0
	2011-12	162	325.62	0	0	0	0	0	0
	2012-13	67	134.67	139 <sup>16</sup>	279.39	0	0	0	0
	2014-15	0	0	46	158.70	0	0	0	0
Ghazipur	2010-11	3	6.03	0	0	4	8.04	181	363.81
	2012-13	11	22.11	0	0	5	10.05	51	102.51
	2014-15	105	362.25	0	0	0	0	77	265.65
Jhansi	2010-11	51	104.55	0	0	0	0	0	0
	2014-15	14	48.3	68 <sup>17</sup>	234.60	0	0	0	0
Kanpur Dehat	2010-11	30	60.30	0	0	1	2.01	4	8.04
	2011-12	3	6.03	0	0	0	0	0	0
	2014-15	22	75.90	0	0	0	0	0	0
Maharajganj	2010-11	214	430.14	0	0	91	182.91	0	0
	2011-12	9	18.09	0	0	0	0	0	0
	2012-13	0	0	0	0	0	0	53	106.53
Pilibhit	2010-11	13	26.13	0	0	0	0	0	0
	2011-12	43	86.43	0	0	0	0	0	0
	2012-13	3	6.03	0	0	0	0	0	0
	2014-15	5	17.25	0	0	0	0	0	0
Rampur	2011-12	298	598.98	0	0	30	60.30	45	90.45
Sonbhadra <sup>18</sup>	2010-11	38	76.38	133 <sup>19</sup>	294.69	0	0	0	0
	2011-12	54	108.54			0	0	0	0
	2012-13	75	150.75			0	0	0	0
	2014-15	4	13.80			0	0	0	0
<b>Total</b>		<b>1,636</b>	<b>3,506.4</b>	<b>386</b>	<b>967.38</b>	<b>195</b>	<b>391.95</b>	<b>465</b>	<b>1,045.53</b>
<b>Grand total (No. of ACRs)</b>		<b>2,682</b>							
<b>Grand Total (Value)</b>		<b>₹ 5,911.26 lakh</b>		<b>Say</b>		<b>₹ 59.11 crore</b>			

(Source: Records of concerned DPOs)

<sup>15</sup> Allotted in excess of classrooms required for the children enrolled, considering RTE norms.

<sup>16</sup> ACRs sanctioned to PSs/UPSs were transferred to other PSs/UPSs without ensuring enrolment of children in transferee schools.

<sup>17</sup> DISE data is compiled for 30<sup>th</sup> of September whereas 99 ACRs were sanctioned during 2014-15 on 31 March 2015. 75 schools to whom ACRs were sanctioned during 2014-15 were already having 267 ACRs. With the objective to receive further ACRs, these 75 schools showed only 162 ACRs. Thus, 35 School obtained 57 ACRs (total cost: ₹ 1.97 crore) without requirement by providing incorrect information. Out of these schools, physical verification of one school (PS Paleeda, Block Babina, Jhansi) was physically inspected on 7.6.2016 and found that the school was having an old building with one head-teachers room. The teacher available at the time of inspection informed that the building was being used for teaching. Further, two ACRs (constructed in 2006-07) was also available in school. Yet, one more ACR was obtained by reporting availability of only one classroom in the school.

<sup>18</sup> Remarks given in the list - Security forces (7 ACRs), under the possession of jungle men (1 ACR), Naxal (21 ACRs).

<sup>19</sup> By declaring the schools as dilapidated without any technical report.

**Appendix 2.1.32**

**Details showing blockade of funds in test-checked districts**

(Reference: Paragraph no. 2.1.8.3)

(₹ in crore)

Sl. No.	Details of blockade of funds	Amount blocked
<b>Construction of schools</b>		
1.	In district Unnao, 13 UPSs sanctioned against the norms were surrendered in January 2013 but funds totaling ₹ 1.18 crore was not transferred to SPO	1.18
<b>Hand pumps</b>		
2.	Against 429 hand-pumps sanctioned in Sultanpur during 2011-15, only 340 hand-pumps were installed by UP Small Scale Industries Corporation, Kanpur resulting in non- utilisation of ₹ 34.60 lakh	0.35
3.	In district Jhansi, 35 hand-pumps sanctioned alongwith PSs and UPSs during 2011-12 were not installed due to schools being in dry areas. The funds totaling ₹ 18.62 lakh, however, was not refunded to SPO.	0.19
4.	Despite release of ₹1.60 lakh to UP Agro for installation of five hand-pumps, sanctioned (2010-11) for five schools in Kanpur Dehat, no hand-pump has been installed.	0.20
<b>Construction of BRCs</b>		
5.	In test checked district Sultanpur, construction work of one BRC (Karaundi Kala), sanctioned in September 2010 at a construction cost of ₹ 8.00 lakh, was provided to Rural Engineering Services (RES). Construction of the building, however, was not started due to demand of additional construction cost leading to blockade of ₹ 8.00 lakh with RES.	0.08
6.	In test checked district Bahraich, construction of 15 BRC's training hall and one resource room was sanctioned (2011-12) at a total construction cost of ₹80.00 lakh (₹ 5.00 lakh each). It was found that only 50 percent of the construction cost was provided to construction agency (C&DS). As a result, the buildings were not be completed leading to blockade of ₹ 40 lakh	0.40
7.	In test checked district Gorakhpur, construction of 20 BRC's training hall was sanctioned (May 2011) at a total construction cost of ₹ 100 lakh (₹ 5.00 lakh each). It was found that only ₹73.28 lakh was provided to the construction agency (UPSKNN). As a result, the buildings could not be completed leading to blockade of ₹ 73.28 lakh	0.73
<b>Total</b>		<b>3.13</b>

(Source: Records provided by DPO)

### Appendix 2.1.33

#### Statement showing Pupil-Teacher Ratio in government/government aided and private schools during 2010-16

(Reference: Paragraph no. 2.1.8.4)

Year	Government/Government aided School		Private School	
	PSs	UPSs	PSs	UPSs
2010-11	40	38	55	41
2011-12	39	36	57	42
2012-13	35	32	56	40
2013-14	36	29	52	38
2014-15	34	28	49	35
2015-16	36	24	46	35

(Source: District Information System for Education)

### Appendix 2.1.34

#### Statement showing excess deployment of teachers in schools

(Reference: Paragraph no. 2.1.8.4)

Primary schools					
Enrolment	3 teachers	4 teachers	5 teachers	More than 5 teachers	Total
Less than 20	469	202	39	10	720
25-50	4,101	1,853	451	139	6,544
<b>Total</b>	<b>4,570</b>	<b>2,055</b>	<b>490</b>	<b>149</b>	<b>7,264</b>
Upper Primary Schools					
Less than 20		182	39	19	240
25-50		1,452	443	242	2,137
<b>Total</b>		<b>1,634</b>	<b>482</b>	<b>261</b>	<b>2,377</b>

(Source: District Information System for Education)

### Appendix 2.1.35

#### Statement showing short deployment of teachers in schools

(Reference: Paragraph no. 2.1.8.4)

Primary Schools					
Enrolment	1 teacher	2 teachers	3 teachers	4 teachers	Total
150-200	845	2,532	4,011	3,332	10,720
More than 200	510	1,613	2,594	2,295	7,012
<b>Total</b>	<b>1,355</b>	<b>4,145</b>	<b>6,605</b>	<b>5,627</b>	<b>17,732</b>
Upper Primary Schools					
150-200	76	181	257	394	908
More than 200	31	64	130	216	441
<b>Total</b>	<b>107</b>	<b>245</b>	<b>387</b>	<b>610</b>	<b>1,349</b>

(Source: District Information System for Education)

### Appendix 2.1.36

#### Statement showing instructional days achieved during 2010-16

(Reference: Paragraph no. 2.1.8.4)

Year	Primary School		Upper Primary School		Total
	Less than 175	175 to 200	Less than 175	175 to 200	
2010-11	1,03,444	0	42,650	0	<b>1,46,094</b>
2011-12	1,02,079	0	44,027	0	<b>1,46,106</b>
2012-13	1,07,649	0	45,331	0	<b>1,52,980</b>
2013-14	772	1,017	245	126	<b>2,160</b>
2014-15	42	700	10	313	<b>1,065</b>
2015-16	00	00	26	40328	<b>40,354</b>

(Source: District Information System for Education)

### Appendix 2.1.37

#### Statement showing availability and utilization of computers in test-checked districts

(Reference: Paragraph no. 2.1.8.4)

Particulars	Bahraich	Farrukhabad	Ferozabab	Ghaziabad <sup>20</sup>	Ghazipur	Gorakhpur <sup>21</sup>	Jhansi	Kanpur Dehat	Lakhimpur Kheri	Maharaj Ganj	Mau	Rampur	Pili-bhit	Sonbhadra	Sultanpur <sup>22</sup>	Unnao	Total
	1	2	3	4	5	6	7	9	9	10	11	12	13	14	15	16	
Total computers <sup>23</sup> procured by the district	123	91	107	70	115	0	116	84	124	90	94	86	89	115	103	112	1519
Computers available in schools	82	61	87	40	83	0	98	79	114	81	82	70	71	114	80	77	1219
Computers installed at places other than schools	40	28	16	26	28	0	15	01	8	3	8	15	17	0	20	33 <sup>24</sup>	258
Computers available but not functional	34	3	33	30	10	0	24	31	28	4	6	16	6	50	0	6	281
Computers stolen	1	2	4	4	4	0	3	04	2	6	4	1	1	1	3	2	42
Computer available but no instructor	42	61	71	35	35	0	66	52	4	67	38	60	27	62	65	77	762
Instructor available but computer not available	15	2	0	3	3	0	24	2	1	16	12	2	7	5	3	0	95

(Source: Information provided by concerned DPOs)

<sup>20</sup> Four computers procured during 2011-12 were neither available in stock nor issued to UPSs.

<sup>21</sup> Did not furnish records/information despite repeated written and verbal requests.

<sup>22</sup> The total number includes 20 computers with 17" monitors and 5 computers with 40" monitors procured during 2010-11. The vendor (Sreetron India Limited), instead of supplying HCL make monitors, supplied N Cola make monitors and the supplied items were defective. The supplies were not accepted unless the vendor accorded its written consent through letter dated 4.3.15 on forfeiture of 10 per cent amount retained for release after verification of satisfactory supply; though Chief Treasury Officer, Sultanpur cautioned that the settlement was not in the interest of the Government. The computer education, not provided to the children during 2011-14, was not taken into consideration while settling the issue. Further, out of the 20 computers with 17" monitors, 18 computers were diverted for election work and not received back; and 2 defective computers remained dumped. The 5 computers with 40" monitors valuing ₹ 5.08 lakh were not reported in the information sent to Government of UP and physical verification of one of the five schools where it was sent, the computer was not available.

<sup>23</sup> During the year 2010-11, 5 computers with 40" monitors were provided to each of the 71 districts for establishing model computer assisted learning centres at block level UPSs without describing as to what was meant by model computer assisted leaning centre and how it would be different from other UPSs being supplied computers with 17"/18.5" monitors. This led to avoidable expenditure of ₹. 28,500 per computer.

<sup>24</sup> Purchased in 2011-12, utilised in social and economic survey. DRDA Unnao returned 32 computers in March and September 2014 which were not in working condition. The remaining 2 computers not returned.



### Appendix 2.1.38

#### Details showing enrolment of girls against the seats available in KGBVs (Reference: Paragraph no.2.1.9.1)

KGBVs Operational <sup>25</sup>			Girls enrollment (Class 6 to 8)						
Year	Total	Total seats available	SC	ST	OBC	BPL	Minority	Total	Shortfall (per cent)
2010-11	454	44,800	17,530	647	15,433	4,545	4,363	42,547	2,253 (5%)
2011-12	746	74,000	29,617	670	23,718	7,066	5,664	66,735	726 (10%)
2012-13	746	74,000	29,617	670	23,718	7,066	5,664	66,735	7,265 (10%)
2013-14	746	74,000	31,528	923	27,270	6,261	5,961	71,953	2,047 (3%)
2014-15	746	74,000	29,238	945	24,798	4,948	11,069	70,998	3,002 (4%)
2015-16	746	74,000	29,788	894	24,922	4,672	12,493	72,769	1,231 (2%)
<b>Total</b>		<b>4,14,800</b>						<b>3,91,737</b>	

(Source: Information provided by SPO)

### Appendix 2.1.39

#### Statement showing avoidable expenditure on CWSN (Reference: Paragraph no. 2.1.9.2)

Year	CWSN identified/ projected in AWP&B	Funds approved in AWP&B including spill over (₹ In lakh)	Unit rate (₹)	No of CWSN enrolled	Total Expenditure (₹ in lakh)	Expenditure per CWSN (₹)	No. of CWSN without Disability Certificate	Avoidable expenditure (7x8) (₹ In crore)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2010-11	4,14,554	7,254.18	1,750	3,63,438	4,386.56	1,206.96	315,639	38.10
2011-12	3,97,511	8,739.17	2,200	3,75,319	6,382.27	1,700.49	331,726	56.41
2012-13	4,10,888	9,514.26 <sup>26</sup>	2,280	3,70,413	5,941.50	1,604.02	342,350	54.91
2013-14	1,14,668 <sup>27</sup>	3,440.04	3,000	2,15,400	3,284.83	1,524.99	177,855	27.12
2014-15	2,89,642	4,923.87	1,700	2,88,395	4,101.77	1,422.28	252,737	35.95
2015-16	2,88,395	5,767.90	2,200	2,62,879	4,691.83	1,784.79	246,547	44.00
<b>Total</b>	<b>18,76,544</b>	<b>39,639.42</b>		<b>18,75,844</b>	<b>28,788.76</b>		<b>16,66,854</b>	<b>256.49</b>

(Source: Information provided by State Project Office)

<sup>25</sup> 442 model I and 12 model II from 2010-11 and 734 model I and 12 model II from 2011-12 onwards.

<sup>26</sup> Including spill over of ₹146 crore.

<sup>27</sup> 347896 CWSN recommended as per DISE data

### Appendix 2.1.40

#### Details showing implementation of programme for strengthening of madarsas (Reference: Paragraph No. 2.1.9.2)

Under Programme (2010-11) for strengthening of madarsas, 3-4 hours of formal education was to be provided to children in addition to the syllabus prescribed by Arabic and Parsian Madarsa Board. Further, all the children enrolled were to be provided books prescribed for government aided schools. For teaching of children, Anudeshaks were to be deployed on honorarium basis for ten months at the rate of Rs 2000/- per month. The shortcomings/irregularities found in implementation of the programme in test-checked districts are summarized below:

Name of the District	Approved		Actual Coverage		Remark	Unutilised Balance (₹ In lakh)
	Old	New	Old	New		
<b>2010-11<sup>28</sup></b>						
Bahraich	16	63	16	56	Madarsas of new coverage were provided honorarium to Anudeshaks for 7 months only. Thus, Anudeshaks provided learning support to children for 7 months only against the norm of 10 months.	27.93 <u>-20.61</u> 7.32
Ferozabad	7	9	5	6	Against the allotment of ₹ 5.49 lakh. ₹ 3.55 lakh was utilised and ₹. 1.94 lakh remained unutilised leaving 2 old and 3 new madarsas uncovered.	5.49 <u>-3.55</u> 1.94
Gorakhpur	0	41	0	39	One Madarsa provided learning assistance for 6 months only.	14.00 <u>-12.22</u> 1.78
Jhansi	0	43	0	43	2 Madarsas were provided training support for 6½ months only.	13.67 <u>-12.90</u> 0.77
Kanpur Dehat	7	14	7	14	Related files were not made available to audit.	6.93 <u>-6.25</u> 0.68
Pilibhit	14	16	14	16	Entire funds were not utilised.	9.77 <u>-9.17</u> 0.60
Rampur	8	0	8	0	Madarsas of old coverage were provided honorarium to Anudeshaks for 9 months only. Thus, Anudeshaks provided learning support to children for 9 months only against the norm of 10 months.	2.54 <u>-2.54</u> 0.00
Sonbhadra	4	8	4	8	Entire funds were not utilized	4.17 <u>-3.77</u> 0.40
Sultanpur	20	36	18	36	36 Madarsas of new coverage were provided honorarium to Anudeshaks for 7 months only. Thus, Anudeshaks provided learning support to children for 7 months only against the norm of 10 months.	19.41 <u>-15.66</u> 3.75
	<b>76</b>	<b>230</b>	<b>72</b>	<b>218</b>		

<sup>28</sup> Farrukhabad, Ghaziabad, Ghazipur, Lakhimpur Kheri, Maharajganj, Mau, and Unnao did not furnish the desired information/records.

