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Report of the
Comptroller and Auditor General of India
on
Social, General and Economic Sectors
(Non-Public Sector Undertakings)
for the year ended 31 March 2017

Government of National Capital Territory of Delhi

Report No. 3 of the year 2018

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Comptroller and Auditor General of India
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PREFACE

This Report of the Comptroller and Auditor General of India has been prepared for submission to the Lieutenant Governor of the National Capital Territory of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991 for being laid before the Legislative Assembly of the National Capital Territory of Delhi.

The Report for the year ended 31 March 2017 contains significant findings arising from the performance audit and compliance audit of the Departments of the Government of National Capital Territory of Delhi under Social, General and Economic Sectors (Non-Public Sector Undertakings).

The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2016-17 as well as those which had come to the notice in earlier years but could not be dealt with in previous Reports. Matters relating to the period subsequent to 2016-17 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

OVERVIEW

This Report contains three performance audits viz. (i) 'Functioning of AYUSH', (ii) 'Development and Strengthening of Delhi Road Network by the Municipal Corporations of Delhi', and (iii) 'Working of Department of Weights and Measures, Delhi with special focus to safeguard interests of Consumers' and 13 paragraphs with financial implication of ₹ 324.81 crore relating to expenditure without approval, wasteful expenditure, non-recovery of mobilisation advance, unfruitful expenditure on projects, non-recovery of land cost, irregular payment of allowances and idle investment.

The total expenditure[1] of the Government of the National Capital Territory of Delhi (GNCTD) increased by 24.63 *per cent* from ₹ 28,570.81 crore to ₹ 35,608.74 crore during 2012-17 while the revenue expenditure increased by 41.83 *per cent* from ₹ 20,659.35 crore in 2012-13 to ₹ 29,301.92 crore in 2016-17. Non-Plan revenue expenditure increased by 45.37 *per cent* from ₹ 14,160.64 crore to ₹ 20,585.33 crore and capital expenditure increased from ₹ 4,176.63 crore to ₹ 4,723.47 crore during the period 2012-16 and then decreased to ₹ 3,754.30 crore during 2016-17.

Some of the major findings detailed in the Report are summarized below.

PERFORMANCE AUDIT

Functioning of AYUSH

Audit of the Directorate of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy (AYUSH), its 24 dispensaries and three hospitals was conducted with a view to assessing the performance of the Directorate in discharging its mandated functions of providing quality healthcare facilities in Indian Systems of Medicine. Major audit findings are as follows.

- Shortages in the cadres of doctor, pharmacist and nurse in three Medical Colleges with attached Hospitals, viz. Tibbia College, Dr. B. R. Sur Homeopathic Medical College Hospital and Research Centre and Chaudhary Brahm Prakash Ayurvedic Charak Sansthan were between 37 and 52 *per cent*.

(Paragraph 2.1.7.1)

- There was significant shortage of medical staff throughout 2012-17 in AYUSH dispensaries. Against sanctioned posts of 163 Doctors and 155 Pharmacists, 28 posts of Doctor and 61 posts of Pharmacist were vacant as of March 2017. Out of 103 homeopathic dispensaries, only 24 were having full complement of staff to ensure proper patient care.

(Paragraph 2.1.7.2)

[1] excluding repayment of public debt and cash balances

- Sixteen Ayurvedic Dispensaries were working in two-room structures and five in one-room structure against the required three rooms.

(Paragraph 2.1.8.1)

- Equipment and infrastructure facilities in AYUSH hospitals and dispensaries such as drug storage, emergency services, essential diagnostic equipment, operation theatres, ambulances and medical record department were inadequate.

(Paragraphs 2.1.8.2, 2.1.8.5, 2.1.8.7, 2.1.8.8, 2.1.8.9, 2.1.8.11 and 2.1.8.12)

- Delay in construction of infrastructure at Dr. B. R. Sur Homeopathic Medical College Hospital and Research Centre resulted into the Supreme Court Judgement on 27 *per cent* OBC reservation for student admission in SHMC not being implemented yet.

(Paragraph 2.1.8.4)

- Except in Ch. Brahm Prakash Ayurvedic Charak Sansthan, none of the AYUSH hospitals had Yoga and Naturopathy facilities due to inadequate space though website of GNCTD, Directorate of AYUSH is displaying Yoga and Naturopathy as available services.

(Paragraph 2.1.8.14)

- Ayurvedic and Unani dispensaries were provided with only 40 *per cent* of essential medicines during 2012-17. Forty three *per cent* of essential medicines were not available in Homeopathic Dispensaries at any given time during the period 2012-17.

(Paragraph 2.1.9.1)

- Ayurvedic and Unani medicines were procured with reduced shelf life ranging between 25 and 58 *per cent* during 2012-17. As against the quality control mechanism in Homeopathic medicines which had provision for batch-wise and sub-batch-wise testing of medicines, the Ayurvedic and Unani Medicines had a mechanism of testing medicines on random basis.

(Paragraph 2.1.9.4)

- In violation of Departmental procurement policy, Classical Ayurvedic and Unani medicines (₹ 32.87 crore) were not purchased from IMPCL by the Directorate, Tibbia College and CBPACS during 2012-17 and Patented/Proprietary medicines (₹ 14.19 crore) were not purchased through open tender.

(Paragraph 2.1.9.5)

- There were inadequate inspections of manufacturing and selling units of medicines to seek assurance on the quality of these medicines. Drug Controller conducted 8, 267, and 149 inspections against 31, 424 and 180 mandatory inspections in respect of Homeopathic, Ayurvedic, and Unani manufacturing units respectively.

(Paragraph 2.1.11.3)

Development and Strengthening of Delhi Road Network by the Municipal Corporations of Delhi

A performance audit of road works executed by the Municipal Corporations of Delhi was conducted with a view to assessing whether construction and maintenance of roads were planned with a long term perspective and executed in a transparent manner in accordance with the prescribed rules, procedures and terms and conditions of the contracts. Major audit findings are as under.

- Multiple agencies were responsible for Delhi Road Network. The Urban Development Department did not establish any mechanism to coordinate the efforts of these agencies to prepare a perspective plan, lack of which hindered the effective planning and coordination in developing Delhi Road Network in a phased manner to cope up with ever increasing population of vehicles in the city. Further, there was no effective mechanism for citizens to address their grievances related to specific roads to the responsible agencies for redressal.

(Paragraph 2.2.6)

- South Delhi Municipal Corporation made a payment of ₹ 30.92 crore to a contractor as of July 2017 on account of post tendering increase in length of new drain from 2,538 meter to 56,636 meter and strengthening of drain from 6,769 meter to 10,226 meter. Further, construction of 5,360 meter road and drain along both sides of road included in the contract were not executed in the roadwork of Okhla Industrial Area Phase-I.

(Paragraph 2.2.8.1)

- After award of work, the design of ROB at Bijwasan was changed significantly by increasing length of its approaches, number of piles, and number of spans of superstructure. Post tendering changes led to extra payment of ₹ 8.33 crore. In grade separator work at Dabri intersection there was deviation of 38.87 *per cent* with excess execution of schedule of quantities items for ₹ 19.35 crore and less execution of ₹ 26.47 crore. No revised technical sanction was obtained in these works.

(Paragraph 2.2.8.2)

- South Delhi Municipal Corporation failed to recover mobilization advance and interest of ₹ 1.07 crore from a contractor though the work was abandoned by the contractor in 2013.

(Paragraph 2.2.8.4)

- Incomplete remodeling of Karawal Nagar Road from Wazirabad Road to Shiv Vihar Tiraha by East Delhi Municipal Corporation resulted in unfruitful expenditure of ₹ 8.34 crore.

(Paragraph 2.2.8.7)

- In 11 works, an expenditure of ₹ 8.09 crore was incurred by providing bitumen mastic carpet without constructing base course.

(Paragraph 2.2.8.9)

- Awarding of works of covering of Nallah at Nauroji Nagar and Pushp Vihar without ensuring adherence to environmental norms resulted in wasteful expenditure of ₹ 40.58 crore.

(Paragraph 2.2.8.12)

- Changes made in bid for the work of Grade Separator at Rani Jhansi Road after submission of tender resulted in post tender enhancement of cost by ₹ 5.22 crore.

(Paragraph 2.2.8.13 (iii))

- Final payment of ₹ 242.55 crore for 82 works in 14 Divisions was made by the Divisions during April 2012 to March 2017 without obtaining the requisite certificates from respective Executing Officers. Forty eight works continue to be work-in-progress and delay in completion ranged between 76 and 2,899 days.

(Paragraphs 2.2.9.1 and 2.2.9.2 (ii))

Working of Department of Weights and Measures, Delhi with special focus to safeguard interests of Consumers

The Department of Weights and Measures, GNCTD (Department) has the mandate to protect the interests of the consumers by ensuring accuracy of weights and measures and to ensure mandatory declarations on packaged commodities by enforcing provisions of the Legal Metrology Act 2009 and other Rules. Some of the significant audit findings are summarized below:

- The Department did not conduct any survey to prepare data base of users of Weights and Measures nor prepared any annual plans to conduct inspections with a balanced approach.

(Paragraph 2.3.7.1)

- There was a shortage of manpower under key functionaries viz. Inspectors/Manual Assistants mainly responsible for enforcement of Act and Rules.

(Paragraph 2.3.7.2)

- Due to infrastructure deficit, central assistance remained unutilized. Verification equipment provided by Government of India were not optimally utilised.

(Paragraphs 2.3.7.3 (iv) to 2.3.7.3(v))

- Control over revenue receipts was weak which led to mismatch in receipts and deposits in bank and non-reconciliation of revenue receipts of ₹ 40.32 crore with Pay and Accounts Office.

(Paragraph 2.3.8.2 (i) to (iv))

- Targets for conducting inspections by Legal Metrology Officers were not fixed leading to inadequate inspection of Weighbridges and Fair Price Shops.

(Paragraphs 2.3.9.2 (b), 2.3.9.2 (c) and 2.3.9.2(d)(ii))

- Department had not framed any policy or guidelines for awareness campaigns for stakeholders and no consumer satisfaction surveys had been conducted. Adequate steps were not taken to make general public more participative.

(Paragraphs 2.3.9.4 (a) and 2.3.9.4 (b))

- Internal control mechanism was weak and ineffective.

(Paragraph 2.3.10)

COMPLIANCE AUDIT

Non-recovery of land cost and ground rent of ₹ 66.98 crore

Laxity on the part of the Rural Development Department, GNCTD to take timely and effective action in administration of terms and conditions of land lease allotment to the Municipal Corporation of Delhi resulted in non-recovery of ₹ 66.98 crore consisting of down payment of ₹ 51.03 crore towards cost of land and annual ground rent of ₹ 15.95 crore (May 2005 to October 2017) which remain in arrears for eight years from North Delhi Municipal Corporation.

(Paragraph 3.1)

Development, Up-keep and Utilization of Sports Facilities and support to Sports Persons in National Capital Territory of Delhi

Directorate of Education could not finalize Delhi Sports Policy as a follow up of National Sports Policy 2001. DoE accorded low priority towards development of sports facilities/activities in NCT of Delhi. Out of 13 districts, three districts did not have a single sports facility under DoE whereas six districts with 7.69 lakh students did not have any sports facility other than swimming pools. Delhi School of Sports had not been set up as of June 2017 despite acquiring land for the purpose in 2003. Plan schemes were not implemented effectively as there were delays in releasing funds, non-conducting of activities, shortage of sports coaches, etc.

(Paragraph 3.2)

Deficiencies in implementation of registration and digitization of beneficiaries under National Food Security Act, 2013

There were deficiencies in implementation of registration and digitization of beneficiaries under National Food Security Act, 2013. Department of Food, Supplies and Consumer Affairs did not independently verify eligibility of NFS card applicants and relied on their declaration that none of their family members belongs to non-eligible categories. Applicants having Aadhaar card issued by other States became NFS beneficiary in Delhi without due verification of their status as NFS beneficiary in their Home State. Fair Price Shop License Holders and families who had financial capacity to employ servants were allowed NFS benefits. Vehicles used for transportation of SFAs included those registered as buses, scooters/motor cycle and three wheelers which raises doubts on the authenticity of the reported transportation.

(Paragraph 3.3)

Green Delhi Initiative by Department of Forest and Wildlife, GNCTD

Forest Department and other Greening Agencies planted 28.12 lakh trees during 2014-17 against their target of planting 36.57 lakh trees leaving a shortfall of 23 *per cent* (8.45 lakh) in tree planting. The reported tree plantation of 28.12 lakh during 2014-17 could not lead to commensurate increase in area under tree and forest cover putting a question mark on the efficacy and performance of GNCTD's tree plantation programme. The GNCTD did not have its own Delhi Forest Policy and road map or perspective plan indicating strategy to improve forest cover. The Greening Delhi Action Plan has not been prepared after 2007-08. Tree Authority constituted under the Delhi Preservation of Trees Act, 1994 met only once during 2014-17 against mandated 12 meetings. In violation of permit conditions, lops and tops arising out of pruning/felling of trees were not supplied free of cost to the public crematoria.

(Paragraph 3.4)

Functioning of Blood Banks

Thirty two out of 68 blood banks in the National Capital Territory of Delhi were functioning without valid licenses due to delay in processing applications for their renewal. There were several deficiencies in management of blood banks. Thirty two blood banks were not updating authentic information pertaining to blood/blood components in National Health Portal depriving the common people of the National Capital Territory of Delhi about information regarding availability of blood and blood components in the blood banks. Voluntary blood collection declined from 54.55 *per cent* during 2014-15 to 45.20 *per cent* during 2016-17. No blood bank of Government of National Capital Territory of Delhi and Municipal Corporations of Delhi were performing Nucleic Acid Amplification Test (NAT) screening affecting the quality of blood. Oversight and monitoring over the functioning of blood banks was inadequate.

(Paragraph 3.5)

Irregular payment of Learning Resource Allowance and Academic Allowance by Institute of Human Behaviour and Allied Sciences

Institute of Human Behaviour and Allied Sciences made irregular payment of Learning Resource Allowance of ₹ 60,000 per annum amounting to ₹ 71.71 lakh and academic allowance of ₹ 60,000 per annum amounting to ₹ 1.73 crore to its faculty members as it was in violation of extant government instructions/rules governing the sanction of grants.

(Paragraph 3.6)

Irregular payment of transport allowance amounting to ₹ 14.79 crore

Non-adherence to Government orders by 26 hospitals/directorates of GNCTD resulted in irregular payment of transport allowance amounting to ₹ 14.79 crore.

(Paragraph 3.7)

Irregular use of grant-in-aid of ₹ 60 crore by Institute of Liver and Biliary Sciences (ILBS)

Action of ILBS to create a Corpus Fund of ₹ 60 crore during 2012-16 for funding the proposed scheme of revenue sharing with the hospital staff was irregular as the Scheme was approved on 1 September 2017 with prospective effect and transfer of funds to the Corpus Funds effectively came from the grant-in-aid and not from revenue generated from services rendered by Institute. It also resulted in loss to the Government on account of differential interest paid on borrowings.

(Paragraph 3.8)

Procurement of hospital equipment without ensuring availability of adequate manpower in Delhi State Cancer Institute

Due to delay of four years in sanctioning staff for Delhi State Cancer Institute (West) by the GNCTD, the Inpatient Department (IPD), planned for commissioning by November 2014, was not made operational as of October 2017, thereby depriving treatment facility to cancer patients. Fifty hospital beds (₹ 96.89 lakh) and Photon Beam Accelerator (₹ 12.28 crore) are also lying idle since November 2015 and July 2016 respectively

(Paragraph 3.9)

Construction of toilets under Swachh Bharat Mission in National Capital Territory of Delhi

Not a single toilet was constructed under the Swachh Bharat Mission in two and half years since its inception on 2 October 2014; all the funds totalling ₹ 40.31 crore allocated for this purpose remain idle in banks; and monitoring and evaluation mechanism prescribed in the Scheme to monitor the progress of work did not function effectively.