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2011-12 <sup>29</sup>						
Bahraich	67	29	62	23	Madarsas of new coverage were provided honorarium to Anudeshaks for 7 months only. Thus, Anudeshaks provided learning support to children for 7 months only against the norm of 10 months. 10 Madarsas covered in 2010-11 were not covered in 2011-12.	<u>30.50</u> <u>25.53</u> 5.03
Ferozabad	11	2	11	0	2 newly approved madarsas remained uncovered under the scheme despite of availability of funds.	4.23 <u>-3.16</u> <u>1.07</u>
Gorakhpur	40	98	40	98	Concerned file/actual coverage of Madarsa not provided	<u>45.77</u> <u>28.75</u> 17.02
Jhansi	43	74	43	74	₹5.28 lakh remained unspent. Further, ₹ 1.91 lakh, which was to be provided to DIET was not provided.	41.64 <u>-31.90</u> 9.74
Kanpur Dehat	19	6	19	4	Out of 6 newly approved madarsas only 4 were covered and 2 left uncovered under the scheme despite availability of funds.	7.89 <u>-7.21</u> <u>0.68</u>
Lakhimpur Kheri	50	20	50	0	Against allotment of ₹37.68 lakh only ₹26.48 lakh were utilised and ₹ 11.20 lakh remained unutilised leaving 20 newly approved madarsas uncovered under the scheme despite availability of funds.	37.68 <u>-26.48</u> <u>11.20</u>
Pilibhit	30	51	30	51	Aanudeshaks of 81 old and new madarsas were paid honorarium for 09 months only against 10 months. As a result against allotment of ₹ 26.64 lakh only ₹ 23.58 lakh were utilised and ₹ 3.06 lakh remained unutilised.	26.64 <u>-23.58</u> <u>3.06</u>
Rampur	8	40	8	28	Against allotment of ₹ 16.12 lakh only ₹ 9.99 lakh were utilised and ₹ 6.13 lakh remained unutilised leaving 12 newly approved madarsas uncovered under the scheme despite availability of funds. Moreover Anudeshaks provided learning support to children in new Madarsas for 4 to 7 months only against the norm of 10 months.	16.12 <u>-9.99</u> <u>6.13</u>
Sonbhadra	12	4	12	4	Entire funds were not utilized	<u>5.19</u> <u>5.06</u> 0.13
Sultanpur	35	30	34	3	20 Madarsas covered during 2010-11 were not covered in 2011-12. Against the approval of 35 Madarsas, only 34 madarsas covered.	<u>11.78</u> <u>11.65</u> 0.13
	<b>315</b>	<b>354</b>	<b>309</b>	<b>285</b>		

(Source: Records provided by concerned DPOs)

<sup>29</sup> Farrukhabad, Ghaziabad, Ghazipur, Maharajganj, Mau and Unnao did not furnish the desired information..

## Appendix 2.1.41

### Statement showing improper implementation of RAA-PBBB scheme (Reference: Paragraph no. 2.1.9.2)

With the objective to develop understanding of Mathematics and Science and also to develop environment for teaching-learning transactions, GoI started (2015-16) Rashtriya Avishkar Abhiyan/Padhe Bharat-Badhe Bharat scheme for SCs/STs, Minority Communities and urban deprived children respectively and provided ₹ 5 lakh under each of the two interventions during 2015-16 for each district. Under the scheme, 5 schools selected under each category, i.e. SC/ST, Minority Community, Urban deprived children and girls (total 20 schools) were provided assistance at the rate of Rs. 13000 per category (total Rs. 65000) for procurement of science and mathematics kits. The order was, however, subsequently modified for procurement of only 2 mathematics kits per school for 7 school under each category at the rate of Rs. 888 per kit.

The irregularities noticed in implementation of the programme in test checked districts are discussed below:

Sl. No.	Name of the District	Funds received (₹in lakh)	Funds utilised (₹in lakh)	Balance funds (₹in lakh)	Remark
<b>Padhe Bharat-Badhe Bharat<sup>30</sup></b>					
1.	Bahraich	5.00	0.00	5.00	Reasons was not available on records
2.	Ferozabad	5.00	3.80	1.20	Reasons was not available on records
3.	Gorakhpur	5.00	5.00	0.00	Funds were to be utilised during 2015-16 but entire funds transferred on 31.3.2016 evidently for utilisation during 2016-17.
4.	Jhansi	5.00	0.00	5.00	Funds not utilised due to clarification not received for establishment of library.
5.	Pilibhit	5.00	3.60	1.40	Due to belated receipt, funds were not utilised completely.
6.	Rampur	5.00	3.28	1.72	Various components of the scheme was partially implemented
7.	Sonbhadra	5.00	0.00	5.00	Reasons was not available on records
8.	Sultanpur	5.00	5.00	0.00	Funds were to be utilised during 2015-16 but entire funds was transferred on 31.3.2016 evidently for utilisation during 2016-17.
9.	Unnao	5.00	2.30	2.70	Various components of the scheme was not/partially implemented
		<b>45</b>	<b>22.98</b>	<b>22.02</b>	
<b>Rashtriya Avishkar Abhiyan<sup>31</sup></b>					
1.	Bahraich	5.00	0.00	5.00	Reasons was not available on records
2.	Ferozabad	5.00	2.73	2.27	Reasons was not available on records
3.	Gorakhpur	5.00	5.00	0.00	Funds were to be utilised during 2015-16 but entire funds was transferred on 31.3.2016 evidently for utilisation during 2016-17.
4.	Jhansi	5.00	0.00	5.00	Due to clarification not received from SPO on rate of mathematics kit.
5.	Pilibhit	5.00	3.35	1.65	Due to ambiguity in order issued by SPO, funds for purchase of mathematics kits were not utilised.
6.	Rampur	5.00	2.71	2.29	Various components of the scheme was partially implemented
7.	Sonbhadra	5.00	0.00	5.00	Reasons was not available on records
8.	Sultanpur	5.00	2.90	2.10	Due to ambiguity in order issued by SPO, funds for purchase of mathematics kits were not utilised completely. funds transferred on 31.3.2016
9.	Unnao	5.00	3.62	1.38	Due to ambiguity in order issued by SPO, funds for purchase of maths kits were not utilised completely.
	<b>Total</b>	<b>45.00</b>	<b>20.31</b>	<b>24.69</b>	

(Source: Records provided by concerned DPOs)

<sup>30</sup> Farrukhabad, Ghaziabad, Ghazipur, Kanpur Dehat, Lakhimpur Kheri, Maharajganj and Mau did not furnish the desired information/records.

<sup>31</sup> Farrukhabad, Ghaziabad, Ghazipur, Kanpur Dehat, Lakhimpur Kheri, Maharajganj, Mau, and Unnao did not furnish the desired information/records.

### Appendix 2.1.42

#### Statement showing monitoring of implementation of child rights by Basic Shiksha Parishad

(Reference: Paragraph no. 2.1.10)

Monitoring Agency	Audit Observation
Rule 25(2) of RTE Rules provides that any complaint regarding child rights shall be made to Village/Ward Education Committees through its Member Secretary (head teacher), appeal of which shall be made to block level ABSAs/Nagar Shiksha Adhikaris <sup>32</sup> . Monitoring of these complaints was to be done by UP Basic Shiksha Parishad through online monitoring mechanism.	Audit of 428 test-checked schools revealed that complaint register was not maintained by teachers in 359 schools. In other schools where it was maintained, no complaint was found registered <sup>33</sup> . No evidence regarding setting up of online monitoring mechanism for these complaints in Basic Shiksha Parishad was made available to Audit.

(Source: Audit of test checked schools; Secretary, Basic Shiksha Parishad)

### Appendix 2.1.43

#### Statement showing actual number of meeting of Executive Committee of Education for all Project board held during 2010-16 against the prescribed norm of holding meetings, as per paragraph 7.11 of SSA framework

(Reference: Paragraph no. 2.1.10)

Year	Number of meeting to be held as per norms	Number of meetings actually held	Short-falls	Percentage of Short falls
2010-11	4	2	2	50
2011-12	4	1	3	75
2012-13	4	3	1	25
2013-14	4	2	2	50
2014-15	4	2	2	50
2015-16	4	01	3	75
<b>Total</b>	<b>24</b>	<b>11</b>	<b>13</b>	<b>54</b>

(Source: Information provided by concerned SPO)

<sup>32</sup> Second appeal in respect of rural and urban areas shall be made to Zila Panchayat/Municipality respectively.

<sup>33</sup> Except in case of aided MS Lari Islamia JHS, Maharajganj(27 complaints), Seth PooranmalJaipuria JHS, Anand Nagar, Maharajganj (30 complaints) and Sri Chandra Gupta Maurya IC, Madhupur, Sonbhadra (60 complaints).

## Appendix 2.1.44

### Important decisions not implemented by the Executive Committee

(Reference: Paragraph no. 2.1.10)

23.3.2011	<b>Agenda Point 3:</b> Construction of remaining KGBVs should be completed on priority basis. The committee was informed that construction work of few KGBVs was allotted to UPCD at the level of District Magistrates, contrary to the instructions issued for getting the construction done from a Government Agency. The Construction work of 64 KGBVs were allotted to UPCD at the level of Districts Magistrates of various districts, against which 19 Buildings have been completed and 45 buildings are incomplete. Instructions were issued to the Agency for completion of buildings but to no avail. In this regard committee directed to clarify district-wise position of work allotted to UPCD, upto date progress and present condition of construction work; and submit files for taking action against the agency and the officers responsible.
01.11.12	<b>Agenda Point 13:</b> Committee decided for submission of a well-thought proposal for consideration of the Government for getting the works of incomplete KGBVs done from UPCD. Appropriate decision would be taken after scrutiny of proposal on file.
05.03.13	<b>Agenda Point 2:</b> Factual information regarding incomplete KGBVs left by UPCD may be collected from districts and decision be obtained from Government by sending proposal on case to case basis.
	<b>Agenda Point 4:</b> As per information received from districts, there was a requirement of 2010 PSs and 288 UPS. On the basis of availability of land, 1497 PS and 237 UPS were proposed in AWP&B. The committee desired that actual requirement of new schools be assessed in those habitations which fulfill criteria but new schools were not proposed due to land not being available. Proposal may be sent to Government after considering alternative arrangement of land for establishment of schools in those habitation
23.8.2013	<b>Agenda Point 2:</b> Regarding construction of KGBVs left incomplete by UPCD, honourable committee decided that it is necessary to complete the construction of 41 incomplete KGBVs. Therefore, a proposal for requirement of funds should be submitted to Finance Department through Education Department. Apart from this, it also directed that a report be submitted to government stating circumstances under which construction of KGBV's was allotted to UPCD and submit a report on officers responsible for nomination of the agency.
01.03.2014	<b>Agenda Point 5:</b> Proposed agenda regarding Audit Report was discussed before hon'ble committee. It was observed in Audit Report that in Pratapgarh a withdrawal of ₹. 69816358.50 was made; in respect of which neither any record was put- up at district level nor any clarification is being given. On being pointed out by the committee, it was submitted that such serious irregularities, in annual audit report, were not found in any other districts except Pratapgarh. After discussion in this regard, committee issued following directives: 1. Details of action taken so far regarding financial irregularities mentioned in audit report of district Pratapgarh, should be put up by Secretary, Basic Education on file within 3 days.
	<b>Agenda point 8:</b> Grievances Redressal System - On agenda proposal regarding development of Web-based helpline, Committee opined that more technical advice and consultation is required in this regard. Committee unanimously authorised the Chief Secretary, GoUP/Chairman, Executive Committee for taking decision in this regard and directed to submit file to Chief Secretary, GoUP accordingly

(Source: Minutes of the meetings of Executive Committee of UPEFAPB)

**Appendix 2.1.45**

**Statement showing research studies undertaken during 2010-15  
but not put up to Executive Committee**

(Reference: Paragraph no. 2.1.10)

(₹ in lakh)

Sl. No.	Title of Research/Study Reports	Sanctioned Budget
<b>2011-12</b>		
1	Impact study of workbooks on learning achievement of children for class 3-5	5.85
2	A study of the role and functions of Assistant Basic Shiksha Adhikari and their effectiveness in monitoring and supervision	6.86
3	Documentation of best practices of District Institutes of Education and Trainings	7.45
4	An evaluation study of Reading and Numeric Skill Development Programme for Children of Class 1 and 2 under the Learning Enhancement Programme	5.36
5	An Impact study of Life Skill Camps organized for adolescent girls of UPSs	6.00
6	A survey of learning achievement of children in Maths in class IV and Science in Class VII in Parishadiya Schools of Uttar Pradesh	7.18
7	Comparative study of the school facilities and educational environment in primary and Upper primary Government and Private Schools	13.50
<b>2012-13</b>		
1	Evaluation of uniform distribution scheme and its impact on enrollment and attendance of students.	8.14
2	A study on drop-out rate of school children using data from schools records, HHS of concerned habitation and EMIS data at Primary and Upper Primary Level.	9.95
3	Study of the status of Computer Aided Learning in Upper Primary Schools	8.50
<b>2013-14</b>		
1	A study of enrollment trends and affecting factor in Government and Private schools.	6.00
2	A study on enrollment, transition, retention, and dropout rate of minority girls and boys in Minority Concentrated Districts	7.70
3	Sample Study of House Hold Survey 2012-13.	6.98
<b>2014-15</b>		
1	A study of the Effectiveness of CCE launched in districts Raibareilly, Balrampur, Ghaziabad, Lalitpur and Varanasi and suggestions for improvements.	7.30
2	A study on evaluation of Pre integration camp, Mainstreaming & Retention of CWSN in Primary/Upper Primary Schools	3.62
3	Evaluation of KGBVs, run by Government and other organisations covering Administrative, Security Hygiene and Academic aspect	9.90
4	Evaluation of functioning of school Management Committee.	5.85
5	A study on dropout rate of children of class 1-8: Gender wise, caste wise, minority, class wise, Primary, Upper Primary and Elementary level and reasons thereof.	8.25
<b>Total</b>		<b>134.39</b>

(Source: Information provided by SPO)



**Appendix 2.1.46**  
**Statement showing monitoring by Block and lower level  
 functionaries against the prescribed norms**

*(Reference: Paragraph no. 2.1.10)*

Year	Total No of schools of education department in state	No of schools never inspected by ABRC		No of schools never inspected by NPRC		No of schools Never inspected by ABRC or NPRC	
		No.	Per cent	No.	Per cent	No.	Per cent
2010-11	1,47,521	88,706	60	72,492	49	68,836	47
2011-12	1,50,766	1,00,326	67	84,382	56	81,052	54
2012-13	1,58,402	57,131	36	48,508	31	40,917	26
2013-14	1,58,013	38,437	24	30,022	19	23,019	14
2014-15	1,61,038	44,996	28	33,765	21	27,789	17
2015-16	1,61,562	71,549	44	60,091	37	55,837	35

(Source: District information system for education)

## Appendix 2.2.1

### Head-wise funds approved by GoI, funds allotted and expenditure incurred by GoUP

(Reference Paragraph no. 2.2.8.3)

(₹ In lakh)

Sl. No.	Head	Funds approved by GoI	Funds allocated by GoUP (2013-16)	Total expenditure
1	Data Center Infrastructure	125.00	0.00	0
2	State HQ, Food and Civil Supply Office (F& CS)	6.23	3.74	3.74
3	District F&CS offices	272.63	384.85	268.55
4	Block F& CS offices	1,622.20	1,689.81	1,135.40
5	State Godowns	1,096.55	863.00	510.43
6	Project Management Unit	136.80	45.60	45.60
7	Training	116.50	124.55	17.29
8	Technical Support in F & CS Offices	2,500.50	1,514.47	1,316.45
9	Application support	114.00	49.18	49.18
10	STQC Audit	10.00	0.98	0.98
11	SMS cost	78.67	0.00	0.00
12	Awareness cost	187.17	42.20	9.72
13	Toll free call center	57.25	62.68	40.21
14	Portal	20.00	0.00	0.00
15	Assessment	6.00	0.00	0.00
16	Digitisation	3,528.85	4,105.35	1,764.72
17	Annual Maintenance Contract	974.52	752.57	237.77
<b>Total</b>		<b>10,852.87</b>	<b>9,638.98</b>	<b>5,400.04</b>
		<b>Say ₹ 108.53 Crore</b>	<b>Say ₹ 96.39 Crore</b>	<b>Say ₹ 54 Crore</b>

(Source: Information provided by the State Government).