(Paragraph 3.10)

Sewer work remains ongoing for 10 years after spending ₹ 10.85 crore by Delhi Jal Board

Due to lack of due diligence and respect for timelines coupled with ad-hoc planning and inadequate management oversight, the sewer laying work which was supposed to be completed by September 2007 remains work in progress as of 30 June 2017 and the completed portion could not be put to use since August 2011 even after spending ₹ 10.85 crore.

(Paragraph 3.11)

Idling of equipment worth ₹ 3.18 crore

Failure of Delhi Jal Board to synchronize procurement of Electrical and Mechanical equipment with civil works resulted in idling of equipment costing ₹ 3.18 crore. The fact that these equipment were lying unused for over six years also cast a doubt about their utility.

(Paragraph 3.12)

Non-levy of liquidated damages and irregular payment of cost escalation to the contractor

Extension of time without levy of liquidated damages of ₹ 4.48 crore and payment of cost escalation of ₹ 3.86 crore beyond the date of scheduled completion not envisaged in the contract amounted to giving irregular benefits to the contractor which also resulted in increase in the overall cost of project by ₹ 8.34 crore.

(Paragraph 3.13)

Chapter-I
Introduction

CHAPTER-I
INTRODUCTION

1.1 Budget profile

There are 57 departments and 67 autonomous bodies in the National Capital Territory of Delhi. There are also 11 Non-Government organisations which received grants-in-aid in excess of ₹ 25 lakh in 2016-17 (**Appendix 1.1**). The position of budget estimates and actuals there against of the Government of National Capital Territory of Delhi (GNCTD) during 2012-17 is given in **Table 1.1**.

Table 1.1: Budget and expenditure of the GNCTD during 2012-17

(₹ in crore)

Particulars	2012-13		2013-14		2014-15		2015-16		2016-17	
	Budget estimates	Actuals	Budget estimates	Actuals	Budget estimates	Actuals	Budget estimates	Actuals	Budget estimates	Actuals
Revenue Expenditure										
General services	3,128.74	5,738.57	5,792.69	5,597.48	6,763.15	5,983.40	7,055.66	6,427.12	7,210.04	6,590.28
Social services	12,616.68	11,737.43	13,134.81	12,314.54	14,800.52	13,306.11	16,193.02	14,817.83	18,431.53	16,578.89
Economic services	2,611.64	2,350.82	3,783.08	3,650.00	3,573.12	3,318.99	4,302.65	4,138.71	5,412.43	5,111.41
Grants-in-aid and contributions	833.77	832.53	804.50	804.50	900.99	900.99	958.89	958.89	1,022.44	1,021.34
Total (1)	**19,190.83**	**20,659.35**	**23,515.08**	**22,366.52**	**26,037.78**	**23,509.49**	**28,510.22**	**26,342.55**	**32,076.44**	**29,301.92**
Capital Expenditure										
Capital outlay	4,835.80	4176.63	4,889.22	4,707.42	4,937.41	4,403.94	5,308.25	4,723.47	4,686.10	3,754.30
Loans and advances disbursed	4,082.37	3,734.83	5,694.00	5,652.37	2,138.06	1,679.94	2,711.35	2,684.32	2,782.84	2,552.52
Repayment of Public Debt	1,288.00	1,287.99	1,325.29	1,325.29	1,676.75	1,346.73	1,435.18	1,435.17	1,654.63	1,654.62
Contingency Fund	0	0	0	0	0	0	0	10.00	0	0
Public Accounts disbursements	0	0	0	0	0	0	0	0	0	0
Closing cash balance	0	1,985.75	0	880.65	0	1,517.07	0	3,654.94	0	2,645.35
Total (2)	**10,206.17**	**11,185.20**	**11,908.51**	**12,565.73**	**8,752.22**	**8,947.68**	**9,454.78**	**12,507.90**	**9,123.57**	**10,606.79**
Grand Total (1+2)	**29,397.00**	**31,844.55**	**35,423.59**	**34,932.25**	**34,790.00**	**32,457.17**	**37,965.00**	**38,850.45**	**41,200.01**	**39,908.71**

Source: Annual Financial Statements and Finance Accounts of the State Government.

1.2 Application of resources of the State Government

The total expenditure[1] of the State Government increased by 24.63 *per cent* from ₹ 28,570.81 crore to ₹ 35,608.74 crore during 2012-17 while the revenue expenditure increased by 41.83 *per cent* from ₹ 20,659.35 crore in 2012-13 to ₹ 29,301.92 crore in 2016-17. Non-Plan revenue expenditure increased by

[1] excluding repayment of public debt and cash balances.

45.37 *per cent* from ₹ 14,160.64 crore to ₹ 20,585.33 crore and capital expenditure increased from ₹ 4,176.63 crore to ₹ 4,723.47 crore during the period 2012-16 and then decreased to ₹ 3,754.30 during 2016-17.

As a constituent of the total expenditure, revenue expenditure increased from 72.31 *per cent* in 2012-13 to 82.29 *per cent* in 2016-17 while capital expenditure decreased from 14.62 *per cent* to 10.54 *per cent*. During the period 2012-17, total expenditure increased at an annual average rate of 7.61 *per cent* whereas revenue receipts grew from ₹ 25,560.97 crore to ₹ 34,345.74 crore at an annual average rate of 9.16 *per cent*.

1.3 Persistent savings

In four cases, there were persistent savings of more than ₹ one crore during the last five years as in **Table 1.2.**

Table 1.2: List of grants with persistent savings during 2012-17

(₹ in crore)

Sl. No	Grant number and name	Amount of saving				
		2012-13	**2013-14**	**2014-15**	**2015-16**	**2016-17**
Revenue (Voted)						
1.	**Grant No. 3: Administration of Justice:** 2014 B.1(2)(1)-Judicial Magistrate's Courts	5.00 (14.46%)	6.04 (15.24%)	8.05 (16.85%)	15.29 (24.50%)	8.13 (13.90%)
2.	**Grant No.7: Medical and Public Health:** 2211 K 1 (3)(1)-Urban Family Welfare Centre (CSS)	1.93 (42.89%)	3.50 (71.43%)	9.21 (86.32%)	8.71 (87.10%)	17.76 (92.21%)
3.	**Grant No. 11: Urban Development and Public Works Department:** 2217 A.8(2) (1) (26)- Grant-in-aid for municipal reforms	189.87 (55.86%)	325.16 (100%)	157.12 (100%)	377.16 (100%)	40.87 (9.85%)
Capital (Voted)						
4.	**Grant No. 8: Social Welfare:** 5055 DD.1(3)(1)- Introduction of Electronic Trolley Buses-Alternative mode of Transport	8.39 (83.90%)	97.21 (97.21%)	3.00 (100%)	11.00 (100%)	11.73 (100%)

Source: Appropriation Accounts
Figures in parenthesis indicate percentage of Grants.

The persistent savings under these heads were attributable to non-filling of vacant posts, purchase of less store items, non/less release of grant to MCD under the scheme, non-performance by municipalities, bifurcation of grant, non-implementation of scheme, slow progress of work owing to non-receipt of funds/sanctions in time and preparation of estimates without adequate scrutiny of the projects/schemes.

1.4 Grants-in-aid from Government of India (GoI)

The grants-in-aid received from the GoI during the years 2012-13 to 2016-17 have been given in **Table 1.3.**

Table 1.3: Year-wise details of Grants-in-aid from GoI

(₹ in crore)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Non-Plan Grants	333.57	326.91	327.95	2,905.02	1,118.71
Grants for State Plan Schemes	919.73	717.81	1,467.35	486.72	550.17
Grants for Centrally Sponsored Schemes	249.22	358.14	552.84	866.55	1,156.28
Total	**1,502.52**	**1,402.86**	**2,348.14**	**4258.29**	**2825.16**
Percentage of increase (+)/decrease (-) over the previous year	(-) 23.37	(-) 6.63	(+) 67.38	(+) 81.35	(-)33.66
Revenue Receipts	25,560.97	27,980.69	29,584.59	34,998.85	34,345.74
GIA as a Percentage of Revenue Receipts	5.88	5.01	7.94	12.17	8.23

Grants-in-aid from GoI showed a decreasing trend during 2012-14, it increased significantly to ₹ 2,348.14 crore during 2014-15, almost doubled with an increase of 81.35 *per cent* during the year 2015-16 and decreased by 33.66 *per cent* to ₹ 2,825.16 in 2016-17. Its percentage to revenue receipts ranged between 5.01 and 12.17 *per cent* during 2012-17.

1.5 Certification of Financial Statements of Autonomous Bodies

1.5.1 Arrears in finalization of accounts

The Financial Statements of the autonomous bodies are audited by the Comptroller and Auditor General of India under Sections 19 (3) and 20 (1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The Financial Statements include the Balance Sheet, the Income and Expenditure Account and/or the Receipt and Payments Account. Separate Audit Reports for each of the autonomous bodies audited contains our comments on the accounting treatment with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms, etc. **Table 1.4** provides the status of autonomous bodies which had not submitted their financial statements as of 30 September 2017 for audit.

Table 1.4: Status of financial statements of autonomous bodies in arrears as of 30 September 2017

Sl.	Name of Autonomous Bodies	Accounts last audited	Year of Accounts in arrear
1.	Netaji Subhash Institute of Technology	2014-15	2015-16 and 2016-17
2.	Delhi Jal Board	2011-12	2012-13, 2013-14, 2014-15, 2015-16 and 2016-17
3.	Delhi Building and Other Construction Workers Welfare Board	2013-14	2014-15, 2015-16 and 2016-17
4.	Indraprastha Institute of Information and Technology	2015-16	2016-17
5.	Guru Gobind Singh Indraprastha University	2015-16	2016-17
6.	Delhi Urban Shelter Improvement Board	Nil	Since inception w.e.f. 2010
7.	Delhi Kalyan Samiti	2013-14	2014-15, 2015-16 and 2016-17
8.	Delhi Legal Services Authority	2015-16	2016-17

Managements of the autonomous bodies are regularly reminded for timely submission of their financial statements for our audit. The matter was also taken up with the Chief Secretary, Government of NCT of Delhi in June 2017 and November 2017.

1.5.2 Significant audit observations on the financial statements of Delhi Jal Board

Separate Audit Reports on the Financial Statements of Delhi Jal Board for the years 2008-09, 2009-10, 2010-11 and 2011-12 were issued during February-June 2017. Audit reported on the financial statements of each of these four years stating that the Balance Sheet and Income and Expenditure Account dealt with by these reports were not in agreement with the books of accounts; and the said financial statements read together with the Significant Accounting Policies and Notes to the Accounts do not give a true and fair view**.** Significant persisting audit observations on these financial statements are as under:

(a) There was cash in hand of ₹ 51.98 crore and cheque in transit of ₹ 126.34 crore as on 31 March 2012. The Board could only furnish details of deposit of ₹ 2.66 crore cash in hand as on 31 March 2012 which was deposited with banks and details of cheques-in-transit of ₹ 52.88 crore. As a result, it has not been possible for audit to certify the existence of cash and cheques in hand as on 31 March 2012 and subsequent deposit in banks. In such circumstances, there could be possible fraud, misappropriation, and defalcation of cash (Accounting Year 2011-12).

(b) Negative closing debit balance under Bank Adjustment General Account of ₹ 325.31 crore which was positive up to previous year, has no details and therefore, Audit was unable to certify the authenticity and existence of this amount. The debit amount under this Account as on 31 March 2009, 31 March 2010 and 31 March 2011 was ₹ 38.64 crore, ₹ 62.80 crore and ₹ 89.73 crore respectively. In such circumstances, there could be possible fraud, misappropriation, and defalcation (Accounting Year 2011-12).

(c) The opening balance, utilization and closing balance of the Earmarked/Endowment Fund shown in the Balance Sheet (₹ 715.02 crore) do not match with the total of scheme-wise balances (₹ 323.79 crore) shown in the statement furnished by the Board. Thus, the opening and closing balances of the funds and expenditure incurred therefrom and correctness of classification could not be certified in audit (Accounting Year 2011-12).

(d) The Board did not have details of balances of the loans and borrowings received prior to 1998-99. Out of loans of ₹ 20,567.43 crore received in 1998-99 and onwards, the Board could furnish the sanction letters for loan amounting to ₹ 16,349.41 crore. Balance amount of ₹ 5,745.08 crore and correctness of interest expenses charged to the Income and Expenditure Account could not be verified in audit (Accounting Year 2011-12).

(e) The Board has not maintained proper fixed asset records/register for land, building, plant and machinery, capital work in progress (CWIP) and other assets indicating their location, cost, addition, deduction, cumulative depreciation, depreciation for the year etc. for each item of assets. As a result, it has not been possible to verify the authenticity and valuation of fixed assets reflected in the financial statements (Accounting Year 2011-12).

(f) Sundry Debtors of ₹ 856.49 crore could not be verified in audit due to non-furnishing of party/consumer-wise, bill-wise and age wise details of debtors, reasons for outstanding debtors, confirmation from the debtors and steps taken by Board to realize the same. It has not been possible to verify the authenticity of sundry debtors shown in the financial statements and whether the same are good for realization (Accounting Year 2011-12).

Out of the total Income from sales of ₹ 1,349.75 crore, bills for ₹ 75.05 crore were furnished to Audit and details such as Sales Register, Sales Bills, amount realized against these bills, amount outstanding against these bills for ₹ 1,274.70 crore were not furnished to Audit. In the absence of the records, Audit was unable to certify the recognition of Income from sales to the extent of ₹ 1274.70 crore (Accounting Year 2011-12).

1.5.3 Significant audit observation on the financial statements of Delhi Building and Other Construction Workers Welfare Board

In Separate Audit Report issued on 6 December 2016 on the Financial Statements for the year 2013-14, we reported that proper books of accounts and other relevant records were not maintained; the Balance Sheet and Income and Expenditure Account dealt with by this report were not drawn up in the format prescribed and also were not in agreement with the books of accounts; and the said financial statements read together with the Significant Accounting Policies and Notes to the Accounts do not give a true and fair view.

1.5.4 Adequacy of Internal Control System

Internal Control System was not found adequate and was required to be strengthened in Ambedkar University (2015-16), Guru Gobind Singh Indraprastha University (2015-16), Netaji Subhas Institute of Technology (2014-15), Delhi Building and Other Construction Worker Welfare Board (2013-14), Delhi Kalyan Samiti (2013-14) and Delhi Jal Board (2008-09, 2009-10, 2010-11, and 2011-12).

1.6 Planning and conduct of audit

The audit process commences with risk assessment of various departments, autonomous bodies, schemes/projects, etc. and includes assessing the criticality/complexity of activities, the level of delegated financial powers, internal controls, concerns of stakeholders and previous audit findings. Based on this risk assessment, the frequency and extent of audit are decided and an Annual Audit Plan is formulated.

After completion of audit, Inspection Report (IR) containing audit findings is issued to the head of the office with request to furnish replies within four weeks. Whenever replies are received, audit findings are either settled/or further action for compliance is advised. 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 Lieutenant Governor of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991.

During 2016-17, compliance audit of 207 Drawing and Disbursing Officers (DDOs) of the State and 10 autonomous bodies was conducted by the office of the Accountant General (Audit), Delhi. In addition, six Performance Audits were also conducted.

1.7 Response of the Government to Audit Report

In previous years, Audit has reported on several significant deficiencies in implementation of various programmes/activities as well as on the quality of internal controls in selected departments, which had negative impact on the success of programmes and functioning of the departments. The focus was on offering suitable recommendations to improve service delivery to the intended beneficiaries.

The draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are forwarded by the Accountant General (Audit) Delhi to the Principal Secretaries/Secretaries of the department concerned, drawing their attention to the audit findings and requesting them to send their response within six weeks. The fact of non-receipt of replies from the departments/Government is invariably indicated at the end of such paragraphs included in the Audit Report. Three Performance Audits and 13 audit paragraphs, proposed to be included in the Report of the

Comptroller and Auditor General of India on Social, General and Economic (Non-PSUs) Sectors for the year ended 31 March 2017, were sent to the Principal Secretaries/Secretaries of the respective departments. Of these, replies in respect of two performance audits and 11 audit paragraphs were not received (January 2018).

1.8 Recoveries at the instance of Audit

Audit findings, involving recoveries that came to notice in the course of test audit of accounts of the departments of the State Government, were referred to various departmental Drawing and Disbursing Officers (DDOs) for confirmation and further necessary action under intimation to Audit.