**Appendix 2.2.2**  
**District-wise funds allotted and expenditure incurred**  
**with percentage expenditure**  
*(Reference Paragraph no. 2.2.8.3)*

(₹ in lakh)

Sl. No.	Name of district	Total allotment	Total expenditure	Percentage expenditure
<b>Percentage expenditure less than 60 per cent</b>				
1	Shahjahanpur	139.46	28.88	20.71
2	Kanpur Nagar	209.02	70.75	33.85
3	Banda	94.64	34.41	36.36
4	Mau	125.62	49.65	39.52
5	Gorakhpur	147.48	58.68	39.79
6	Allahabad	326.70	130.64	39.99
7	Kanpur Dehat	120.83	49.96	41.35
8	Ghazipur	228.44	95.22	41.68
9	Auriya	86.20	37.59	43.61
10	Shamli	69.30	31.25	45.09
11	Raibareli	202.58	91.40	45.12
12	Kasganj	90.50	41.11	45.43
13	Etawah	91.60	41.75	45.58
14	Sitapur	250.93	114.64	45.69
15	Chandoli	132.83	60.85	45.81
16	Balrampur	103.75	47.86	46.13
17	Faizabad	141.93	66.61	46.93
18	Jaunpur	266.28	126.56	47.53
19	Bahraich	137.68	66.67	48.42
20	Saharanpur	208.17	101.42	48.72
21	Azamgarh	201.07	99.68	49.57
22	Sambhal	77.35	38.54	49.83
23	Lucknow	144.77	73.58	50.83
24	Varanasi	180.48	91.89	50.91
25	Mahraj Ganj	136.50	69.55	50.95
26	Sultanpur	154.81	78.94	50.99
27	Devaria	177.67	90.94	51.18
28	Baghpat	82.20	42.44	51.63
29	Rampur	106.16	54.90	51.71
30	Badaun	179.97	93.32	51.85
31	Firozabad	140.63	75.55	53.72
32	Kaushambi	106.10	57.15	53.86
33	Hathras	89.32	48.28	54.05
34	Mathura	120.19	65.53	54.52
35	Pilibhit	112.61	61.39	54.52
36	Sonbhadra	98.85	54.11	54.74
37	Gonda	156.81	88.92	56.71
38	Unnao	152.71	86.80	56.84
39	Lalitpur	61.98	35.69	57.58

40	Bijnore	151.72	88.69	58.46
41	Ghaziabad	92.95	54.86	59.02
42	Farrukhabad	70.20	41.46	59.06
43	Moradabad	100.32	59.35	59.16
44	Chitrakoot	47.28	28.17	59.58
45	Agra	192.50	114.74	59.61
46	Barabanki	151.81	90.83	59.83
47	Bhadohi	80.21	48.00	59.84
<b>Total</b>		<b>6,541.11</b>	<b>3,179.20</b>	<b>48.60</b>

**Fund surrendered under Digitisation Head during 2013-16**

Sl. No	District	Allotment during 2013-16	Expenditure during 2013-16	Savings	Percentage expenditure
1	Bahraich	59.44	5.10	54.34	8.58
2	Azamgarh	82.79	9.15	73.64	11.05
3	Shahjahanpur	58.12	7.14	50.98	12.28
4	Mau	47.53	7.00	40.53	14.73
5	Kanpur Nagar	103.21	21.00	82.21	20.35
6	Shamli	39.13	8.13	31.00	20.78
7	Kanpur Dehat	29.54	6.17	23.37	20.89
8	Auriya	25.39	5.50	19.89	21.66
9	Gorakhpur	70.65	15.53	55.12	21.98
10	Banda	32.54	8.00	24.54	24.59
11	Sonbhadra	47.00	12.33	34.67	26.23
12	Ghazipur	105.19	28.36	76.83	26.96
13	Farrukhabad	32.61	9.50	23.11	29.13
14	Sitapur	95.13	28.46	66.67	29.92
15	Barabanki	68.57	20.84	47.73	30.39
16	Khiri	89.95	27.84	62.11	30.95
17	Fatehpur	49.55	15.34	34.21	30.96
18	Kasganj	31.76	9.93	21.83	31.27
19	Ballia	68.20	21.81	46.39	31.98
20	Gonda	70.94	22.90	48.04	32.28
21	Lalitpur	24.66	8.09	16.57	32.81
22	Jaunpur	95.25	31.87	63.38	33.46
23	Faizabad	51.32	17.45	33.87	34.00
24	Allahabad	191.32	66.80	124.52	34.92
25	Sidharth Nagar	31.14	11.00	20.14	35.32
26	Balrampur	35.71	12.64	23.07	35.40
27	Kannauj	23.52	8.50	15.02	36.14
28	Rampur	65.93	24.07	41.86	36.51
29	Hathras	36.28	13.54	22.74	37.32
30	Etawah	29.21	10.94	18.27	37.45
31	Bhadohi	45.22	17.03	28.19	37.66
32	Agra	106.74	40.97	65.77	38.38
33	Sultanpur	38.62	14.97	23.65	38.76
34	Aligarh	76.88	30.80	46.08	40.06
35	Mainpuri	43.04	17.28	25.76	40.15

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36	Kushi Nagar	64.60	25.98	38.62	40.22
37	Jhansi	50.40	20.35	30.05	40.37
38	Mirzapur	47.18	19.07	28.11	40.42
39	Chandoli	53.58	22.31	31.27	41.64
40	Chitrkoot	21.49	8.96	12.53	41.69
41	Mathura	73.89	31.02	42.87	41.99
42	Devaria	58.74	25.71	33.03	43.77
43	Bijnore	86.39	38.41	47.98	44.46
44	Firozabad	57.87	26.13	31.74	45.15
45	Hapur	30.49	13.79	16.70	45.23
46	Varanasi	106.08	49.03	57.05	46.22
47	Bulandshahar	78.92	36.54	42.38	46.30
48	Mahraj Ganj	36.70	17.27	19.43	47.06
49	Baghpat	27.81	13.13	14.68	47.21
50	Ghaziabad	63.69	30.39	33.30	47.72
51	Saharanpur	97.08	47.96	49.12	49.40
52	Shravasti	18.17	9.06	9.11	49.86
53	Lucknow	72.24	36.15	36.09	50.04
54	Bareilly	93.41	47.19	46.22	50.52
55	Pilibhit	47.81	25.13	22.68	52.56
56	Badaun	64.09	33.78	30.31	52.71
57	Moradabad	46.07	24.62	21.45	53.44
58	Ambedkar Nagar	38.82	21.74	17.08	56.00
59	Raibareilly	59.32	33.66	25.66	56.74
60	Kaushambi	38.63	22.32	16.31	57.78
61	Mahoba	19.93	11.81	8.12	59.26
62	Amethi	36.30	23.19	13.11	63.89
63	GB Nagar	28.03	18.28	9.75	65.22
64	Sant Kabir Nagar	28.12	19.33	8.79	68.74
65	Meerut	56.25	42.35	13.90	75.29
66	Basti	43.12	32.90	10.22	76.30
67	Jalaun/Orai	29.29	23.24	6.05	79.34
68	Hardoi	47.67	38.78	8.89	81.35
69	Amroha	26.01	21.63	4.38	83.16
70	Etah	20.14	16.78	3.36	83.32
71	Sambhal	34.36	29.90	4.46	87.02
72	Muzaffar Nagar	52.38	45.61	6.77	87.08
73	Unnao	66.85	62.05	4.80	92.82
74	Hamirpur	13.82	13.91	-0.09	100.65
75	Pratapgarh	67.53	69.26	-1.73	102.56
<b>Total</b>		<b>4,105.35</b>	<b>1,764.70</b>	<b>2,340.65</b>	<b>42.99</b>

(Source: Information provided by the State Government)

### Appendix 2.2.3

#### Excess procurement of hardware/software items

(Reference Paragraph no. 2.2.8.7)

SL. No.	District	Item	Required Quantity as per guidelines	Procured Quantity	Excess Quantity	Unit rate with taxes (in ₹)	Excess Payment (in ₹)
1	Allahabad	Laptop	22	24	02	46926.08	93,852.16
		Laser/Dotmatrix Printer	45	47	02	13300.00	26,600.00
2	Mirzapur	Laser/Dotmatrix Printer	27	39	12	15200.00	1,82,400.00
3	Kanpur Nagar	Laser/Dotmatrix Printer	26	36	10	11979.00	1,19,790.00
4	Lucknow	Desktop	21	26	05	30082.50	1,50,412.50
		Laptop	10	11	01	35175.00	35,175.00
		Laser/Dotmatrix Printer	21	33	12	8925.00	1,07,100.00
		MS Office License	31	37	06	11340.00	68,040.00
<b>Total</b>							<b>7,83,369.66</b>
<b>Say ₹ 7.83 Lakh</b>							

(Source: Information provided by DSO in the test checked districts)

### Appendix 2.2.4

#### Delay in distribution of hardware items in Districts, Blocks and Godowns

(Reference Paragraph no. 2.2.8.7)

Sl. No.	District	Supply order Date	Supply Date	Delay in supply (in days)	Date of Distribution to Block	Delay up to (in months)	Date of Distribution to Godown	Delay up to (in months)
1	Allahabad	21/03/15	21/03/15	-	17/12/15 to 06/01/16	9	04/01/16 to 07/05/16	13
2	Varanasi	17/03/15	14/05/15 to 18/05/15	50	04/06/15 to 22/04/16	11	16/05/15	
3	Mirzapur	20/03/15	30/03/15	-	14/07/15 to 28/07/15	3	10/02/16	10
4	Kanpur Nagar	25/03/15	04/06/15 to 10/07/15	95	Not Distributed		Not Distributed	
5	Aligarh	11/03/15	17/04/15 to 02/06/15	71	Not Distributed		Not Distributed	
6	Chitrakoot	30/03/15	16/04/15	7	Not Distributed		Not Distributed	
7	Ghaziabad	11/03/15	17/04/15 to 06/05/15	45	08/06/15 to 18/08/15	3	09/06/15	1
8	Lucknow	26/03/15	01/09/15 and 14/10/15	188	Not Distributed		Not Distributed	

(Source: Information provided by DSO in the test checked districts)

### Appendix 2.2.5

#### Difference in allocation from district level against State allocation in test-checked districts

(Reference: Paragraph no. 2.2.9.3)

(In MT)

S. No.	Name of district	Allocated Quantity of Food grain at state level	Allocation from district level	Difference
<b>Short allocation</b>				
1	Mirzapur	10,108.17	10,068.79	39.38
2	Lucknow	14,016.94	13,907.28	109.66
3	Varanasi	14,081.55	13,885.11	196.44
4	Aligarh	13,729.05	13,708.16	20.89
5	Allahabad	22,787.54	22,673.76	113.78
6	Kanpur City	16,706.05	16,611.29	94.76
<b>Total</b>		<b>91,429.30</b>	<b>90,854.39</b>	<b>574.91</b>
<b>Excess allocation</b>				
7	Chitrakoot	4,393.24	4,396.31	-3.07
8	Ghaziabad	9,641.21	9,641.27	-0.06
<b>Total</b>		<b>14,034.45</b>	<b>14,037.58</b>	<b>-3.13</b>

(Source: Information provided by the State Government and retrieved from the web-portal)

### Appendix 2.2.6

#### Mobile SMS alerts to beneficiaries

(Reference Paragraph no. 2.2.9.4)

(In numbers)

Sl. No.	District	Month of report	Request received for SMS alert	Mobile numbers captured in application software	SMS alerts sent
1	Allahabad	09/2015	1,52,599	44,709	6,051
2	Chitrakoot	02/2016	11,545	8,166	3,020
3	Ghaziabad	02/2016	1,99,680	58,332	58,332
4	Kanpur city	02/2016	3,13,911	1,61,967	0
5	Lucknow	02/2016	56,204	53,389	0
6	Varanasi	01/2016	5,07,049	28,882	13,903
<b>Total</b>			<b>12,40,988</b> Say 12.41 lakh	<b>3,55,445</b> Say 3.55 lakh	<b>81,306</b> Say 0.81 lakh

(Source: Information provided by DSO in the test checked districts)



### Appendix 3.1.1

#### Complete Information in Form-B not submitted in sampled districts

(Reference: Paragraph no. 3.1.3.2)

Sl. No.	Name FBOs	License No.	Date of Issue
1.	Shree Rice Mills, Saihari, Lakhimpur Kheri	12714068000219	10.08.14
2.	Smt. Seema Gupta, Lakhimpur Kheri	12714068000183	29.07.14
3.	Kawal Sahani, Lakhimpur Kheri	12714068000116	06.07.14
4.	Anubhav Gupta, Lakhimpur Kheri	12714068000065	18.06.14
5.	M/S Shiv Parwati, Lakhimpur Kheri	12714068000285	26.09.14
6.	Naresh Kumar sahani, Lakhimpur Kheri	12714068000274	19.09.14
7.	M/S Ashok Sugar Mill, Lakhimpur Kheri	12714068000288	26.09.14
8.	Smt. Sarika Gupta, Lakhimpur Kheri	12714068000144	18.07.14
9.	Pawan Kumar Jaiswal, Hathras	12714057000063	31.03.14
10.	Shyam Gattani, Hathras	12714057000076	31.03.14
11.	Radhe Shyam Talwar, Hathras	12714057000077	31.03.14
12.	Pawan Kumar Talwar, Hathras	12714057000069	31.03.14
13.	Girraj Kishor, Hathras	12714057000068	31.03.14
14.	Pramod Kumar, Hathras	12714057000066	31.03.14
15.	Vishnu Swaroop, Hathras	12714057000067	31.03.14
16.	Gaurav Bansal, Hathras	12714057000068	31.03.14
17.	Adityendra Kumar, Hathras	12714057000001	25.01.14
18.	Satya Shiv sai Food Pvt. Ltd., Hathras	12714057000022	03.02.14

(Source: DOs Lakhimpur Kheri and Hathras)

### Appendix 3.1.2

#### No. of failed samples in unregistered FBOs out of test-checked cases in sampled districts

(Reference: Paragraph no. 3.1.3.4)

Sl. No.	Name of District	No. of unregistered FBOs	Failed sample from unregistered FBOs
1	Budaun	70	25
2	Chandauli	08	08
3	G.B.Nagar	74	69
4	Hathras	70	68
5	Lakhimpur Kheri	113	113
<b>Total</b>		<b>335</b>	<b>283</b>

(Source: DOs of the concerned districts)

### Appendix 3.1.3

#### License for molasses by central licensee sugar units

(Reference: Paragraph no. 3.1.3.4)

Sl. No.	Name of FBOs (sugar units)	License No.	Date of Issue
1	DSCL SUGAR Ajbapur, Lakhimpur Kheri	10012051000184	01.04.2012
2	Kumbhi Chini Mills, Lakhimpur Kheri	10012051000216	01.04.2012
3	Bajaj Hindustan Sugar Ltd, Lakhimpur Kheri	10012051000189	01.04.2012
4	Bajaj Hindustan Sugar Ltd, Palia kala Lakhimpur Kheri	10012051000190	01.04.2012
5	Saksaria Biswan, Sitapur	10012051000346	01.04.2012
6	Dalmia Chini Mill and Distillery, Jawaharpur, Ramkot, Sitapur	10014051001219	01.04.2012
7	Oudh Sugar Mill Ltd, Hargaon, Sitapur	10012051000301	01.04.2012
8	Dalmia Chini Mill, Ramgarh, Sitapur	10012051001258	01.04.2012
9	Dalmia Chini Mill, Jawaharpur, Sitapur	10012051000261	01.04.2012

(Source: DOs of the concerned districts)

### Appendix 3.1.4

#### Year-wise Periodical Inspection of Registration and licenses issued in Test-Checked 10 Districts

(Reference: Paragraph no. 3.1.4.1)

Year	Registration				License			
	Total no. of registered FBOs	No. of registered FBOs inspected during the year	No. of registered FBOs not inspected during the year	Percentage (not inspected)	Total no. of Licensed FBOs	No. of Licensed FBOs inspected during the year	No. of Licensed FBOs not inspected during the year	Percentage (not inspected)
2011-12	00	00	00	00	94	60	34	36
2012-13	11,118	4,584	6,534	59	4,126	2,854	1,272	31
2013-14	27,190	13,986	13,204	49	3,037	1,853	1,184	39
2014-15	32,092	6,050	26,042	81	4,481	2,148	2,333	52
2015-16	27,249	8,418	18,831	69	5,651	3,067	2,584	46
<b>Total</b>	<b>97,649</b>	<b>33,038</b>	<b>64,611</b>	<b>66</b>	<b>17,389</b>	<b>9,982</b>	<b>7,407</b>	<b>43</b>

(Source: DOs of the concerned districts)

#### Year wise Registration issued and periodical inspection carried out in ten selected districts

Year	Name of Districts	Total number of Registered FBOs	Number of such FBOs Inspected during the year	Total number of FBOs which were NOT inspected during the year
2012-13	Budaun	1,068	446	622
2012-13	Chandauli	164	164	0
2012-13	GB Nagar	427	252	175
2012-13	Raebareli	1,532	845	687
2012-13	Varanasi	2,105	210	1,895
2012-13	Agra	1,295	0	1,295
2012-13	Hathras	1,060	1,060	0
2012-13	Kanpur Nagar	0	0	0
2012-13	Lakhimpur Kheri	1,812	1,607	205
2012-13	Sitapur	1,655	0	1,655
	<b>Total</b>	<b>11,118</b>	<b>4,584</b>	<b>6,534</b>
2013-14	Budaun	1,495	507	988
2013-14	Chandauli	3,011	3,011	0
2013-14	GB Nagar	738	362	376
2013-14	Raebareli	1,391	942	449
2013-14	Varanasi	494	48	446
2013-14	Agra	6,075	6,075	0
2013-14	Hathras	1,497	1,497	0
2013-14	Kanpur Nagar	8,941	0	8,941
2013-14	Lakhimpur Kheri	1,644	1,544	100
2013-14	Sitapur	1,904	0	1,904
	<b>Total</b>	<b>27,190</b>	<b>13,986</b>	<b>13,204</b>

2014-15	Budaun	1,693	618	1075
2014-15	Chandauli	1,409	1,409	0
2014-15	GB Nagar	2,262	1,174	1,088
2014-15	Raebareli	175	105	70
2014-15	Varanasi	204	25	179
2014-15	Agra	4,202	190	4,012
2014-15	Hathras	1,573	1,573	0
2014-15	Kanpur Nagar	15,277	0	15,277
2014-15	Lakhimpur Kheri	2,660	956	1,704
2014-15	Sitapur	2,637	0	2,637
<b>Total</b>		<b>32,092</b>	<b>6,050</b>	<b>26,042</b>
2015-16	Budaun	1,367	585	782
2015-16	Chandauli	1,143	1,143	0
2015-16	GB Nagar	2,537	1,241	1,296
2015-16	Raebareli	2,440	2,398	42
2015-16	Varanasi	4,186	425	3,761
2015-16	Agra	2,915	102	2,813
2015-16	Hathras	1,349	1,349	0
2015-16	Kanpur Nagar	6,083	0	6,083
2015-16	Lakhimpur Kheri	2,949	1,175	1,774
2015-16	Sitapur	2,280	0	2,280
<b>Total</b>		<b>27,249</b>	<b>8,418</b>	<b>18,831</b>