During the year 2016-17, against recovery of ₹ 106.53 crore pointed out in 150 cases, the DDOs concerned had effected recovery of only ₹ 1.98 crore (including recovery of previous years) in 37 cases.

1.9 Lack of response of the Government to Audit

The Accountant General (Audit), Delhi conducts periodical inspection of Government departments by test-check of transactions and verifies maintenance of important accounting and other records as per the prescribed rules and procedures. These inspections are followed by issue of Audit Inspection Reports. When important irregularities, etc., detected during audit inspections are not settled on the spot, these IRs are issued to the heads of offices inspected. The heads of offices and next higher authorities are required to report their compliance to the Accountant General (Audit), Delhi within four weeks of receipt of IRs.

Based on the results of test audit, 8,691 audit observations contained in 1,940 IRs remained outstanding as on 31 March 2017, as shown in **Table 1.5**.

Table 1.5: Details of Outstanding IRs and audit observations

(₹ in crore)

Name of sector	As on March 2015			As on March 2016			As on March 2017		
	IRs	Paras	Amount	IRs	Paras	Amount	IRs	Paras	Amount
Social Sector	843	3,551	99.19	876	3,647	99.84	1,124	4,578	106.41
General Sector	537	3,041	448.04	594	3,455	455.30	641	3,499	457.15
Economic Sector (Non PSUs)	163	593	6,821.38	180	640	5,494.71	175	614	5,437.51
	1,543	**7,185**	**7,368.61**	**1,650**	**7,742**	**6,049.85**	**1,940**	**8,691**	**6,001.07**

The significant increase in number of outstanding audit observations indicates the need for Government to take effective action to address the issues raised by Audit to improve financial management and accountability.

1.10 Follow-up on Audit Reports

To ensure accountability of the executives to the issues dealt with in various Audit Reports, the administrative departments are to initiate *suo-motu* Action Taken Notes (ATNs) on all audit paragraphs and performance audits featuring in the Audit Reports irrespective of the fact whether these are taken up for discussion by the Public Accounts Committee (PAC) or not. These ATNs are to be submitted to the PAC duly vetted by the Accountant General (Audit), Delhi within a period of three months from the date of presentation of Audit Reports in the State Legislature.

Out of 39 performance audits and 117 audit paragraphs featuring in the civil chapters of Audit Reports from 2006-07 to 2015-16, *suo-motu* ATNs in respect of 12 performance audits and 56 audit paragraphs have not been received. Six performance audits and 24 audit paragraphs have been discussed by the Public Accounts Committee/Committee on Government Undertakings, up to 31 October 2017.

1.11 Year-wise details of performance audits and audit paragraphs that appeared in Audit Report

The year-wise details of performance audits and audit paragraphs that appeared in the Audit Reports for the last three years along with their money value are given in **Table 1.6**.

Table-1.6: Details of performance audits and audit paragraphs appearing in Audit Reports during 2013-16

Year	Performance Audits		Audit Paragraphs		Replies received	
	Number	Money value (₹ in crore)	Number	Money value (₹ in crore)	Performance Audits	Audit Paragraphs
2013-14	5	43.40	15	146.26	3	0
2014-15	4	240.04	16	1,711.58	1	3
2015-16	5	107.93	15	365.91	3	0

Fourteen performance audits and 46 audit paragraphs were issued to the State Government during 2013-16. However, replies in respect of only seven performance audits and three audit paragraphs were received from the Government/departments.

Three performance audits involving money value of ₹ 142.29 crore and 13 audit paragraphs involving ₹ 182.52 crore have been included in this Report. Replies, wherever received, have been incorporated at appropriate places.

Chapter-II
Performance Audit

Chapter - II
Performance Audit

Department of Health and Family Welfare

2.1 Functioning of AYUSH

Audit of the Directorate of AYUSH, its 24 dispensaries and three hospitals was conducted with a view to assessing the performance of the Directorate in discharging its mandated functions of providing quality healthcare facilities in Indian Systems of Medicine. Major audit findings are as follows:

Highlights

- ***Shortages in the cadres of doctor, pharmacist and nurse in three Medical Colleges with attached Hospitals, viz. Tibbia College, Dr. B. R. Sur Homeopathic Medical College Hospital and Research Centre and Chaudhary Brahm Prakash Ayurvedic Charak Sansthan were between 37 and 52 per cent.***

  (Paragraph 2.1.7.1)

- ***There was significant shortage of medical staff throughout 2012-17 in AYUSH dispensaries. Against sanctioned posts of 163 Doctors and 155 Pharmacists, 28 posts of Doctor and 61 posts of Pharmacist were vacant as of March 2017. Out of 103 homeopathic dispensaries, only 24 were having full complement of staff to ensure proper patient care.***

  (Paragraph 2.1.7.2)

- ***Sixteen Ayurvedic Dispensaries were working in two-room structures and five in one-room structure against the required three rooms.***

  (Paragraph 2.1.8.1)

- ***Equipment and infrastructure facilities in AYUSH hospitals and dispensaries such as drug storage, emergency services, medical record department, essential diagnostic equipment, operation theatres, ambulances and were inadequate.***

  (Paragraphs 2.1.8.2, 2.1.8.5, 2.1.8.7, 2.1.8.8, 2.1.8.9, 2.1.8.11 and 2.1.8.12)

- ***Delay in construction of infrastructure at Dr. B. R. Sur Homeopathic Medical College Hospital and Research Centre resulted into the Supreme Court Judgement on 27 per cent OBC reservation for student admission in SHMC not being implemented yet.***

  (Paragraph 2.1.8.4)

- ***Except in Ch. Brahm Prakash Ayurvedic Charak Sansthan, none of the AYUSH hospitals had Yoga and Naturopathy facilities due to inadequate space though website of GNCTD, Directorate of AYUSH is displaying Yoga and Naturopathy as available services.***

(Paragraph 2.1.8.14)

- ***Ayurvedic and Unani dispensaries were provided with only 40 per cent of essential medicines during 2012-17. Forty three per cent of essential medicines were not available in Homeopathic Dispensaries at any given time during the period 2012-17.***

(Paragraph 2.1.9.1)

- ***Ayurvedic and Unani medicines were procured with reduced shelf life ranging between 25 and 58 per cent during 2012-17. As against the quality control mechanism in Homeopathic medicines which had provision for batch-wise and sub-batch-wise testing of medicines, the Ayurvedic and Unani Medicines had a mechanism of testing medicines on random basis.***

(Paragraph 2.1.9.4)

- ***In violation of Departmental procurement policy, Classical Ayurvedic and Unani medicines (₹32.87 crore) were not purchased from IMPCL by the Directorate, Tibbia College and CBPACS during 2012-17 and Patented/Proprietary medicines (₹ 14.19 crore) were not purchased through open tender.***

(Paragraph 2.1.9.5)

- ***There were inadequate inspections of manufacturing and selling units of medicines to seek assurance on the quality of these medicines. Drug Controller conducted 8, 267, and 149 inspections against 31, 424 and 180 mandatory inspections in respect of Homeopathic, Ayurvedic, and Unani manufacturing units respectively.***

(Paragraph 2.1.11.3)

2.1.1 Introduction

The Government of National Capital Territory of Delhi (GNCTD) established (May 1996) a separate Department of Indian System of Medicine and Homeopathy (ISM&H) under the Health and Family Welfare Department (H&FW or Department) to encourage the use of alternative systems of medicines such as Ayurveda, Yoga, Unani, Siddha and Homeopathy (AYUSH) in healthcare delivery and to ensure propagation of research and education in these systems. The ISM&H was renamed as Directorate of AYUSH (Directorate) in the year 2013.

This Directorate is responsible for providing healthcare facilities through 163 dispensaries (40 Ayurvedic, 20 Unani, and 103 Homeopathic) and education through undergraduate and postgraduate courses at four educational institutions[1]. Besides, Directorate is responsible for issuing licenses and registration of practitioners under Drugs and Cosmetic Act; issuing approval to the testing laboratories for Ayurveda/ Unani medicines through Drug Control Cell; and conducting market survey to check quality of available Ayurveda/ Unani medicines; and creating awareness among masses. Drug Control Department (DCD) under the H&FW grants/renews licenses to sellers and manufacturers of Allopathic drugs and Homeopathic medicines.