#### Year wise License issued and periodical inspection carried out in ten selected districts

Year	Name of Districts			
2011-12	Budaun	0	0	0
2011-12	Chandauli	21	0	21
2011-12	GB Nagar	11	11	0
2011-12	Raebareli	55	49	6
2011-12	Varanasi	7	0	7
2011-12	Agra	0	0	0
2011-12	Hathras	0	0	0
2011-12	Kanpur Nagar	0	0	0
2011-12	Lakhimpur Kheri	0	0	0
2011-12	Sitapur	0	0	0
<b>Total</b>		<b>94</b>	<b>60</b>	<b>34</b>
2012-13	Budaun	230	117	113
2012-13	Chandauli	134	0	134
2012-13	GB Nagar	488	488	0
2012-13	Raebareli	47	38	9
2012-13	Varanasi	1,073	510	563
2012-13	Agra	1,303	1,303	0
2012-13	Hathras	336	336	0
2012-13	Kanpur Nagar	0	0	0

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2012-13	Lakhimpur Kheri	204	62	142
2012-13	Sitapur	311	0	311
<b>Total</b>		<b>4,126</b>	<b>2,854</b>	<b>1,272</b>
2013-14	Budaun	134	76	58
2013-14	Chandauli	69	0	69
2013-14	GB Nagar	625	625	0
2013-14	Raebareli	45	36	9
2013-14	Varanasi	307	157	150
2013-14	Agra	315	315	0
2013-14	Hathras	401	401	0
2013-14	Kanpur Nagar	534	0	534
2013-14	Lakhimpur Kheri	293	243	50
2013-14	Sitapur	314	0	314
<b>Total</b>		<b>3,037</b>	<b>1,853</b>	<b>1,184</b>
2014-15	Budaun	71	45	26
2014-15	Chandauli	99	0	99
2014-15	GB Nagar	1,056	567	489
2014-15	Raebareli	152	144	8
2014-15	Varanasi	108	55	53
2014-15	Agra	1,386	915	471
2014-15	Hathras	343	343	0
2014-15	Kanpur Nagar	604	0	604
2014-15	Lakhimpur Kheri	318	78	240
2014-15	Sitapur	344	1	343
<b>Total</b>		<b>4,481</b>	<b>2,148</b>	<b>2,333</b>
2015-16	Budaun	82	47	35
2015-16	Chandauli	96	15	81
2015-16	GB Nagar	1,192	1,192	0
2015-16	Raebareli	128	119	9
2015-16	Varanasi	939	470	469
2015-16	Agra	1,224	876	348
2015-16	Hathras	234	234	0
2015-16	Kanpur Nagar	1,008	0	1,008
2015-16	Lakhimpur Kheri	384	106	278
2015-16	Sitapur	364	8	356
<b>Total</b>		<b>5,651</b>	<b>3,067</b>	<b>2,584</b>

### Appendix 3.1.5

#### Details of District wise samples collected for analysis

(Reference: Paragraph no. 3.1.4.2)

Sl. No.	District	Year-2012-13		Year-2013-14		Year-2014-15		Year-2015-16		Total 4 years	
		Total FBOs (R+L)	Samples collected	Total FBOs (R+L)	Samples collected	Total FBOs (R+L)	Samples collected	Total FBOs (R+L)	Samples collected	Total FBOs (R+L)	Samples collected
1.	Agra	2,598	188	6,390	261	5,588	294	4,139	499	18,715	1,242
2.	Budaun	1,298	196	1,629	186	1,764	197	1,449	223	6,140	802
3.	Chandauli	298	79	3,080	61	1,508	113	1,239	124	6,146	377
4.	GB Nagar	915	255	1,363	208	3,318	367	3,729	420	9,336	1,250
5.	Hathras	1,396	111	1,898	107	1,916	167	1,583	199	6,793	584
6.	Kanpur Nagar	0	221	9,475	169	15,881	406	7,091	508	32,447	1,304
7.	Lakhimpur Kheri	2,016	146	1,937	178	2,978	170	3,333	208	10,264	702
8.	Raebareli	1,579	131	1,436	166	327	164	2,568	205	5,965	666
9.	Sitapur	1,966	163	2,218	202	2,981	157	2,644	144	9,809	666
10.	Varanasi	3,178	116	801	191	312	217	5,125	302	9,423	826
<b>Total</b>		<b>15,244</b>	<b>1,606</b>	<b>30,227</b>	<b>1,729</b>	<b>36,573</b>	<b>2,252</b>	<b>32,900</b>	<b>2,832</b>	<b>1,15,038</b>	<b>8,419</b>
<b>In per cent</b>			<b>13%</b>		<b>6%</b>		<b>6%</b>		<b>9%</b>		<b>7%</b>

(Source: DOs of the concerned districts) (R: Registered, L: License)

### Appendix 3.1.6

#### Details of short charging of fee

(Reference: Paragraph no. 3.1.4.4)

(in ₹)

Name of Lab.	Sample of Railway			Sample of others			Total Short. charged (4+7)-(3+6)
	No. of samples	Amount Charged @ ₹ 100/sample	Amount chargeable @ ₹1000/sample	No. of samples	Amount Charged @ ₹ 200/sample	Amount chargeable @ ₹ 1000/sample	
1	2	3	4	5	6	7	8
Lucknow	272	27,200	2,72,000	1,006	2,01,200	10,06,000	10,49,600
Agra	Nil	Nil	Nil	64	12,800	64,000	51,200
Varanasi	28	2800	28,000	69	13,800	69,000	80,400
<b>Total</b>	<b>300</b>	<b>30,000</b>	<b>3,00,000</b>	<b>1,139</b>	<b>2,27,800</b>	<b>11,39,000</b>	<b>11,81,200</b>
<b>₹ in lakh</b>							<b>11.81</b>
<b>₹ in crore</b>							<b>0.12</b>

(Source: State laboratories)

### Appendix 3.1.7

#### Details of shortages of equipment in test-checked State laboratories

(Reference: Paragraph no. 3.1.5.3)

Name of State laboratory	Sl. No.	Name of equipment	Name of State laboratory	Sl. No.	Name of equipment
Varanasi	1	Digital centrifuge machine	Lucknow	1	Digital centrifuge machine
	2	UV Spectrophotometer		2	UV Spectrophotometer
	3	Atomic Absorption Spectrophotometer		3	Atomic Absorption Spectrophotometer
	4	High Performance Liquid Chromatograph		4	High Performance Liquid Chromatograph
	5	Gas Liquid chromatography		5	Digest Unit Chamber
	6	Ion exchange chromatography		6	Dean Stark Apparatus
	7	Digital BR Machine		7	All microbiological instruments
	8	Water purifying system		8	Moisture balance
	9	Moisture balance		9	Digital hygrometer
	10	Deep freezer		10	Flash point apparatus
	11	Digital hygrometer		11	Auto titrator
		12		Conductivity meter	
		13		Multiple digestion and titrator unit	
		14		Ultra sonicator	
		15		Digital microscope with computer	
		16		Melting point apparatus	
		17		Electronic balance	
		18		Rotatory shaker	
		19		Refrigerator	
		20		Lab grinding mill	
		21		HPTLC	
		22		ICPMS	
		23		GCMS	
		24		TDS METER	
		25		Apparatus for volatile oil	
		26		Multiple sochlet appratus	

(Source: Food Analyst laboratory Varanasi and Lucknow)



**Appendix 3.1.8**  
**Cases Sent to Referral Lab Kolkata but report not received**  
*(Reference: Paragraph no. 3.1.6.3)*

Sl. No.	Code No.	Name of FBOs	Sample Material	Date of dispatch to RFL	Report not received up to 27.06.2016
<b>Agra</b>					
1	Ag-0353/FSSAI-2015	Suresh Chand Bansal, Bansal traders	Mirch Powder	23.01.2016	156
2	Ag-164/FSSAI-2015-16	Jitendra kumar, Devyani international ltd.	Hot & Spicy Marinade	07.01.2016	172
3	Ag-0415/FSSAI-2015/RC-45	Mukesh Chand Kushwaha	Kati MoongFali	01.02.2016	147
4	Ag-218/FSSAI-2015-16/MFSO-20	Manoj Agarwal	Vegetable Sauce (Anmol Brand)	29.02.2016	119
5	Ag-212/FSSAI-2015-16/MFSO-19	Manoj Agarwal	Vegetable Sauce	29.02.2016	119
6	AG-313/FSSAI-2015-16/MS-37	Bhimsen	Mixed Milk	08.03.2016	111
7	Central Mobile Squad/AG-380/FSSAI-2015-16	Sanjeev Mishra, Sunrise food pvt. Ltd	Sunrise Subzi Masala	08.03.2016	111
8	AG-307/FSSAI-2015-16/MFSO-29	Love kumar	Komal Lollypop	14.03.2016	105
9	AG-427/FSSAI-2015-16/MS-46	Nitin Agarwal	Dhania Powder	22.03.2016	97

(Source: DO of Agra)

**Appendix 3.1.9**  
**Details of Goods Seized by DOs**  
*(Reference: Paragraph no. 3.1.7.1)*

Sl. No.	Name of District	Year of Seizure	Name of product	Quantity of Food Item	Cost of Food Item
1	Hathras	2013-14	Glucose Powder	275kg.	8,250
2			S.M.P	100kg.	17,500
3			Chemical Oil	665Litre	1,13,000
4			Detergent Powder	24kg.	1,440
5			Poster Colour	15kg.	900
6			Palm Carnell Oil	1000kg.	60,000
7			Palm Oil	60kg.	3,600
8			W.P.P	1440kg.	2,52,000
9			S.M.P	2725kg.	15,26,875
10			Glucose Powder	32250kg.	9,67,500
11			Chemical Oil	1800Litre	3,60,000
12		2014-15	Vegetable Sauce	540Lt.	6,450
13			Soya Sauce	200kg.	3,600
14			Continental Sauce	18Peti	5,400
15			Starch	200kg.	5,400
16			Soya Sauce	85kg.	2,125
17			Vegetable Sauce	87kg.	1,218
18			Glucose Powder	7500kg.	13,12,500
19			Meg Starch	7500kg.	3,75,000
20			Liquid Glucose	23100kg.	9,24,000
21			S.M.P	165kg.	28,775
22	Lakhimpur	2014-15	Mustard Oil	60 Tin	90,000
<b>Total</b>					<b>60,65,533</b>
<b>(₹ in Lakh)</b>					<b>60.66</b>

(Source: DOs, Hathras & Lakhimpur Kheri)

**Appendix 3.1.10**  
**Advisory Committee Meeting in selected districts**  
*(Reference: Paragraph no. 3.1.8.1)*

Sl. No.	Name of District	Whether committee was framed	No. of meeting held	Date of meetings
1	Agra	Yes	Nil	Meeting not held
2	Budaun	Yes	Nil	Meeting not held
3	Kanpur Nagar	No	Not applicable	Not applicable
4	Sitapur	No	Not applicable	Not applicable
5	GB Nagar	Yes	Nil	Meeting not held
6	Lakhimpur kheri	Yes	Nil	Meeting not held
7	Raebareli	Yes	01	16.01.2014
8	Hathras	No	Not applicable	Not applicable
9	Chandauli	Yes	Nil	Meeting not held
10	Varanasi	Yes	10	04.05.2011, 11.11.2011, 13.03.2012, 17.07.2012, 15.11.2012, 16.05.2013, 20.10.2013, 20.04.2014, 12.10.2014, 29.02.2015

(Source: Commissioner Office and DOs of selected districts)

### Appendix 3.2.1

#### Details showing releases of funds without ensuring physical progress

(Reference: Paragraph no. 3.2.2.3)

Sl. No.	Name of work	Subsequent installments (Rs. in crore)	Month of subsequent installments	Month of start of work	Physical progress
1.	Construction of 14 courtrooms at Ballia	5.24	1/2015	11/2014	Nil
2.	Construction of 04 Courtrooms building at Ballia	2.54	1/2015	11/2014	Nil
3.	Construction of 17 Court building at Gautam Budh Nagar	3.60	3/2008 to 3/2009	02/2010	Nil
<b>Total</b>		<b>11.38</b>			

(Source: Information furnished by the sampled districts)

**Appendix 3.2.2**

**Details showing accrued interest not credited in the Government revenue**

(Reference: Paragraph no. 3.2.2.3)

(₹ in lakh)

Year	District	Name of work	Executive agency	Name of Bank	Bank Account no.	Interest accrued	Interest deposited	Balance
2012-13	Allahabad	24 court rooms	UPRNN	BOM & IDBI	60113242617 & 1029104000030524	4.37	0	4.37
2013-14	Allahabad	24 court rooms	UPRNN	BOM & IDBI	60113242617 & 1029104000030524	9.29	0	9.29
2014-15	Allahabad	24 court rooms	UPRNN	BOM & IDBI	60113242617 & 1029104000030524	14.48	0	14.48
2015-16	Allahabad	24 court rooms	UPRNN	BOM & IDBI	60113242617 & 1029104000030524	10.11	0	10.11
2013-14	Allahabad	25 court rooms	UPAEVP	UBI	519702010008514	5.41	0	5.41
2014-15	Allahabad	25 court rooms	UPAEVP	UBI	519702010008514	14.37	0	14.37
2015-16	Allahabad	25 court rooms	UPAEVP	UBI	519702010008514	17.89	0	17.89
2014-15	Chitrakoot	Type-V, 10 residence	UPAEVP	Union Bank of India & Allahabad Bank	51970201000997 & 50268196802	2.56	0	2.56
2015-16	Chitrakoot	Type-V, 10 residence	UPAEVP	Union Bank of India & Allahabad Bank	51970201000997 & 50268196802	2.57	0	2.57
2011-12	Lakhimpur-Kheri	Type-IV, 2 residence at Mohammadi	UPRNN	OBC	1592151005144	0.01	0	0.01
2012-13	Lakhimpur-Kheri	Type-IV, 2 residence at Mohammadi	UPRNN	OBC	1592151005144	0.006	0	0.006
2013-14	Lakhimpur-Kheri	Type-IV, 2 residence at Mohammadi	UPRNN	OBC	1592151005144	0.0002	0	0.0002
2011-12	Lakhimpur-Kheri	2 court rooms at Mohammadi	UPRNN	OBC	1592151005151	0.03	0	0.03
2012-13	Lakhimpur-Kheri	2 court rooms at Mohammadi	UPRNN	OBC	1592151005151	0.07	0	0.07
2013-14	Lakhimpur-Kheri	2 court rooms at Mohammadi	UPRNN	OBC	1592151005151	0.005	0	0.005
2012-13	Lakhimpur-Kheri	2 court rooms, allied building and development work at Mohammadi	UPRNN	Allahabad Bank	50103801810	2.45	0	2.45
2013-14	Lakhimpur-Kheri	2 court rooms, allied building and development work at Mohammadi	UPRNN	Allahabad Bank	50103801810	0.66	0	0.66

2014-15	Lakhimpur-Kheri	2 court rooms, allied building and development work at Mohammadi	UPRNN	Allahabad Bank	50206454029	0.4	0	0.4
2015-16	Lakhimpur-Kheri	2 court rooms, allied building and development work at Mohammadi	UPRNN	Allahabad Bank	50206454029	0.39	0	0.39
2013-14	Lakhimpur-Kheri	construction of two blocks of 12 court rooms	C&DS	Indian Overseas Bank	142201000005668	12.88	0	12.88
2014-15	Lakhimpur-Kheri	construction of two blocks of 12 court rooms	C&DS	Indian Overseas Bank	142201000005668	0.63	0	0.63
2015-16	Lakhimpur-Kheri	construction of two blocks of 12 court rooms	C&DS	Indian Overseas Bank	142201000005668	3.09	0	3.09
2013-14	Lakhimpur-Kheri	8 residences for Judicial officer	C&DS	Axis Bank	911010052302044	2.17	0	2.17
2014-15	Lakhimpur-Kheri	8 residences for Judicial officer	C&DS	Axis Bank	911010052302044	0.25	0	0.25
2015-16	Lakhimpur-Kheri	8 residences for Judicial officer	C&DS	Axis Bank	911010052302044	1.35	0	1.35
2015-16	Lakhimpur-Kheri	Rain water harvesting system at District Court	C&DS	IDBI	314104000091048	0.01	0	0.01
2013-14	Jaunpur	Over head tank in civil court premises	C&DS	OBC	3412040000050	0.06	0	0.06
2014-15	Jaunpur	Over head tank in civil Court premises	C&DS	OBC	3412040000050	0.42	0	0.42
2015-16	Jaunpur	Over head tank in civil court premises	C&DS	OBC	3412040000050	0.42	0	0.42
2014-15	Ballia	Family court	C&DS	PNB	504000100249803	4.45	4.45	0
2014-15	Ballia	14 no. court room	C&DS	PNB	504000100249797	20.5	20.5	0
2014-15	Ballia	16 no. type-5 residence	C&DS	PNB	504000100249788	17.64	17.64	0
2011-12	GB Nagar	17 court room	UPRNN	The Nainital Bank Noida	702000000000696	17.99	0	17.99
2012-13	GB Nagar	17 court room	UPRNN	The Nainital Bank Noida	702000000000696	9.61	0	9.61
2013-14	GB Nagar	17 court room	UPRNN	The Nainital Bank Noida	702000000000696	6.42	0	6.42
2014-15	GB Nagar	17 court room	UPRNN	The Nainital Bank Noida	702000000000696	3.04	0	3.04