2.1.2 Organizational Structure

The Directorate, headed by a Director, functions under the overall supervision of the Principal Secretary, Department of Health and Family Welfare. Director is assisted by a Joint Director, three Deputy Directors, one each for Ayurveda, Homeopathy and Unani, Assistant Directors and Medical officers. Drug Control Cell under the Directorate consists of two Assistant Drug Controllers/Licensing Authority one each in Ayurveda and Unani, with three Drugs Inspectors. Drug Control Department (DCD) under H&FW functions with five Assistant Drug Controllers and 23 Drug Inspectors.

2.1.3 Audit Objectives

The main audit objective of this performance audit was to assess whether the schemes and programmes of AYUSH were adequately planned and executed effectively and efficiently with a view to promoting the use of alternative systems of medicines in healthcare delivery and ensuring propagation of research and education in these systems.

2.1.4 Audit Scope, Methodology and Criteria

The performance audit on 'Functioning of AYUSH' covering the period 2012-17 was carried out during May-August 2017. Audit examined the records of:

(a) The Office of the Directorate, Drug Control Cell, Homeopathic Wing, Drug Control Department, both Central Drug Stores, and six Ayurveda, three Unani and 15 Homeopathic dispensaries[2] out of 40 Ayurveda, 20 Unani and 103 Homeopathic dispensaries;

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[1] (i)Ayurvedic and Unani Tibbia College and Hospital (A&U Tibbia Hospital), (ii) Dr. B.R.Sur Homeopathic Medical College, Hospital and Research Centre (SHMC) (iii) Ch. Brahm Prakash Ayurvedic Charak Sansthan (CBPACS) and (iv) Nehru Homeopathic Medical College and Hospital.

[2] **DIRECTORATE OF AYUSH- Homeopathy Dispensaries (i)** PreetVihar, (ii) Saket, (iii) Dwarka Sector 14, (iv) Nangli Jalib, (v) Paschim Puri (vi) Raghubir Nagar (vii) Sardar Vallabh Bhai Patel Hospital, (viii) Kondli, (ix) South Campus Only (M,W,F), (x) Jagpravesh Chander Hospital, (xi) Seelam Pur Hospital, (xii) Suraj Mal Vihar, (xiii) Ber Sarai, (xiv) Madangir, (xv) Chaukhandi; **Ayurvedic Dispensaries** (i) Satyavadi Harish Chandra Hospital, Narela, (ii) Dharamshala Block, Dr. B.R. Ambedkar Hospital, (iii) Sector-17, Dwarka, (iv) Block A, Mayur Vihar- III, (v) H-Block, Jehangirpuri, (vi) Sonia Vihar; **Unani Dispensaries** (i) Chamelion Road, Bara Hindu Rao, (ii) Batla House, Okhala , (iii) Block A, Mayur Vihar- III, Kondli.

(b) Four autonomous bodies of Directorate, namely, Board of Homoeopathic System of Medicine, Delhi Bhartiya Chikitsa Parishad (DBCP), Examining Body for Para Medical Training for Bhartiya Chikitsa Delhi, and Delhi Homoeopathic Anusandhan Parishad (DHAP); and

(c) Three out of four Ayurvedic, Unani and Homeopathic Medical Colleges with attached hospitals[3].

An Entry Conference with the auditee organizations was conducted on 28 April 2017 to discuss the audit objectives, scope, and criteria. Records were reviewed for the selected entities. A draft Audit Report was issued to the Director, AYUSH on 19 September 2017 followed by an exit conference held with the Director, AYUSH on 27 September 2017. Their replies of August/October 2017 have been suitably included in this report.

The audit criteria used for this performance audit included – objectives and targets for GNCTD in respect of promoting AYUSH under 12th Five Year Plan; the Drugs and Cosmetics Act, 1940; the General Financial Rules (GFR) 2005; and Government policies, directions, orders and guidelines.

A 'Performance Audit of the Directorate of Indian systems of Medicine and Homeopathy' was printed in the report of the Comptroller and Auditor General of India on Government of NCT of Delhi of 2005 and Action Taken Note on the same is awaited. We however have suitably covered these points in this audit.

Audit Findings

There has been an increase in in-patient admissions and outpatients in all three hospitals and dispensaries during 2012-17 as given in **Table 2.1.1**. Expenditure on medicines increased from ₹16.09 crore in 2012-13 to ₹ 22.55 crore in 2016-17.

Table 2.1.1: Details of Patient footfall during 2012-17

Year	AYUSH Dispensaries	A&U Tibbia		SHMC		CBPACS	
		OPD	IPD	OPD	IPD	OPD	IPD
2012-13	24,27,815	2,28,284	4,295	64,022	357	2,95,753	5,903
2013-14	28,93,599	2,42,726	5,196	56,541	362	2,86,785	6,395
2014-15	32,55,223	2,36,931	5,802	64,687	428	2,67,813	6,162
2015-16	35,76,042	2,76,716	5,796	70,660	358	3,09,077	8,033
2016-17	33,93,024	2,96,727	5,317	61,629	275	3,33,150	8,073

[3] (i)Ayurvedic and Unani Tibbia College and Hospitals (A&U Tibbia hospital), (ii) Dr. B.R.Sur Homeopathic Medical College Hospital and Research Centre (SHMC) and (iii) Ch. Brahm Prakash Ayurvedic Charak Sansthan (CBPACS).

Overall increase in patient footfalls over the years means that there has been increasing awareness about efficacy and acceptance of Indian System of medications among the people. Therefore, it was important to adequately plan and execute the schemes and programmes of AYUSH effectively and efficiently to expand and promote the use of alternative systems of medicines in healthcare delivery and research and education in these systems. Audit however observed the following inadequacies and deficiencies in planning and execution of AYUSH schemes and programmes.

2.1.5 Planning

2.1.5.1 Annual action plans and implementation strategy not prepared

The National Policy on promotion of ISM&H-2002 envisages that vast infrastructure of ISM&H in the country should be optimally utilised for delivery of healthcare to the people. It also envisaged requirement of a perspective annual action plan in consonance with the national policy for integration, at the appropriate levels, of the services available under these systems of medicines. Though targets were earmarked in 12th Five Year Plan (FYP) followed by annual plans for the Directorate of AYUSH, and its autonomous bodies, hospitals and colleges, no annual action plan or overall implementation strategy was prepared by the Directorate and other institutions for achieving these targets. This has impacted implementation of the FYP as commented below.

(i) Directorate did not initiate action to achieve specific objectives of FYP viz. operationalisation of water treatment plant; installation of BMD (Bone Mineral Density) Machine to assess bone density; getting NABH accreditation for Ch. Brahm Prakash Ayurvedic Charak Sansthan; establishment of homeopathic dispensaries under Bhagidari scheme; establishment of 100 homeopathic clinics under Public Private Partnership project (PPP); introduction of paramedical courses in Ayurveda, Unani and Panchkarma technique; establishment of Hakim Ajmal Khan Academy and Museum; and construction of information cum documentation centre and academic blocks in Tibbia College. Sustainable Development Goals (SDGs) were not mapped with the ongoing services and schemes to assess whether the SDGs relevant to health services are effectively planned and implemented.

(ii) There was shortfall in implementation of other components such as (i) upgradation of radiology services in Dr. B. R. Sur Homeopathic Medical College Hospital and Research Centre (SHMC); (ii) opening of 60 new AYUSH dispensaries (25 Ayurvedic, 10 Unani and 25 Homeopathic); (iii) provision of health care services of Indian System of Medicine (ISM) through Dispensaries; (iv) procurement of Equipment and Medicines; (v) strengthening of drug control unit of ISM; and (vi) computerization of hospital services and up-gradation of library in SHMC.

2.1.5.2 Non-up gradation of radiology services in SHMC

Under the FYP, the SHMC envisaged upgradation of radiology services like X-ray, Ultrasound, and ECG machines; development of dental department, centralized air conditioning in OPDs; and strengthening of minor surgical facilities, which were not completed by conclusion of the FYP in March 2017, adversely impacting patient care services.

2.1.5.3 Shortfall in opening of new dispensaries

During the FYP, Directorate had fixed the target for opening of 60 new dispensaries against which it could open only 25 dispensaries as detailed in **Table 2.1.2**.

Table 2.1.2: Detail of shortfall in opening of new dispensaries

Dispensaries	Target of new dispensaries during 2012-17	Target Achieved	Shortfall
Homeopathic	25	12	13
Ayurvedic	25	8	17
Unani	10	5	5
Total	**60**	**25**	**35**

Directorate did not consider tapping available space and infrastructure in Delhi Government Hospitals for opening of new AYUSH dispensaries. Directorate did not establish criteria or norms for selection of area, beneficiaries to be covered, distance between two dispensaries and infrastructural supports for opening of new dispensaries. As a result, new dispensaries were opened without any objective criteria. For example, a homeopathic dispensary was opened in South Campus of Delhi University which is in close vicinity of SHMC. Directorate (October 2017) replied that it will fix the target to open dispensary in different zones of Delhi and at sufficient distance to provide healthcare uniformly.

2.1.5.4 Computerization of hospital services

The Directorate had purchased 118 computers with UPS and 87 homeopathic software[4] worth ₹ 57.50 lakh for Directorate, Central Homeopathic Drug Store, and homeopathic dispensaries during 2006-12 to computerize the inventory management and patients data in dispensaries. However, only 28 out of 103 homeopathic dispensaries were having both computer and software in working condition as of July 2017.

SHMC planned computerization of hospital services from registration to discharge of patients and up gradation of website in FYP but the same has not been completed. Total 25 computers procured during 2015-16 were not being used for patient registration and discharge services as they did not procure the related software.

[4] Softwares named Kenbo Version 1.0 (11 nos.), Hompath 8.0 Premium Collection (5 nos.) and Radar (71 nos.), which are meant for use by the doctors.

2.1.5.5 Non-upgradation of Library

As per 12th Five Year Plan (2012-17), the SHMC was to upgrade its Library having 5,720 books through full automation, smart cards (library) activation, and purchase of new books and journals with bar coding facility. However, SHMC could not achieve the target of upgradation of Library as of August 2017. SHMC replied that though new books/ journals were purchased, but neither full automation of library nor smart cards activation were initiated due to non-availability of Librarian and IT staff.

2.1.5.6 Non-functional State Medicinal Plant Board

As per directions of GOI, GNCTD constituted (2006) State Medicinal Plant Board (SMPB) with Director, AYUSH as Chief Executive Officer for co-ordination of all matters relating to medicinal plants including drawing of policies and strategies for conservation, proper harvesting, cost effective cultivation and marketing of raw materials. There was no record to show whether the Board has been meeting and performing its stated responsibilities. There was no action plan or policy for development of medicinal plants in NCTD. Directorate admitted (September 2017) that neither any survey or inspection was conducted nor any action plan/ policy was prepared for the development of medicinal plants in NCT area.

2.1.6 Financial Management

2.1.6.1 Budget Allocation and Expenditure

Year wise budget allocations and expenditure during 2012-17 are given in **Table 2.1.3**.

Table 2.1.3: Budget allocation and utilization of funds during 2012-2017

(₹ In crore)

Name of Unit	Budget allocation		Expenditure	
	Plan	Non-Plan	Plan	Non-Plan
Directorate of AYUSH	182.19	28.09	164.05	26.82
Homeopathic Wing	22.15	97.54	8.72	95.93
A & U Tibbia College	42.03	100.37	40.65	98.00
SHMC	15.85	23.50	13.39	22.80
CBPACS	82.00	-	106.80	-
Nehru Homeopathic Medical College and Hospital	14.76	54.71	13.40	52.11

Source: Demand for Grants (for expenditure figures).

Funds amounting to ₹ 31.57 crore (15.45 *per cent*) remained unutilized by the Directorate and Homeopathic wing under Plan head during the year 2012-17.

2.1.6.2 Rush of expenditure in the last month of financial year

Rule 56(3) of GFR, 2005 states that rush of expenditure beyond 15 *per cent*, particularly in the closing months of the financial year shall be regarded as a breach of financial propriety and shall be avoided. Audit noticed that in 134 cases, 15 to 100 *per cent* of expenditure under various heads of plan and non-plan were incurred in the month of March alone during 2012-17 which was against the spirit of the said rule.

Directorate stated (August 2017) that framing and finalization of certain policies takes a long time due to which, sometimes, expenditure is incurred almost at the end of the financial year. Reply is not acceptable as policies are generally framed before or at the beginning of the financial year and financial rules should be adhered while implementing the policies. Directorate and SHMC replied that the observation has been noted for future compliance.

2.1.6.3 Expenditure on advertisements without approval of competent authority

Expenditure of ₹ 1.11 crore was incurred on advertisement and publicity during three years i.e. 2015-17 by the Directorate, CBPACS, and Tibbia college without the approval of the Chief Minister/ Deputy Chief Minister, GNCTD in contravention of directions issued by the GNCTD from time to time (May 2007, April 2008, and January 2016). Thus, all expenses on the advertising and publicity were unauthorized. Further, 58.83 *per cent* of the total expenditure incurred was at the end of the financial years ostensibly to exhaust the funds. Directorate of AYUSH replied (16 January 2018) that the approval of the Chief Minister/Deputy Chief Minister, GNCTD was not required as they incurred expenditure on advertisements and publicity which were of informative nature and as such there was no creative designing in it. Reply is not acceptable. The above referred instructions of the GNCTD states that all advertisement designs in print media, hoardings, TV, sports, radio jingles or department brochures need to be compulsorily approved by the Chief Minister/Deputy Chief Minister to ensure standardization in the quality and message design.

2.1.7 Human Resource Management

2.1.7.1 Shortage of Staff in Hospitals

Significant staff shortages in the cadres of doctors, pharmacists and nurses ranging from 37 to 52 *per cent* were noticed in three Medical Colleges with attached Hospitals, viz. Tibbia College, SHMC and CBPACS as detailed in **Table 2.1.4**.

Table 2.1.4: Staff position in Medical Colleges and Hospitals

Category	Tibbia College		CBPACS		SHMC		Total		Shortage of staff	
	SS	MIP	SS	MIP	SS	MIP	SS	MIP	Nos.	%
Doctors	33	30	104	55+3*	55	21	192	109	83	43
Pharmacists	8	3	14	7	3	2	25	12	13	52
Nurses	13	3	47	31	13	12	73	46	27	37

**Outsourced*

The cadre controlling departments however failed to fill up these positions despite requests from the Hospitals. It was observed that recruitment for new doctors was in process and examination has been conducted (in December 2017). The fact remains that shortages in these cadres restrict the ability of the institutions to implement teaching and health care programs in an effective and efficient manner. Further, as per DGHS's Guidelines, one Junior Dietician is required for 50 bedded Hospital and one Dietician and one Junior Dietician for 200 bedded Hospital. Despite providing diets for in-patients as part of the treatment, SHMC, Tibbia Hospital and CBPACS did not have any posts of Dietician/Junior Dietician which indicates that the hospitals are not giving due importance to this aspect of treatment.

2.1.7.2 Shortage of staff in Dispensaries

The State Government sanctioned the posts of one General Duty Medical Officer (GDMO), one Pharmacist, and one Nursing Orderly (NO) in each dispensary. Against sanctioned posts of 163 doctors and 155 Pharmacists, 28 posts of Doctors and 61 posts of Pharmacists were vacant as of March 2017. Out of 103 homeopathic dispensaries, only 24 were having full complement of staff to ensure proper patient care. Five homeopathic doctors superannuated/ resigned during 2016-17 which led to further increase in shortage of doctors. Despite opening 25 new Ayurvedic, Homeopathic and Unani dispensaries during 2012-17, Directorate neither created new posts nor filled the vacant posts. Increasing shortages of doctors have adversely impacted functioning of dispensaries. For example, only 33 Ayurvedic and Unani dispensaries were functioning for five to six days per week whereas 25 dispensaries were functioning for three to four days a week and three were functioning for two days a week. Patient footfalls in dispensaries also decreased in 2016-17 (**Refer Table 2.1.1**) as a result of further shortage of doctors due to superannuations/resignations in 2016-17 and many female doctors availed Child Care Leave during the year.