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2015-16	GB Nagar	17 court room	UPRNN	The Nainital Bank Noida	70200000000696	4.43	0	4.43
2015-16	GB Nagar	Boundary wall in court campus	UPRNN	Kotak Mahindra Bank Ghaziabad	508010272720	1.11	0	1.11
2011-12	GB Nagar	Hawalat Building	UPRNN	The Nainital Bank Noida	702000000001408	0.15	0	0.15
2012-13	GB Nagar	Hawalat Building	UPRNN	The Nainital Bank Noida	702000000001408	0.5	0	0.5
2013-14	GB Nagar	Hawalat Building	UPRNN	The Nainital Bank Noida	702000000001408	0.27	0	0.27
2014-15	GB Nagar	Hawalat Building	UPRNN	The Nainital Bank Noida	702000000001408	0.15	0	0.15
2015-16	GB Nagar	Hawalat Building	UPRNN	The Nainital Bank Noida	702000000001408	0.083	0	0.083
2015-16	GB Nagar	DJ residence	C&DS	HDFC	50100103586000	0.51	0	0.51
2015-16	Baghpat	DJ residence	C&DS	IOB Ghaziabad	45701000022520	2.97	0	2.97
2015-16	GB Nagar	Type-5 16 residence	C&DS	BOI	711610310001374	14.65	0	14.65
2012-13	GB Nagar	Building (other than residential) Jewar	C&DS	Indian Bank Noida	6064151577	3.38	0	3.38
2014-15	GB Nagar	Building (other than residential) Jewar	C&DS	Indian Bank Noida	6064151577	15.14	0	15.14
2015-16	GB Nagar	Building (other than residential) Jewar	C&DS	Indian Bank Noida	6064151577	2.68	0	2.68
2011-12	Baghpat	17 court room	C&DS	Indian Bank Ghaziabad	929166531	0.24	0	0.24
2014-15	Baghpat	17 court room	C&DS	Indian Bank Ghaziabad	929166531	30.1	0	30.1
2015-16	Baghpat	17 court room	C&DS	Indian Bank Ghaziabad	929166531	9.51	0	9.51
2012-13	GB Nagar	Residential building in out laying court Jewar	C&DS	Indian Bank Noida	6064154840	2.02	0	2.02



2014-15	GB Nagar	Residential building in out laying court Jewar	C&DS	Indian Bank Noida	6064154840	6.27	0	6.27
2015-16	GB Nagar	Residential building in out laying court Jewar	C&DS	Indian Bank Noida	6064154840	1.32	0	1.32
2014-15	Baghpat	Transit hostel (G+1st+IInd)	C&DS	Axis Bank Noida	912010006653098	5.78	0	5.78
2015-16	Baghpat	Transit hostel (G+1st+IInd)	C&DS	Axis Bank Noida	912010006653098	0.83	0	0.83
2014-15	Baghpat	14 residences for judicial officer	C&DS	PNB Ghaziabad	180000103090549	3.47	0	3.47
2015-16	Baghpat	14 residences for judicial officer	C&DS	PNB Ghaziabad	180000103090549	12.02	0	12.02
2015-16	GB Nagar	Elevation of boundary wall of Civil Judge (Jr. Div.) Court campus in the Outlying Court-Jewar at G.B. Nagar	C&DS	PNB Ghaziabad	2051000100439740	1.42	0	1.42
2015-16	Kasganj	18 court building	UPRNN	OBC Kasganj	15702191026860	7.12	0	7.12
2014-15	Kasganj	Boundary wall in court campus Kasganj	UPRNN	OBC Kasganj	15702191022336	0.48	0	0.48
2015-16	Kasganj	Boundary wall in court campus Kasganj	UPRNN	OBC Kasganj	15702191022336	4.25	0	4.25
2015-16	Chitrakoot	11 (G+2) court room	C&DS	BOB Banda	24920100015250	0.02	0	0.02
<b>Total</b>						<b>316.8742</b>	<b>42.59</b>	<b>274.2842</b>
						<b>Say ₹ 3.17 crore</b>	<b>Say ₹ 0.43 crore</b>	<b>Say ₹ 2.74 crore</b>

(Source: Information furnished by the executing agencies)

### Appendix 3.2.3

#### Cost over-run in works in sampled districts

(Reference: Paragraph no. 3.2.3.3)

(₹ in crore)

Sl. No.	Name of agencies	No. of works	Original cost	No. of works in which cost was revised	Original cost of works mentioned in col. 5	Revised cost of works mentioned in col. 5
1	2	3	4	5	6	7
1	Construction & Design Services (C&DS), U P Jal Nigam	14	70.15	08	42.97	70.89
2	Uttar Pradesh Rajkiya Nirman Nigam (UPRNN)	11	55.54	04	20.81	47.64
3	Public Works Department (PWD)	08	2.79	02	0.31	0.77
4	Uttar Pradesh Processing and Construction Co-operative Federation Limited (PACCFED)	02	0.99	02	0.99	2.51
5	Uttar Pradesh Avas Evam Vikas Parishad (UPAEVP)	01	9.96	00	0.00	0.00
<b>Total</b>		<b>36</b>	<b>139.43</b>	<b>16</b>	<b>65.08</b>	<b>121.81</b>

(Source: Information furnished by sampled districts)

**Appendix 3.2.4**  
**Details of reasons for revision in costs**  
*(Reference: Paragraph no. 3.2.3.3)*

Sl. No.	District	Name of work	Estimated cost (₹ in Lakh)	Revised cost (₹ in lakh)	Increase in cost	Name of Agency	Reason
1	Allahabad	Construction of boundary wall of civil court premises	16.43	40.83	24.4	PWD	Obstructions not removed.
2	Baghpat	Construction of 17 Courtrooms building.	1989.52	3553.36	1563.84	C & D S UP Jal Nigam	Revision of SOR and other extra work.
3	Baghpat	Construction of second floor on the Transit Hostel at Baghpat.	191.49	207.4	15.91	C.&D.S.Jal Nigam	Revision of SOR.
4	Baghpat	Construction of Ground Floor & First Floor of Transit Hostel for Judicial Officers.	395.87	445.17	49.3	C & DS Jal Nigam	Changes in specification and revision of SOR.
5	Ballia	Construction of Family court	46.95	109.09	62.14	C & DS Jal Nigam	Clear site not available and revision of SOR.
6	Chitrakoot	Construction of office room in District Judge's residence	13.9	36.54	22.64	PWD	Revision of SOR.
7	G.B. Nagar	Construction of 17 Court building.	1806.74	4261.65	2454.91	U.P.R.N.N. Ltd	Revision of SOR.
8	G.B. Nagar	Construction of building (other than residential) at Outlying Court Jewar.	379.05	498.92	119.87	C&DS UP Jal Nigam	Changes in specification.
9	G.B. Nagar	Construction of residential building of out-lying Court Jewar.	300.54	496.18	195.64	Jal Nigam	Changes in specification.
10	Lakhimpur-Kheri	Construction of two blocks of 12 Courtrooms building	845.58	1396.06	548.48	UP JAL NIGAM	Change in scope of work and revision in SoR
11	Lakhimpur-Kheri	Construction of 08 Type-V residences.	147.95	382.49	234.54	C & DS UP Jal Nigam	Changes in specification.
12	Lakhimpur-Kheri	Construction of 2-Courtroom building at outlying court Mohammadi, Lakhimpur-Kheri	33.88	74.73	40.85	UPRNN	Changes in specification.
13	Lakhimpur-Kheri	Construction of 2-Type-IV residences at outlying court Mohammadi, Lakhimpur-Kheri	24.87	48.49	23.62	UPRNN	Changes in specification.
14	Lakhimpur-Kheri	Construction of one courtroom at outlying court Nighasan	69.21	207.34	138.13	PACCFED	Changes in specification.

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15	Lakhimpur-Kheri	Construction of one Type V residence at outlying court Nighasan	30.26	43.76	13.5	PACCFED	Changes in specification.
16	Lakhimpur-Kheri	Construction of 2 Courtrooms building, and its allied offices at out-lying Court Mohammadi.	215.93	379.47	163.54	U.P.R.N.N.	NA
<b>Total</b>			<b>6,508.17 Say ₹ 65.08 crore</b>	<b>12,181.48 Say ₹ 121.81 crore</b>			

(Source: Information furnished by the sampled districts)

### Appendix 3.2.5

#### Cases of inadequate surveys in test-checked districts

(Reference: Paragraph no. 3.2.3.4)

(₹ in crore)

Sl. No.	District	Name of work	Original Cost	Revised cost	Executing agency	Audit observation
1	Chitrakoot	Construction of two Type-V residences at outlying court, Mau	0.97	1.99	UPPCL	The Government sanctioned (November, 2014) construction of two Type-V residences at outlying court, Mau. The work was to be completed by July, 2016. However, without conducting a proper survey, work on construction of two Type-V residences was started. Due to high tension electric line passing over the site, the work was stopped on a portion of the construction site and the electricity department was paid ₹ 8.84 lakh in August, 2015 for shifting of the high tension line. The work could be restarted in May, 2016 only after a gap of 10 months from shifting of high tension line. Further, the cost had to be revised to ₹ 1.99 crore due to added site development work which was not incorporated in the original estimate. Work is still in progress.
2	Chitrakoot	Construction of residences (10 Type-V and one Type-VI)	5.34	5.34 (Cost not revised)	UPAEVP	The Government sanctioned (September, 2014) ₹ 4.56 crore and ₹ 0.78 crore for construction of residences (10 Type-V and one Type-VI) respectively. The construction was taken up at a distance of 60 feet from the centre of the road against the norm of 82 feet (25 meters) and without raising the plinth. Hon'ble Administrative Judge observed (February, 2016) that road was proposed to be developed as Chitrakoot-Satna highway and raising of road height would leave the residential complex water logged as height of plinth cannot be raised. Work is still in progress.
3	Lakhimpur Kheri	Construction of eight residences	1.48	2.38	C&DS (UP Jal Nigam)	The Government sanctioned (May, 2011) construction of eight Type-IV residences for the judicial officers and accordingly, executing agency prepared estimate for construction of eight residences in four blocks without conducting a proper survey. Later, it was found that site for only four residences in two blocks was available. Further, the specification of the residences was also changed from Type-IV to Type-V. Eventually, by raising the height of two blocks, only six residences of Type-V were constructed. As a result, the work was completed at an enhanced cost of ₹ 2.38 crore and two residences could not be constructed.
4	Lakhimpur Kheri	Construction of 28 residences	0.63	0.83	UPRNN	The buildings could not be put to use for last 10 years due to severe water logging as these were constructed on a kiln land, the level of which was required to be raised before taking up construction work.
<b>Total</b>			<b>8.42</b>	<b>10.54</b>		

(Source: Records of sampled districts)

### Appendix 3.2.6

#### Cases of unavailability of clear site in test-checked districts

(Reference: Paragraph no. 3.2.3.4)

(₹ in crore)

Sl. No.	District	Name of work	Original cost of work	Revised cost	Executing agency	Audit observation
1	Allahabad	Construction of 24 court rooms	24.55	24.55 (Cost not revised)	UPRNN	The work was sanctioned by the Government in March, 2012 with the condition to complete it by March, 2013. However, as measurement of the site was not carried out and trees were not removed from the site, work actually started in April, 2013, after the scheduled date of completion. The work was rescheduled to be completed by December, 2015, which however, could not be achieved and the work was still in progress as of November 2016.
2	Allahabad	Construction of 25 courtrooms	9.96	9.96 (Cost not revised)	UPAEVP	Construction of 25 courtrooms amounting to ₹ 9.96 crore was taken up by the executing agency in October 2013. The work was to be completed by March, 2015. The executing agency (UPAEVP) reported hindrances in the free movement of construction machineries as unauthorised constructions came up in the way of transportation and repeatedly requested for their removal. The work was still in progress as of November 2016.
3	Allahabad	Construction of lock-up and boundary wall	0.53	0.53 (cost not revised)	PWD	Construction of lock-up and 562 metres of boundary wall was taken up by the executing agency in July, 2011. The construction of lock-up was completed but work of boundary wall was stopped in May, 2013, after constructing 472 metres of boundary wall. The construction of left over work of boundary wall had not been started as on April, 2016.
4	Ballia	Construction of 16 Type IV residences	3.59	13.56	C&DS (UP Jal Nigam)	The Government sanctioned construction of 16 Type-IV residences in November, 2011. The work was scheduled to be completed by September, 2012 but due to not removing the old building and vegetation, work order to the executing agency was issued in March, 2013 only. Besides, the cost was revised from ₹ 3.59 crore to ₹ 13.56 crore due to change in specification from Type-IV to Type-V and escalation in cost of material owing to delay. The work was in progress.
5	Ballia	Construction of family court.	0.47	1.09	C&DS (UP Jal Nigam)	The work was scheduled to be completed by March, 2013 but due to not removing the old building and vegetation, work order to the executing agency was issued in April, 2013 only. The cost was revised from ₹ 0.47 crore to ₹ 1.09 crore and completed with a delay of 36 months in March, 2016.
<b>Total</b>			<b>39.10</b>	<b>49.69</b>		

(Source: Records of sampled districts)

### Appendix 3.2.7

#### Cases of delayed approval of maps in test-checked districts

(Reference: Paragraph no. 3.2.3.4)

(₹ in crore)

Sl. No.	District	Name of work	Original cost of work	Revised cost	Executing agency	Audit observation
1	Ballia	Construction of 18 court rooms (12+6)	7.41	23.19	C&DS (UP Jal Nigam)	The work was sanctioned in November, 2011 and construction agency submitted the maps for approval in April, 2012. However, due to revision in norms (October, 2012) the revised maps were approved in March, 2013. As a result land fell short for six court rooms. It was decided (March, 2014) that one building consisting of two floors having two courts on each floors (total four courts) and another building consisting of seven floors having two court rooms on each floor (total 14 court) would be constructed. The revised maps submitted to the Government in May, 2014 were approved in November, 2014. The cost was revised to ₹ 23.19 crore and up to July, 2016 progress of work was below 10 per cent.
2	Chitrakoot	Construction of camp office at the existing District Judge's residence	0.14	0.37	PWD	The work was sanctioned in October, 2011, but the work was actually started in March, 2013 due to delayed approval of maps and agreement not being executed. Only 40 per cent physical progress was achieved and work had to be stopped in August, 2014. Revised estimate of ₹ 0.37 crore was pending for approval at the Government level as of October 2016.
3	Gautam Budh Nagar	Construction of 17 court rooms	18.07	42.62	UPRNN	The work sanctioned in November, 2007 was actually taken up in February, 2010 since executing agency submitted the maps to NOIDA Authority for approval after twelve months of sanctioning of projects, which were approved in November, 2009. The cost was revised to ₹ 42.62 crore due to time over-run and additional works.
<b>Total</b>			<b>25.62</b>	<b>66.18</b>		

(Source: Records of sampled districts)



**Appendix- 3.2.8**

**Details showing works taken up during 2011-16 in sampled districts**

*(Reference: Paragraph no. 3.2.3.5)*

Sl. No.	District	Name of work	Estimated cost (₹ in lakh)	Name of Agency
1	Allahabad	Construction of 24 courtrooms	2,455.42	UPRNN
2	Allahabad	Construction of 25 Courtrooms & Offices (Second phase) at Allahabad.	995.86	U.P. Avas Evam Vikas Parishad
3	Allahabad	Construction of boundary wall of civil court premises	16.43	P.W.D.
4	Baghpat	Construction of 14 Type-V residences.	657.39	C &D S UP Jal Nigam
5	Baghpat	Construction of 17 Courtrooms building.	1,989.52	C &D S UP Jal Nigam
6	Baghpat	Construction of District Judge residence.	82.52	C &D S UP Jal Nigam
7	Baghpat	Construction of second floor on the Transit Hostel at Baghpat.	191.49	C &D S UP Jal Nigam
8	Baghpat	Construction of Ground Floor &First Floor of Transit Hostel for Judicial Officers.	395.87	C &D S UP Jal Nigam
9	Ballia	Construction of 16 Type IV residences	359.11	C &D S UP Jal Nigam
10	Ballia	Construction of boundary wall of civil court premises	69.48	P.W.D.
11	Ballia	Construction of 14 courtrooms at Ballia	741.16	C &D S UP Jal Nigam
12	Ballia	Construction of 04 Courtrooms building at Ballia	508.69	C &D S UP Jal Nigam
13	Ballia	Construction of boundary of Judges Colony	40.13	P.W.D.
14	Ballia	Construction of Family court	46.95	C &D S UP Jal Nigam
15	Ballia	Construction of boundary wall of old Munsifi building.	25.56	P.W.D.
16	Chitrakoot	Construction of office room in District Judge's residence	13.90	P.W.D.
17	Chitrakoot	Construction of 10 Type-V residences at Chitrakoot	456.26	U.P. Avas Evam Vikas Parishad
18	Chitrakoot	Construction of 02 Courtrooms and its allied building at outlying Court Mau.	419.77	U.P. Project Corporation Ltd.
19	Chitrakoot	Construction of building (other than residential) at Chitrakoot	2,574.93	C &D S UP Jal Nigam
20	Chitrakoot	Construction of 02 Type-V residences at outlying Court Mau.	96.64	U.P. Project Corporation Ltd.
21	Chitrakoot	Construction of boundary wall of civil court premises	8.50	P.W.D.
22	Chitrakoot	Construction of 1 Type-VI residence at Chitrakoot	77.89	U.P. Avas Evam Vikas Parishad
23	G.B. Nagar	Construction of Portico on five entrance gates in the Civil Court premises at G.B Nagar.	165.14	UPRNN
24	G.B. Nagar	Construction of M.S. Shed of the Staff &General parking area in the Civil Court premises at G.B Nagar.	382.65	UPRNN
25	G.B. Nagar	Construction of 16 Type-V residences at G.B. Nagar.	915.18	C &D S UP Jal Nigam
26	G.B. Nagar	Elevation of boundary wall of Civil Court premises at G.B. Nagar.	111.12	UPRNN
27	G.B. Nagar	Construction of 17 Court building.	1,806.74	UPRNN
28	G.B. Nagar	Purchase of furniture for the newly constructed 17 courtrooms building	116.86	UPRNN

29	G.B. Nagar	Construction of building (other than residential) at Outlying Court Jewar.	379.05	C &D S UP Jal Nigam
30	G.B. Nagar	Construction of 1 Type-VI (for Dist. Judge) residences at G.B. Nagar.	86.64	C &D S UP Jal Nigam
31	G.B. Nagar	Construction of residential building of out-lying Court Jewar.	300.54	C &D S UP Jal Nigam
32	G.B. Nagar	Elevation of boundary wall of Civil Judge (Jr. Div.) Court campus in the Outlying Court-Jewar at G.B. Nagar	84.82	C &D S UP Jal Nigam
33	Jaunpur	Construction of boundary wall and lawn beside Server Room and Registry Office, Jaunpur	19.98	P.W.D.
34	Jaunpur	Construction of Over Head Tank in the Civil Court premises, Jaunpur	19.35	C &D S UP Jal Nigam
35	Jaunpur	Installation of Fire Fighting system	83.20	P.W.D.
36	Jaunpur	Construction of Over Head Tank at Judges colony	16.91	C &D S UP Jal Nigam
37	Kasganj	Construction of 18 Courtroom (G11, F07) building of Kanshiram Nagar Judgeship	4,604.88	UPRNN
38	Kasganj	Residence of DJ	84.92	UPRNN
39	Kasganj	Construction of boundary wall of Kanshiram Nagar Judgeship	329.00	UPRNN
40	Kasganj	Officer Residence, Mamo Type-V : 13	618.53	UPRNN
41	Lakhimpur-Kheri	Construction of two blocks of 12 Courtrooms building	845.58	C &D S UP Jal Nigam
42	Lakhimpur-Kheri	Construction of two servant quarters at outlying Court Mohammadi	8.82	UPRNN
43	Lakhimpur-Kheri	Establishment of Rain water harvesting system at new court building and FTC building of Lakhimpur-Kheri Judgeship	12.14	C &D S UP Jal Nigam
44	Lakhimpur-Kheri	Construction of 08 Type-V residences.	147.95	C &D S UP Jal Nigam
45	Lakhimpur-Kheri	Construction of mini tube well and its allied works at Lakhimpur-Kheri	7.78	C &D S UP Jal Nigam
46	Lakhimpur-Kheri	Construction of 2-Courtroom building at outlying court Mohammadi, Lakhimpur-Kheri	33.88	UPRNN
47	Lakhimpur-Kheri	Construction of 2-Type-IV residences at outlying court Mohammadi, Lakhimpur-Kheri	24.87	UPRNN
48	Lakhimpur-Kheri	Construction of one courtroom at outlying court Nighasan.	69.21	PACCFED
49	Lakhimpur-Kheri	Construction of one Type V residence at outlying court Nighasan.	30.26	PACCFED
50	Lakhimpur-Kheri	Installation of furniture at newly constructed 2-courtroom building at outlying court, Mohammadi.	14.29	UPRNN
51	Lakhimpur-Kheri	Construction of 2 Courtrooms building, and its allied offices at out-lying Court Mohammadi.	215.93	UPRNN
<b>Total</b>			<b>23,759.69</b>	
			<b>Say ₹ 237.60</b>	
			<b>crore</b>	

(Source: Information furnished by the Hon'ble High Court, Allahabad and sampled districts)

### Appendix 3.2.9

#### Details showing works awarded to PSUs without agreements/MoUs during 2011-16 in sampled districts

(Reference: Paragraph no. 3.2.3.5)

Sl. No.	District	Name of work	Estimated cost (₹ in lakh)	Name of Agency
1	Allahabad	Construction of 24 courtrooms	2,455.42	UPRNN
2	Allahabad	Construction of 25 Courtrooms & Offices (Second phase) at Allahabad.	995.86	U.P. Avas Evam Vikas Parishad
3	Baghpat	Construction of 14 Type-V residences.	657.39	C &D S UP Jal Nigam
4	Baghpat	Construction of 17 Courtrooms building.	1,989.52	C &D S UP Jal Nigam
5	Baghpat	Construction of District Judge residence.	82.52	C &D S UP Jal Nigam
6	Baghpat	Construction of second floor on the Transit Hostel at Baghpat.	191.49	C &D S UP Jal Nigam
7	Baghpat	Construction of Ground Floor & First Floor of Transit Hostel for Judicial Officers.	395.87	C &D S UP Jal Nigam
8	Ballia	Construction of 16 Type IV residences	359.11	C &D S UP Jal Nigam
9	Ballia	Construction of 14 courtrooms at Ballia	741.16	C &D S UP Jal Nigam
10	Ballia	Construction of 04 Courtrooms building at Ballia	508.69	C &D S UP Jal Nigam
11	Ballia	Construction of Family court	46.95	C &D S UP Jal Nigam
12	Chitrakoot	Construction of 10 Type-V residences at Chitrakoot	456.26	U.P. Avas Evam Vikas Parishad
13	Chitrakoot	Construction of 02 Courtrooms and its allied building at outlying Court Mau.	419.77	U.P. Project Corporation Ltd.
14	Chitrakoot	Construction of building (other than residential) at Chitrakoot	2,574.93	C &D S UP Jal Nigam
15	Chitrakoot	Construction of 02 Type-V residences at outlying Court Mau.	96.64	U.P. Project Corporation Ltd.
16	Chitrakoot	Construction of 1 Type-VI residence at Chitrakoot	77.89	U.P. Avas Evam Vikas Parishad
17	G.B. Nagar	Construction of Portico on five entrance gates in the Civil Court premises at G.B Nagar.	165.14	UPRNN
18	G.B. Nagar	Construction of M.S. Shed of the Staff & General parking area in the Civil Court premises at G.B Nagar.	382.65	UPRNN
19	G.B. Nagar	Construction of 16 Type-V residences at G.B. Nagar.	915.18	C &D S UP Jal Nigam
20	G.B. Nagar	Elevation of boundary wall of Civil Court premises at G.B. Nagar.	111.12	UPRNN
21	G.B. Nagar	Construction of 17 Court building.	1,806.74	UPRNN
22	G.B. Nagar	Purchase of furniture for the newly constructed 17 courtrooms building	116.86	UPRNN

23	G.B. Nagar	Construction of building (other than residential) at Outlying Court Jewar.	379.05	C &D S UP Jal Nigam
24	G.B. Nagar	Construction of 1 Type-VI (for Dist. Judge) residences at G.B. Nagar.	86.64	C &D S UP Jal Nigam
25	G.B. Nagar	Construction of residential building of out-lying Court Jewar.	300.54	C &D S UP Jal Nigam
26	G.B. Nagar	Elevation of boundary wall of Civil Judge (Jr. Div.) Court campus in the Outlying Court-Jewar at G.B. Nagar	84.82	C &D S UP Jal Nigam
27	Jaunpur	Construction of Over Head Tank in the Civil Court premises, Jaunpur	19.35	C &D S UP Jal Nigam
28	Jaunpur	Construction of Over Head Tank at Judges colony	16.91	C &D S UP Jal Nigam
29	Kasganj	Construction of 18 Courtroom (G11, F07) building of Kanshiram Nagar Judgeship	4,604.88	UPRNN
30	Kasganj	Residence of DJ	84.92	UPRNN
31	Kasganj	Construction of boundary wall of Kanshiram Nagar Judgeship	329.00	UPRNN
32	Kasganj	Officer Residence, Mamo Type-V : 13	618.53	UPRNN
33	Lakhimpur-Kheri	Construction of two blocks of 12 Courtrooms building	845.58	C &D S UP Jal Nigam
34	Lakhimpur-Kheri	Construction of two servant quarters at outlying Court Mohammadi	8.82	UPRNN
35	Lakhimpur-Kheri	Establishment of Rain water harvesting system at new court building and FTC building of Lakhimpur-Kheri Judgeship	12.14	C &D S UP Jal Nigam
36	Lakhimpur-Kheri	Construction of 08 Type-V residences.	147.95	C &D S UP Jal Nigam
37	Lakhimpur-Kheri	Construction of mini tube well and its allied works at Lakhimpur-Kheri	7.78	C &D S UP Jal Nigam
38	Lakhimpur-Kheri	Construction of 2-Courtroom building at outlying court Mohammadi, Lakhimpur-Kheri	33.88	UPRNN
39	Lakhimpur-Kheri	Construction of 2-Type-IV residences at outlying court Mohammadi, Lakhimpur-Kheri	24.87	UPRNN
40	Lakhimpur-Kheri	Construction of one courtroom at outlying court Nighasan.	69.21	PACCFED
41	Lakhimpur-Kheri	Construction of one Type V residence at outlying court Nighasan.	30.26	PACCFED
42	Lakhimpur-Kheri	Installation of furniture at newly constructed 2-courtroom building at outlying court, Mohammadi.	14.29	UPRNN
43	Lakhimpur-Kheri	Construction of 2 Courtrooms building, and its allied offices at out-lying Court Mohammadi.	215.93	UPRNN
<b>Total</b>			<b>23,482.51 say</b>	<b>₹ 234.83 crore</b>

(Source: Information furnished by the Hon'ble High Court, Allahabad and sampled districts)

**Appendix 3.2.10**

**Details showing cases of time over-run in sampled districts**

(Reference: Paragraph no. 3.2.3.5)

Sl. No.	District	Name of work	Estimated cost (Rs. in Lakh)	Name of Agency	Scheduled date of start	Scheduled date of completion	Actual date of start of work	Actual date of completion	Time over run
1	Gautam Budh Nagar	Construction of Portico on five entrance gates in the Civil Court premises at G.B Nagar.	165.14	UP R.N.N. Ltd.	30.4.2015	31.03.16	30.04.15	Pending	Not completed after scheduled date of completion (2 month)
2	Gautam Budh Nagar	Construction of M.S. Shed of the Staff & General parking area in the Civil Court premises at G.B Nagar.	382.65	U.P. R.N.N. Ltd.	30.4.2015	31.3.16	30.4.15	Pending	Not completed after scheduled date of completion (2 month)
3	Gautam Budh Nagar	Construction of building (other than residential) at Outlying Court Jewar.	379.05	C&DS UP Jal Nigam	26.12.2011	25.12.12	26.12.11	30.9.15	33 months
4	Gautam Budh Nagar	Construction of residential building of out-lying Court Jewar.	300.54	C&DS UP Jal Nigam	27.12.2011	26.12.2012	27.12.2011	30.9.15	33 months
5	Baghpat	Construction of 17 Courtrooms building.	1989.52	C & D S UP Jal Nigam	03/11	31.5.12	03/2011	22.03.2014	24 month
6	Baghpat	Construction of second floor on the Transit Hostel at Baghpat.	191.49	C.&D.S. Jal Nigam	17.02.12	30.6.12	17.2.12	31.03.2015	33 month
7	Baghpat	Construction of Ground Floor & First Floor of Transit Hostel for Judicial Officers.	395.87	C & DS Jal Nigam	15.12.12	31.05.13	15.12.12	31.3.2015	22 month

8	Allahabad	Construction of 24 courtrooms	2455.42	U.P.R.N. N.Ltd	Apr-13	Dec-15	Apr-13	work in progress	Not completed after scheduled date of completion (6 month)
9	Allahabad	Construction of 25 Courtrooms & Offices (Second phase) at Allahabad.	995.86	U.P. Awas Evam Vikas Parishad.	Oct-13	Mar-15	Oct-13	work in progress	Not completed after scheduled date of completion (15 month)
10	Ballia	Construction of Family court	46.95	C&DS UP Jal Nigam	NA	Mar-13	Feb-13	Mar-16	36 Month
11	Ballia	Construction of boundary wall of old Munsifi building.	25.56	U.P.P.W .D.	NA	Mar-13	Aug-12	May-13	2 month
<b>Total</b>			<b>7,328.05</b>						
			<b>Say ₹ 73.28 crore</b>						
<b>Details of works remained incomplete beyond scheduled dates of completion</b>									
1	Allahabad	Construction of boundary wall of civil court premises	16.43	U.P.P.W .D.	Oct-11	Apr-12	Dec-11	work in progress	Not completed after scheduled date of completion (50 month)
2	Chitrakoot	Construction of office room in District Judge's residence	13.9	U.P.P.W .D.	Dec-11	31.03.2012	Mar-13	work in progress	Not completed after scheduled date of completion (51 month)
<b>Total</b>			<b>30.33 say</b>						
			<b>Say ₹ 0.30 crore</b>						

(Source: Information furnished by the sampled districts)

### Appendix 3.3.1

#### Shortage of teaching equipment in clinical departments

(Reference: Paragraph no. 3.3.3.1)

(in numbers)

Sl. No.	Name of Clinical department	Quantity required as per MCI norms	Quantity available	Shortfall	Percentage of shortfall
<b>LLRM Medical College, Meerut</b>					
1	Medicine	373	236	137	36.73
2	Paediatrics	609	39	570	93.60
3	TB and Chest	22	8	14	63.64
4	Psychiatry	25	5	20	80.00
5	Surgery	238	88	150	63.03
6	Ophthalmology	122	122	0	0.00
7	ENT	157	140	17	10.83
8	Obstetrics and Gynaecology	904	345	559	61.84
9	Anaesthesiology	33	15	18	54.55
10	Radio diagnosis	18	8	10	55.56
11	Orthopaedics	34	12	22	64.71
<b>Total</b>		<b>2,535</b>	<b>1,018</b>	<b>1,517</b>	<b>59.84</b>
<b>BRD Medical College, Gorakhpur</b>					
1	TB and Chest	22	4	18	81.82
2	Paediatrics	114	106	8	7.02
3	Surgery	239	203	36	15.06
4	Orthopaedics	25	6	19	76.00
5	Ophthalmology	122	38	84	68.85
6	Psychiatry	20	8	12	60.00
7	ENT	155	91	64	41.29
8	Anaesthesiology	30	14	16	53.33
9	Radio Diagnosis	20	9	11	55.00
10	Obstetrics and Gynaecology	628	499	129	20.54
11	Medicine	308	247	61	19.81
<b>Total</b>		<b>1,683</b>	<b>1,225</b>	<b>458</b>	<b>27.21</b>
<b>MLB Medical College, Jhansi</b>					
1	General Medicine	308	178	130	42.21
2	Paediatrics	114	114	0	0.00
3	TB and Chest	22	12	10	45.45
4	Psychiatry	20	17	3	15.00
5	Surgery	239	61	178	74.48
6	Orthopaedics	25	23	2	8.00
7	Ophthalmology	122	36	86	70.49
8	ENT	155	155	0	0.00
9	Obstetrics & Gynaecology	628	454	174	27.71
10	Anaesthesiology	30	19	11	36.67
11	Radio diagnosis	20	10	10	50.00
12	Radiotherapy	31	2	29	93.55
<b>Total</b>		<b>1,714</b>	<b>1,081</b>	<b>633</b>	<b>36.93</b>



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<b>King George Medical University</b>					
1	General Medicine	627	251	376	<b>59.97</b>
2	Paediatrics	101	76	25	<b>24.75</b>
3	Psychiatry	35	35	0	<b>0.00</b>
4	General Surgery	330	156	174	<b>52.73</b>
5	Paediatric Surgery	104	75	29	<b>27.88</b>
6	Orthopaedics	41	39	2	<b>4.88</b>
7	Ophthalmology	102	66	36	<b>35.29</b>
8	ENT	191	185	6	<b>3.14</b>
9	Obstetrics and Gynaecology	1,325	770	555	<b>41.89</b>
10	Radio diagnosis	24	14	10	<b>41.67</b>
11	Radio therapy	36	31	5	<b>13.89</b>
<b>Total</b>		<b>2,916</b>	<b>1,698</b>	<b>1,218</b>	<b>41.77</b>

(Source: Respective GMCs)

### Appendix 3.3.2

#### Department wise shortage of teaching equipment (other than clinical)

(Reference: Paragraph no. 3.3.3.2)

(in numbers)

Sl. No.	Name of department	Quantity required as per MCI norms	Quantity available	Shortfall	Percentage of shortfall
<b>LLRM Medical College, Meerut</b>					
1	Anatomy	313	260	53	16.93
2	Physiology	621	372	249	40.10
3	Biochemistry	245	126	119	48.57
4	Pathology	860	482	378	43.95
5	Microbiology	1,378	119	1259	91.36
6	Pharmacology	2,351	759	1592	67.72
7	Forensic Medicine	186	61	125	67.20
8	Community Medicine	83	61	22	26.51
<b>Total</b>		<b>6,037</b>	<b>2,240</b>	<b>3,797</b>	<b>62.90</b>
<b>BRD Medical College, Gorakhpur</b>					
1	Anatomy	235	206	29	12.34
2	Physiology	445	365	80	17.98
3	Biochemistry	244	41	203	83.20
4	Pathology	603	243	360	59.70
5	Microbiology	951	394	557	58.57
6	Pharmacology	1,761	621	1,140	64.74
7	Forensic Medicine	167	33	134	80.24
8	Social & Preventive Medicine (Community medicine)	71	52	19	26.76
<b>Total</b>		<b>4,477</b>	<b>1,955</b>	<b>2,522</b>	<b>56.33</b>
<b>MLB Medical College, Jhansi</b>					
1	Anatomy	235	181	54	22.98
2	Physiology	445	170	275	61.80
3	Biochemistry	244	92	152	62.30
4	Pathology	603	603	0	0.00
5	Microbiology	951	383	568	59.73
6	Pharmacology	1,761	660	1101	62.52
7	Forensic medicine	167	91	76	45.51
8	Community medicine	71	56	15	21.13
<b>Total</b>		<b>4,477</b>	<b>2,236</b>	<b>2,241</b>	<b>50.06</b>
<b>King George Medical University, Lucknow</b>					
1	Anatomy	471	450	21	4.46
2	Physiology	1,008	431	577	57.24
3	Biochemistry	328	44	284	86.59
4	Pathology	1,115	384	731	65.56
5	Microbiology	724	39	685	94.61
6	Pharmacology	3,471	590	2,881	83.00
7	Forensic Medicine	193	82	111	57.51
<b>Total</b>		<b>7,310</b>	<b>2,020</b>	<b>5,290</b>	<b>72.37</b>

(Source: Respective GMCs)

### Appendix 3.4

#### Details of loss of interest on Centage charges to the government

(Reference: Paragraph no. 3.11)

Sl. No.	Amount received (₹ in Lakh)	Date of Receipt	Due Centage Charge @ 12.5% (₹ in Lakh)	Period		Month	Borrowing rate of interest (in per cent)	Interest on Centage Charge (₹ in Lakh)
1.	500	31-Mar-08	62.5	Apr-08	Mar-09	12	6.29	3.93
				Apr-09	Mar-10	12	6.16	3.85
				Apr-10	Mar-11	12	6.67	4.17
				Apr-11	Mar-12	12	6.62	4.14
				Apr-12	Mar-13	12	6.73	4.21
				Apr-13	Mar-14	12	6.43	4.02
				Apr-14	Mar-15	12	6.40	4.00
<b>Total Interest</b>							<b>28.31</b>	
2.	400	01-Sep-08	50	Oct-08	Mar-09	6	6.29	1.57
				Apr-09	Mar-10	12	6.16	3.08
				Apr-10	Mar-11	12	6.67	3.34
				Apr-11	Mar-12	12	6.62	3.31
				Apr-12	Mar-13	12	6.73	3.37
				Apr-13	Mar-14	12	6.43	3.22
				Apr-14	Mar-15	12	6.40	3.20
<b>Total Interest</b>							<b>21.08</b>	
3.	100	17-Feb-09	12.5	Mar-09	Mar-09	1	6.29	0.07
				Apr-09	Mar-10	12	6.16	0.77
				Apr-10	Mar-11	12	6.67	0.83
				Apr-11	Mar-12	12	6.62	0.83
				Apr-12	Mar-13	12	6.73	0.84
				Apr-13	Mar-14	12	6.43	0.80
				Apr-14	Mar-15	12	6.40	0.80
<b>Total Interest</b>							<b>4.94</b>	
4.	500	16-Feb-10	62.5	Mar-10	Mar-10	1	6.16	0.32
				Apr-10	Mar-11	12	6.67	4.17
				Apr-11	Mar-12	12	6.62	4.14
				Apr-12	Mar-13	12	6.73	4.21
				Apr-13	Mar-14	12	6.43	4.02
				Apr-14	Mar-15	12	6.40	4.00
<b>Total Interest</b>							<b>20.85</b>	
5.	50	16-Jun-11	6.25	Jul-11	Mar-12	9	6.62	0.31
				Apr-12	Mar-13	12	6.73	0.42
				Apr-13	Mar-14	12	6.43	0.40
				Apr-14	Mar-15	12	6.40	0.40
<b>Total Interest</b>							<b>1.53</b>	
6.	75	31-Jan-12	9.375	Feb-12	Mar-12	2	6.62	0.10
				Apr-12	Mar-13	12	6.73	0.63
				Apr-13	Mar-14	12	6.43	0.60
				Apr-14	Mar-15	12	6.40	0.60
<b>Total Interest</b>							<b>1.94</b>	
7.	75	26-Feb-13	9.375	Mar-13	Mar-13	1	6.43	0.05
				Apr-13	Aug-13	5	6.40	0.25
<b>Total Interest</b>							<b>0.30</b>	
			<b>212.50</b>	<b>Grand Total</b>			<b>78.95</b>	<b>Say 0.79 crore</b>

### Appendix 3.5

#### Details of Tube wells constructed in Over-exploited/Critical zone after prohibited by the Government in October 2014

(Reference: Paragraph no. 3.13)

Period	Name of the Scheme	Tubewell Number	Name of the Block	District	Category of the Block	Month of Construction	Cost (₹in lakh)	Date of energisation	Cost of energisation (₹in lakh)	Date of start	Date of Sanction of work	Date of contract
1	2	3	4	5	6	7	8	9	10	11	12	13
November 2014 to March 2015	Dr. Ram Manohar Lohia 3000 New Tubewell Scheme (G) Year 2014-15	330 Shi. bad	Shikohabad	Firozabad	Over-exploited	12/14	13.77	07/15	2.51	07/15	16.06.14	24.07.14
		338 Shi. bad	Shikohabad	Firozabad	Over-exploited	11/14	14.93	03/15	2.52	05/15	11.09.14	08.11.14
		108EK	Khair	Aligarh	Over-exploited	11/14	9.23	06/15	2.15	03/16	17.09.14	27.10.14
		258 EG	Nidhauri Kalan	Etah	Critical	12/14	13.33	10/15	2.65	10/15	11.12.14	29.12.14
		294KG	Sahavar	Kasganj	Over-exploited	12/14	5.46	03/16	2.52	03/16	15.09.14	17.03.15
	Dr. Ram Manohar Lohia 3000 New Tubewell Scheme (SCP) Year 2014-15	340 Shi. bad	Shikohabad	Firozabad	Over-exploited	12/14	14.85	06/15	2.95	07/15	11.09.14	10.11.14
		339 Shi. bad	Shikohabad	Firozabad	Over-exploited	12/14	14.30	03/15	2.34	07/15	11.09.14	10.11.14
	Dr. Ram Manohar Lohia 1054 Tubewell Modernisation Scheme Year 2014-15	259 EG	Nidhauri Kalan	Etah	Critical	01/15	10.29	06/15	2.19	06/15	11.12.14	14.01.15
		133 SKB	Shikohabad	Firozabad	Over-exploited	02/15	10.98	07/15	1.21	10/15	18.01.15	13.11.14
		147 SKB	Shikohabad	Firozabad	Over-exploited	02/15	11.36	07/15	2.15	09/15	18.01.15	13.11.14
		50 SKB	Shikohabad	Firozabad	Over-exploited	11/14	13.81	07/15	2.12	09/15	14.09.14	17.07.14
		39 SKB	Shikohabad	Firozabad	Over-exploited	01/15	12.51	03/15	1.99	06/15	18.10.14	13.11.14
		107 SKB	Shikohabad	Firozabad	Over-exploited	11/14	12.13	08/15	2.45	10/15	18.01.15	13.11.14
		131SKB	Shikohabad	Firozabad	Over-exploited	02/15	11.69	07/15	1.35	09/15	04.01.15	13.11.14
		148 SKB	Shikohabad	Firozabad	Over-exploited	11/14	13.61	03/15	1.18	06/15	04.01.15	17.07.14
		37WK	Khair	Aligarh	Over-exploited	01/15	8.52	07/15	1.00	07/15	03.01.15	06.01.15
	68EK	Khair	Aligarh	Over-exploited	01/15	8.01	06/15	0.39	06/15	28.06.14	22.01.15	
<b>Total</b>							<b>198.78</b>		<b>33.67</b>			
2015-16	Dr. Ram Manohar Lohia 1054 Tubewell Modernisation Scheme Year 2015-16	99HG	Sasni	Hathras	Over-exploited	09/15	7.31	03/16	0.50	03/16	25.06.15	28.08.15
		7HG	Sasni	Hathras	Over-exploited	01/16	6.13	03/16	2.35	03/16	18.09.15	06.11.15
		77HG	Murasaan	Hathras	Over-exploited	01/16	5.48	03/16	0.10	03/16	18.09.15	17.12.15
		63WK	Khair	Aligarh	Over-exploited	07/15	7.21	03/16	1.94	03/16	25.06.15	06.08.15
		18WK	Khair	Aligarh	Over-exploited	08/15	2.53	03/16	0.84	03/16	25.06.15	07.08.15
		24WK	Khair	Aligarh	Over-exploited	09/15	7.21	03/16	0.96	03/16	25.06.15	21.08.15
		32WK	Chandaus	Aligarh	Critical	01/16	5.98	03/16	0.98	03/16	29.09.15	02.01.16
		71WK	Chandaus	Aligarh	Critical	01/16	6.00	03/16	Adjusted	03/16	29.09.15	19.12.15
		68WK	Chandaus	Aligarh	Critical	12/15	5.99	03/16	0.83	03/16	29.09.15	17.12.15
		52EG	Nidhauri Kalan	Etah	Critical	09/15	9.92	-	1.13	-	08/2015	11.09.15
150KG	Sahavar	Kasganj	Over-exploited	07/15	6.12	-	0.80	-	11.05.15	02.05.15		
<b>Total</b>							<b>69.88</b>		<b>10.43</b>			
<b>Grand Total</b>							<b>268.66</b>		<b>44.10</b>			
<b>Total of Construction and Energisation (Col. 8+10)</b>							<b>312.76</b>					
										<b>Say ₹ 3.13 crore</b>		

### Appendix 3.6

#### Details of excess payment due to provisioning of higher rate for carriage in schedule of rates

(Reference: Paragraph no. 3.14)

Sl. No.	Chainage of road (Km.)	Agreement No.	Quantity of Grit used (CuM)	Rate of carriage as per Irrigation SoR (₹ per CuM)	Rate of carriage as per PWD SoR (₹ per CuM)	Excess payment of Carriage per CuM (₹ per CuM)	Total Excess payment of carriage (₹)	
(1)	(2)	(3)	(4)	(5)	(6)	(7= col 5 - col 6)	(8= col 4 x col 7)	
1	44.700 to 66.400	20/SE/2013-14	27374	1729.72	1271.00	458.72	1,25,57,001.28	
2	66.400 to 70.600 and 79.900 to 104.600	21/SE/2013-14	33880	1558.45	1173.50	384.95	1,30,42,106.00	
<b>Total</b>							<b>2,55,99,107.28</b>	<b>Say ₹ 2.56 crore</b>

### Appendix 3.7

#### Computation for excess payment due to extra carriage, loading, unloading, stacking and wrong conversion rate

(Reference: Paragraph no. 3.15)

Sl. No.	Name of work	Details of approval/ technical sanction by Chief Engineer	Agreement no. and date	Item of work	Details of rate of work (₹)				Difference in rate (Col. 9-col. 8) (₹)	Quantity executed so far (Cum)	Excess payment (Col. 10 x col. 11) (₹)	Total Payment on the Item (Col. 9 x col. 11) (₹)
					As per estimate (₹)	Contracted rate (₹)	Computed rate (₹)	Rate of Payment (₹)				
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Flood Protection work between km 7.300 and 8.600 on VD bundh	32 of 2013-14) dated 20.1.14 Rs. 1210.56 lakh	4/SE/ 2013-14 dated: 24.12.13	S/L of stone boulder in slope pitching	3,297.50	3,297.50	3,063.17	3,100.00	36.83	932.538	34,345.37	28,90,867.80
2	Flood protection work VD bundh Km 10.750 to km 10.925	34 of 2013-14) dated 20.1.14 Rs. 515.09 lakh	06/SE/ 2013-14 dated: 24.12.13	S/L of stone boulder in making slope of spurs	3,297.50	3,297.50	3,063.17	3,150.00	86.83	678.970	58,954.97	21,38,755.50
3	Restoration of Spur no. 22 B, Km 12.86; Dampner no. 23 B, Km 13.025, 24 B Km 13.160, 26 B Km 13.44 and 27 B Km 13.50	28 of 2013-14) dated 20.1.14 Rs. 964.61 lakh	07/SE/ 2013-14 dated: 24.12.13	S/L of stone boulder in making spur and launching apron	3,267.30	3,245.35	2,905.23	3,100.00	194.77	13,353.700	26,00,900.15	4,13,96,470.00
4	Flood Protection works between Km 4.010 to 4.320 of KashipurDubaulia embankment	25 of 2013-14) dated 20.1.14 Rs. 740.58 lakh	08/SE/ 2013-14 dated: 24.12.13	S/L of stone boulder in launching apron	3,294.96	3,253.45	2,931.76	3,100.00	168.24	7,552.917	12,70,702.76	2,34,14,042.70
				S/L of stone boulder in slope pitching	3,503.65	3,503.80	2,832.76	3,200.00	367.24	1,014.378	3,72,520.18	32,46,009.60
5	Flood Protection works between Km 0.660 to 2.350 of KashipurDubaulia embankment	26 of 2013-14) dated 20.1.14 Rs. 288.20 lakh	09/SE/ 2013-14 dated: 24.12.13	S/L of stone boulder in launching apron	3,267.30	3,222.00	2,905.23	3,040.00	134.77	741.240	99,896.91	22,53,369.60
6	Flood Protection works between Km 0.390 to 2.382 of KatariaChandpur embankment	29 of 2013-14) dated 20.1.14 Rs. 1160.24 lakh	10/SE/ 2013-14 dated: 24.12.13	S/L of stone boulder in launching apron	3,304.15	3,280.20	2,905.23	3,000.00	94.77	14,257.320	13,51,166.22	4,27,71,960.00
				S/L of stone boulder in slope pitching	3,513.35	3,513.35	2,806.23	3,400.00	593.77	2,316.350	13,75,379.14	78,75,590.00

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7	Construction of Spur at Km 3.300 and widening of embankment between km 3.300 and 4.700 of GauraSaifabad embankment	30 of 2013-14) dated 20.1.14 Rs. 591.91 lakh	11/SE/ 2013-13 dated: 24.12.13	S/L of stone boulder for making spur	3,368.90	3,332.50	2,910.68	3,200.00	289.32	7,963.49 0	23,03,996.93	2,54,83,168.00
				S/L of stone boulder for pitching on slope of shank of spur	3,574.20	3,574.20	2,954.68	3,400.00	445.32	1,216.89 0	5,41,905.45	41,37,426.00
8	Construction of Spurs at Km 1.240 and 1.780 on KashipurDubaulia embankment	27 of 2013-14) dated 20.1.14 Rs. 574.41 lakh	13/SE/ 2013-14	S/L of stone boulder in launching apron	3,267.30	3,233.30	2,905.23	3,040.00	134.77	1,476.58 0	1,98,998.69	44,88,803.20
9	Flood protection work On KashipurDubauliya embankment Km 2.300 and Km 2.750	15 of 2015-16) dated 29.4.15 Rs. 1144.43 lakh	03/SE/ 2015-16 dated: 01.05.15	Supplying and laying of stone boulder in launching apron	3,289.53	2,800.00	2,863.53	3,285.00	421.47	6,413.25 0	27,02,992.48	2,10,67,526.25
				Supplying and laying of stone boulder in slope pitching	3,354.63	-	2,907.53	3,350.00	442.47	1,071.72 0	4,74,203.95	35,90,262.00
10	Kataria- Chandpur km 4.400 to km 5.400 Anti erosion work	50 of 2015-16) dated 10.6.15 Rs. 1536.70 lakh	11/SE/ 2015-16 Dated: 10.06.15	Dumping laying of MS boulder n hand packed including cost of all material labour etc.	3,974.11	3,800.00	3,478.79	3,950.00	471.21	20,783.0 20	97,93,166.85	8,20,92,929.00
				Pitching with MS stone boulder	4,242.44	4,250.00	3,558.79	4,220.00	661.21	3,909.09 0	25,84,729.40	1,64,96,359.80
11	ChandpurGaura Km 0.00 to Km 1.00 Anti erosion work	18 of 2015-16) dated 29.4.15 Rs. 2442.64 lakh	12/SE/ 2015-016 dated: 10.06.15	Dumping and laying of MS stone boulder and hand packed inclusive of all material and labour etc.	3,974.11	3,565.00	3,478.79	3,960.00	481.21	35,541.5 37	1,71,02,943.02	14,07,44,486.52
				Supply and laying of MS boulder in wire crate	4,883.11	4,750.00	4,204.79	4,870.00	665.21	1,460.32 0	9,71,419.47	71,11,758.40
				Stone boulder pitching	4,242.44	3,815.31	3,558.79	4,235.00	676.21	5,298.32 0	35,82,776.97	2,24,38,385.20
<b>Total</b>											<b>4,74,20,998.89</b>	<b>45,36,38,169.57</b>
<b>Say ₹</b>											<b>4.74 crore</b>	<b>45.36 crore</b>



### Appendix 3.8

#### Details of avoidable payment due to failure in revising the demand

(Reference: Paragraph no. 3.18)

Month	Rate (per KVA in Rs)	Sanctioned load in KVA	Fixed charged in KVA, as per bill (Col 3*0.75)	Amount paid as fixed/demand charges (Col 2* Col 4)	Actual consumed load	Requested electricity load in KVA	Fixed charged in KVA, as per requested load (Col 7*0.75)	Fixed charges to be paid, as per requested load (Col 2*col 8)	Fixed charged in KVA, paid in excess (Col 4-Col 8)	Avoidable Payment
1	2	3	4	5	6	7	8	9	10	11
Jun-13	240	6,298	4,724	11,33,760	1,800	3,333	2,500	6,00,000	2,224	5,33,760
Jul-13	240	6,298	4,724	11,33,760	2,016	3,333	2,500	6,00,000	2,224	5,33,760
Aug-13	240	6,298	4,724	11,33,760	2,016	3,333	2,500	6,00,000	2,224	5,33,760
Sep-13	240	6,298	4,724	11,33,760	2,100	3,333	2,500	6,00,000	2,224	5,33,760
Oct-13	240	6,298	4,724	11,33,760	1,443	3,333	2,500	6,00,000	2,224	5,33,760
Nov-13	240	6,298	4,724	11,33,760	1,500	3,333	2,500	6,00,000	2,224	5,33,760
Dec-13	240	6,298	4,724	11,33,760	1,260	3,333	2,500	6,00,000	2,224	5,33,760
Jan-14	240	6,298	4,724	11,33,760	1,200	3,333	2,500	6,00,000	2,224	5,33,760
Feb-14	240	6,298	4,724	11,33,760	1,380	3,333	2,500	6,00,000	2,224	5,33,760
Mar-14	240	6,298	4,724	11,33,760	1,200	3,333	2,500	6,00,000	2,224	5,33,760
Apr-14	240	6,298	4,724	11,33,760	1,297.8	3,333	2,500	6,00,000	2,224	5,33,760
May-14	240	6,298	4,724	11,33,760	1,464	3,333	2,500	6,00,000	2,224	5,33,760
Jun-14	240	6,298	4,724	11,33,760	1,860.6	3,333	2,500	6,00,000	2,224	5,33,760
Jul-14	240	6,298	4,724	11,33,760	2,100	3,333	2,500	6,00,000	2,224	5,33,760
Aug-14	240	6,298	4,724	11,33,760	2,059.8	3,333	2,500	6,00,000	2,224	5,33,760
Sep-14	240	6,298	4,724	11,33,760	2,040	3,333	2,500	6,00,000	2,224	5,33,760
Oct-14	240	6,298	4,724	11,33,760	1,800	3,333	2,500	6,00,000	2,224	5,33,760
Nov-14	240	6,298	4,724	11,33,760	1,500	3,333	2,500	6,00,000	2,224	5,33,760
Dec-14	240	6,298	4,724	11,33,760	1,260	3,333	2,500	6,00,000	2,224	5,33,760
Jan-15	240	6,298	4,724	11,33,760	1,330.8	3,333	2,500	6,00,000	2,224	5,33,760
Feb-15	240	6,298	4,724	11,33,760	1,346.4	3,333	2,500	6,00,000	2,224	5,33,760

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Mar-15	240	6,298	4,724	11,33,760	1,260.8	3,333	2,500	6,00,000	2,224	5,33,760
Apr-15	240	6,298	4,724	11,33,760	1,371.6	3,333	2,500	6,00,000	2,224	5,33,760
May-15	240	6,298	4,724	11,33,760	1,467.6	3,333	2,500	6,00,000	2,224	5,33,760
Jun-15	240	6,298	4,724	11,33,760	2,011.2	3,333	2,500	6,00,000	2,224	5,33,760
Jul-15	240	6,298	4,724	11,33,760	2,103	3,333	2,500	6,00,000	2,224	5,33,760
Aug-15	240	6,298	4,724	11,33,760	2,027.4	3,333	2,500	6,00,000	2,224	5,33,760
Sep-15	240	6,298	4,724	11,33,760	2,195.4	3,333	2,500	6,00,000	2,224	5,33,760
Oct-15	240	6,298	4,724	11,33,760	2,257.8	3,333	2,500	6,00,000	2,224	5,33,760
Nov-15	240	6,298	4,724	11,33,760	1,775.4	3,333	2,500	6,00,000	2,224	5,33,760
Dec-15	240	6,298	4,724	11,33,760	1,408.2	3,333	2,500	6,00,000	2,224	5,33,760
Jan-16	240	6,298	4,724	11,33,760	1,260	3,333	2,500	6,00,000	2,224	5,33,760
Feb-16	240	6,298	4,724	11,33,760	1,425	3,333	2,500	6,00,000	2,224	5,33,760
Mar-16	240	6,298	4,724	11,33,760	1,332	3,333	2,500	6,00,000	2,224	5,33,760
<b>Total</b>				<b>3,85,47,840</b>				<b>2,04,00,000</b>		<b>1,81,47,840</b>

**Appendix 3.9**  
**Details of loss due to execution of contracts on higher rate**  
**by rejecting lower bids**  
*(Reference: Paragraph no. 3.19)*

Sl. No.	Name of Village	Estimated Cost	Agreement No.	Agreement amount	Agreement cost	Per centage below of agreement cost w.r.t. estimate	Amount paid	Total Amount paid	Lowest of 1st tender	Excess Payment
1	Asui	18,99,000	16/2012-13	16,25,215	16,25,215	14.42	16,13,334	16,13,334	12,49,890	3,63,444
2	Atra	33,02,000	21/2012-13	14,42,267	27,98,988	15.23	14,42,036	27,98,283	21,67,130	6,31,153
			35/2012-13	13,56,721			13,56,247			
3	Atraiya	25,14,000	34/2012-13	12,02,696	21,65,272	13.87	12,06,185	21,65,041	16,84,126	4,80,915
			42/2012-13	9,62,576			9,58,856			
4	Bajehata	24,44,000	6/2012-13	19,28,585	19,28,585	21.09	19,28,621	19,28,621	14,28,277	5,00,344
5	Bandhur Khurd	25,07,000	23/2012-13	8,19,147	21,46,362	14.39	8,17,397	21,43,229	16,27,532	5,15,697
			37/2012-13	13,27,215			13,25,832			
6	Barehara	39,37,000	38/2012-13	19,51,285	33,63,704	14.56	19,47,730	33,56,137	26,26,116	7,30,021
			26/2012-13	14,12,419			14,08,407			
7	Bilauta	18,81,500	5/2012-13	15,56,203	15,56,203	17.29	15,55,784	15,55,784	13,55,177	2,00,607
8	Dhagawa	21,89,000	12/2012-13	18,60,899	18,60,899	14.99	19,33,213	19,33,213	13,84,138	5,49,075
9	Gundela	21,72,000	11/2012-13	18,60,755	18,60,755	14.33	18,69,335	18,69,335	11,90,470	6,78,865
10	Ghurouli	23,24,000	19/2012-13	19,38,706	19,38,706	16.58	19,77,106	19,77,106	14,90,644	4,86,462
11	Gurdaha	18,31,000	04/2012-13	15,64,127	15,64,127	14.58	15,44,081	15,44,081	11,03,102	4,40,979
12	Husaina	26,37,000	27/2012-13	8,62,971	22,46,531	14.81	8,62,683	22,46,653	17,49,912	4,96,741
			39/2012-13	13,83,560			13,83,970			
13	Indalpura	28,98,000	25/2012-13	11,55,839	24,94,399	13.93	11,10,174	24,41,774	19,78,005	4,63,769
			40/2012-13	13,38,560			13,31,600			
14	Beri Indrapuri	21,63,000	07/2012-13	14,81,201	14,81,201	31.52	14,79,958	14,79,958	14,08,306	71,652
15	Ingohta	20,68,000	08/2012-13	17,03,486	17,03,486	17.63	16,54,858	16,54,858	14,01,504	2,53,354
16	Jigani	27,75,000	22/2012-13	10,04,698	23,74,425	14.44	10,04,701	23,74,337	17,84,530	5,89,807
			36/2012-13	13,69,727			13,69,636			
17	Kandholi	23,40,000	14/2012-13	19,93,284	19,93,284	14.82	19,86,107	19,86,107	12,15,222	7,70,885
18	Khedashilajit	20,23,000	15/2012-13	17,28,789	17,28,789	14.54	17,28,120	17,28,120	13,91,922	3,36,198
19	Patara	19,30,000	10/2012-13	16,45,453	16,45,453	14.74	16,32,376	16,32,376	12,03,096	4,29,280
20	Rajamau	27,41,000	18/2012-13	19,07,930	19,07,930	30.39	18,97,947	18,97,947	16,08,722	2,89,225
21	Ruripara	24,13,000	03/2012-13	19,97,461	19,97,461	17.22	20,05,895	20,05,895	14,69,811	5,36,084
22	Sersenda	22,17,000	09/2012-13	19,01,985	19,01,985	14.21	19,01,486	19,01,486	13,32,954	5,68,532
<b>Total</b>									<b>1,03,83,089</b>	
<b>Say ₹ in Crore</b>									<b>1.04</b>	

**Appendix 3.10**

**Details of payment made to the contractor for excess use of bitumen**

(Reference: Paragraph no. 3.22)

Name of the work (Unit = cum)		Case-II: MohanSarai-Cantt Road, Varanasi			Case-I: Alinagar-Indara-Majhwara-Madhuban Road, Mau					
					Km 0.00 to 12.00			Km12.00 to 23.400		
Materials-Taking output = 195 cum (450 tonnes)	Unit	Quantity	Rate	Total	Quantity	Rate	Total	Quantity	Rate	Total
<b>Bitumen @ 4.50% of weight of mix Aggregate</b>	tonne	20.250	58,870.00	11,92,117.50	20.250	49320.00	9,98,730.00	20.250	49,320.00	9,98,730.00
Total weight of mix = 450 tonnes										
Weight of bitumen = 20.25 tonnes										
Weight of aggregate = 450 -20.25 = 429.75 tonnes										
<i>Taking density of aggregate = 1.5 ton/cum</i>										
Volume of aggregate = 286.50 cum										
<b>Grading – II 19 mm (Nominal Size)</b>										
25 - 10 mm 30 per cent	cum	280.77	1,345.00	3,77,635.65	286.50	1772.50	5,07,821.25	286.50	1,793.00	5,13,694.50
10 - 5 mm 28 per cent	cum									
5 mm and below 40 per cent	cum									
Filler @ 2 per cent of weight of aggregates.	tonne	5.73	985.00	5,644.05						
				<b>15,75,397.20</b>			<b>15,06,551.25</b>			<b>15,12,424.50</b>
<b>Rate per cum =Total/195 (For Grading-II) materials</b>				<b>8,078.95</b>			<b>7,725.90</b>			<b>7,756.02</b>
<b>Bitumen @ 4.00 % of weight of mix Aggregate</b>	tonne	18.00	58,870.00	10,59,660.00	18.00	49320.00	8,87,760.00	18.00	49,320.00	8,87,760.00
Total weight of mix = 450 tonnes										
Weight of bitumen = 18.00 tonnes										
<b>For Grading – I 40 mm (Nominal Size)</b>										
37.5 - 25 mm 22 per cent	cum	282.24	1,345.00	3,79,612.00	288.00	1772.50	5,10,480.00	288.00	1,793.00	5,16,384.00
25 - 10 mm 13 per cent	cum									
10 -4.75 mm 19 per cent	cum									
4.75 mm and below 44 per cent	cum									
Filler @ 2 per cent of weight of aggregates.	tonne	5.76	985.00	5,673.60						
				<b>14,44,946.40</b>			<b>13,98,240.00</b>			<b>14,04,144.00</b>
<b>Rate/ cum = Total/195 (For Grading-I) materials</b>				<b>7,409.98</b>			<b>7170.46</b>			<b>7200.74</b>

<b>Difference in rate per cum</b>	₹ 8,078.95 – ₹ 7,409.98 = ₹ 668.97 per cum	₹ 7,725.90 – ₹ 7,170.46 = ₹ 555.44 per cum	₹ 7,756.02 – ₹ 7,200.74 = ₹ 555.28 per cum
<b>Total work executed of DBM</b>	19,135.67 cum X ₹ 668.97 per cum = ₹ 1,28,01,189.15	6142.50 cum X ₹ 555.44 per cum = ₹ 34,11,790.20	5,769.10 cum X ₹ 555.28 per cum = ₹ 32,03,465.85
Applied of Over Head Charges @ 10 per cent (in ₹)	12,80,118.92	3,41,179.02	3,20,346.59
<b>Total Amount (in ₹)</b>	<b>1,40,81,308.07</b>	<b>37,52,969.22</b>	<b>35,23,812.44</b>
Applied of Contractors Profit @ 10 per cent (in ₹)	14,08,130.81	3,75,296.92	3,52,381.24
<b>Net excess paid amount in execution work of DBM (in ₹)</b>	<b>1,54,89,438.87</b>	<b>41,28,266.14</b>	<b>38,76,193.68</b>
			<b>80,04,459.82</b>
	<b>Say ₹ 1.55 crore</b>		<b>Say ₹0.80 crore</b>

### Appendix 3.11

#### Details of widening & strengthening Arch Gursarai Mau Marg km 1 to 71(180) calculation of excess GSB

(Reference: Paragraph no. 3.24)

Sl. No.	Length of the road	Length of the road in meter	Existing width	Required width in widening portion for GSB (7.3-D)	Required crust of GSB in widening portion	Required quantity of GSB	Excess quantity of GSB = (14-7.3)* length of the road *0.15
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	KM 1 TO 3 & 9	4,000	5.5	1.8	0.25	1,800	4,020
2	KM 4 TO 08 & 10 to 20	15,200	3.7	3.6	0.25	13,680	15,276
3	KM 21 TO 27=7 KM KM 31 TO 52= 22KM KM 54 TO 56= 3 KM KM 59 TO 62 = 4 KM KM 64 TO 66 = 3 KM KM 67 (500)=0.50 KM KM 68(500)=0.50 KM	40,000	3.7	3.6	0.29	41,760	40,200
4	KM 29(280)=0.28 KM KM 30 =1.00 KM KM69,70,71(180)=2.18KM	3,460	5.7	1.6	0.29	1,605.44	3,477.30
5	KM 58 =1.00 KM	1,000	6.5	0.8	0.29	232	1,005
6	KM 53 = 1.00 KM, KM 57= 1.00 KM, KM 63 = 1.00 KM, KM 67(500) = 0.50 KM, KM 68(500)= 0.50 KM	4,000	7	0	0	0	4,200
7	KM 28= 1.00 KM KM 29(720) = 0.72KM	1,720	10			0	0
						59,077.44	68,178.3
	<b>REQUIRED QYANTITY OF GSB FOR WIDENING OF 7 M ROAD</b>					59,077.44	
	<b>EXCESS QUANTITY OF GSB FOR WIDENING OF 7 M ROAD</b>					68,178.30	
	<b>TOTAL</b>					127,255.70	
	<b>AS PER ESTIMATE REQUIRED QYANTITY OF GSB FOR WIDENING OF 7M ROAD</b>					37,049	
	<b>AS PER ESTIMATE EXCESS QUANTITY OF GSB FOR WIDENING OF 7 M ROAD</b>					90,225	
	<b>TOTAL</b>					1,27,274	
Sl. No.	Name of Division	Excess Quantity (cum)	Rate (cum)	Total	After taking higher rate	% of contract above departmental rates	
1	EE, CD-III, PWD, Jhansi	19,296	1,650	3,18,38,400	3,54,20,220	11.25 % above the tender rate	
2	EE, PD, PWD, Jhansi	48,882.30	1,647	8,05,09,148	9,17,80,429	14% above the tender rate	
	Total	68,178.30			12,72,00,649		
					<b>Say ₹ 12.72 crore</b>		

### Appendix 3.12

#### Details of overlay in terms of BM for both chainages against the requirement

(Reference: Paragraph no. 3.25)

Length of road	Maximum Deflection	Standard Deviation 2 times as per arterial road	MSA	Characteristic deflection as per IRC-81	Characteristic deflection as per report	Recommended Overlay as per report	Overlay required as per IRC
6.300 km	2.6820	0.1770x2=0.3540	5	(2.682+0.3540) =3.0360 Say 3.0	4.2	220	190 (83.33 mm WMM+71.43 mm DBM+35.71 mm SDBC)
11.200 km	2.6820	0.1887x2 =0.3774	5	(2.682+0.3540) =3.0594 say 3.0	4.8	240	190 (83.33 mm WMM+71.43 mm DBM+35.71 mm SDBC)

Overlay thickness was taken in terms of BM as per IRC-81-1997 as per para 7.4.

### Appendix 3.13

#### Details of adoption of higher specifications coupled with wrong calculation of characteristic deflection

(Reference: Paragraph no. 3.25)

Particulars	Length (in metre) (i)	Width (in metre) (ii)	Provisioned as per detailed estimate		Required as per IRC	
			Depth (in metre) (iii)	Quantity (in cum) (i)x(ii)x(iii)	Depth (in metre) (iv)	Quantity (in cum) (i)x(ii)x(iv)
WMM for 6.300 km	6300	7.00	0.175	7,717.50	0.125 M (125/1.5=83.33mm in terms of BM)	5,512.50 (6,300 x 7.00 x 0.125)
WMM for 11.200 km	11200	7.00	0.200	15,680.00	0.125 M (125/1.5=83.33mm in terms of BM)	9,800.00 (11,200 x 7.00 x 0.125)
<b>Total</b>				<b>24,255.88</b>		<b>16,170.88</b>
Excess Provision of WMM = <b>8,085 cum</b> (24,255.88 cum – 16,170.88 cum)						
Cost of Excess Provision of WMM= 8085.00 M <sup>3</sup> X ₹ 3242.00 = <b>₹ 2,62,11,570.00</b>						
Net amount after Less premium rate (@ below 0.01 per cent) = <b>₹ 2,62,08,948.84</b> (₹ 2,62,11,570.00 - ₹ 2,621.16)						