2.1.7.3 Award of contract for outsourced services without approval

Finance Department (FD) (August 2012/March 2015) delegated powers to all Heads of Department for keeping/ engaging outsourced staff of Class-IV / Nursing Orderly/ staff (Cook) etc. against sanctioned vacant posts through private agencies with the condition that FD's approval is required at the first time with reference to the number of persons to be engaged on outsourced basis.

AYUSH hospitals outsourced services of Nursing Orderly, Security Guards, Housekeeping, Mali and Kitchen Services and incurred an expenditure of ₹ 12.35 crore during 2012-17 on this account. However, all the three hospitals selected for audit did not go to their administrative department and/or the Finance department for the required approval, and on their own decided numbers of positions to be outsourced and ordered the services. This also reflects poorly on the oversight of the Directorate and the Administrative Department.

2.1.8 Management of Infrastructure, Hospitals and equipment

2.1.8.1 Insufficient space in dispensaries

As per Directorate, a three room structure is essential to run a dispensary for benefit of the patients. However, 16 Ayurvedic dispensaries were functioning in two-room structures and 5 dispensaries in one-room structures. Shortage of space in dispensaries, especially in one-room structure cause inconvenience to doctors as well as patients especially for examining female patients which became evident from the request forwarded by CDMO, Mayur Vihar dispensary for providing more space. Further, there were no facilities for disabled persons in homoeopathic dispensaries, though barrier free environment was to be provided to disabled and elderly persons as per CPWD guidelines. Directorate stated that Directorate of Health Services (DHS) has been requested for additional space at Mayur Vihar dispensary in July 2017.

2.1.8.2 Storing of medicines in open space at guest house of Tibbia College

Ayurvedic Drug Store of the Directorate was shifted (March 2016) to guest house of Tibbia College to make space for a polyclinic without assessing

Medicines stored in open space

whether the guest house meets the drug storage standards. Even this space was found insufficient and stock of medicines were being kept in the open corridor of the guest house and in the adjacent residential complex of the college Principal. Even after a year of shifting the drug store, arrangement for proper storing of medicines/drugs was not made. Storing medicines in open space rendered it susceptible to pilferage and damage due to exposure to natural elements.

2.1.8.3 Non-utilization of newly constructed Girls hostel

A new girls' hostel comprising 16 rooms constructed at a cost of ₹ 1.90 crore to accommodate 48 students (three students in each room) of Tibbia College was ready for possession in March 2016. Tibbia College administration, however, has not taken possession of the hostel as of October 2017 to accommodate the girl students. No reason for delay in taking possession was given by Tibbia College.

2.1.8.4 Delay in construction of infrastructure at SHMC resulted into the Supreme Court Judgement on 27 *per cent* OBC reservation not being implemented yet

In compliance of the Supreme Court Judgement, the GNCTD decided to implement (July 2008) the 27 *per cent* reservation for OBC in its educational institutions and the corresponding increase in the total number of seats to be rolled out over five-year period after taking into consideration the status of infrastructure. This order of the Court and the subsequent decision of the GNCTD have so far not been implemented. Reasons for not increasing the seats include non-availability of space to accommodate the proposed increased number of students. Audit noted that the SHMC initiated the proposal in 2008 to use its vacant land within the existing campus to construct the additional facility. This, however, remains stuck for last nine years for want of routine clearance due to inadequate pursuance and intervention from authorities of SHMC and the Department.

2.1.8.5 Disaster management by hospitals

Regulation 7(5) of the Central Council of Indian Medicine (CCIM) Regulations 2012[5] stipulates that a hospital shall have minimum eight Outpatient Departments[6] including Aatyayika (Emergency) for training of students and implementation of disaster management plan of the hospital. However, Tibbia Hospital had stacked and kept unused 60 hospital beds purchased during September 2010 to September 2011 for disaster affected patients without establishing an accident or emergency area (casualty). Therefore, in the absence of accident and emergency area (Casualty), the disaster management plan and training of students was not feasible. CBPACS too did not have a furnished casualty area. The space did not have required equipment for attending medical emergencies; rather it was being used as area for yoga class.

2.1.8.6 Buildings without fire clearance

Central Homeopathic Drug Store and Homeopathic Dispensary located in Himmatpuri, Delhi and Office Building of Directorate of AYUSH (Homeopathy Wing) at Preet Vihar were running without No Objection Certificate from Delhi Fire Services as of July 2017. A fire in the premises of Drug Control Cell of the Directorate, Tibbia College campus in September 2016 damaged many items along with files and records. Director, however,

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[5] Central Council of Indian Medicine (Minimum Standard Requirements of Ayurveda Colleges and Attached Hospitals (MSR)) Regulation 2012.

[6] 1. Kayachiktsa, 2. Panchkarma, 3. Shalya Tantra, 4. Shalakya Trantra, 5. Prasooti & Striroga, 6. Kumar Bhritya (Balrog), 7. Swasthayavritta and Yoga, 8. Aatyayika (Emergency).

did not take action on recommendations of the Enquiry Committee for preventing recurrence of such incidents even after lapse of more than a year of the incident.

2.1.8.7 Absence of Medical Record Department (MRD) in AYUSH hospitals

Chapter XII of Hospital Manual states that medical record keeping has importance in efficient patient health care. Medical Record Department (MRD) should maintain complete records in all respects in safe custody and compile a monthly report of medical statistics required for hospital administration. CBPACS, SHMC and Tibbia hospitals did not have an MRD in the absence of which mandatory data such as patient attendance record, observation and follow-up record, referral record within and outside hospital, treatment record etc. was not being maintained properly.

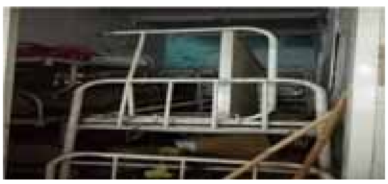
2.1.8.8 Non availability of essential equipment in Tibbia College

An advisory committee constituted by the Lieutenant Governor recommended (October 2014) procurement of equipment/instruments with estimated cost of ₹ 2.58 crore to improve the clinical services of Tibbia College and to make the college a Center of excellence for Ayurvedic and Unani treatment within a period of three years. Though a proposal for inviting tender for purchase of medical equipment was put up by Tibbia college in 2015, but later on the proposal was not followed up. Thus, equipment have not been procured and the initiative taken by the Lieutenant Governor for making the Tibbia College a center of excellence remains unfulfilled even after a lapse of more than three years. No reason was furnished by the Tibbia College for not procuring the proposed equipment.

2.1.8.9 Ultrasound Machines in Hospitals were not working

The ultra sound machines in Tibbia hospital (costing ₹ 5.72 lakh), SHMC (₹ 7.20 lakh), and CBPACS (₹ 25.05 lakh) remained non-operational since December 2012, October 2015 and April 2015, respectively due to non-availability of radiologist in these hospitals. Over the period of non-activity, some of these equipment became unusable and recently purchased equipment lost the benefit of comprehensive maintenance warranty. Efforts to appoint radiologists were not made by these hospitals and in the absence of ultra sound facility, patients were referred to other hospitals. Besides, students were deprived of learning mandatory clinical skills in these hospitals. SHMC stated that the matter was brought to the knowledge of the Directorate in August 2016.

2.1.8.10 Non utilization of beds in Tibbia hospital



Unused beds

The 300 bedded Tibbia hospital is operating only with 188 beds since 2013-14 in their indoor patient department. To make space for construction of a new OPD block, 112 beds were stacked in two separate rooms in such a poor condition that these cannot be used when required. There was no plan to restore IPD space with 300 beds despite completion of construction of new OPD block in June 2016, as it did not operationalize the beds lying unused and the number of operational beds remained 188 as of October 2017.

2.1.8.11 Operation Theatres are not in use

As *per cent*ral Council of Homeopathy (Minimum Standards Requirement (MSR) of Homeopathic Colleges and attached Hospitals) Regulations 2013 and Central Council of Indian Medicine (CCIM) Regulations 2012, hospitals attached to a College shall be provided with a well-equipped and functional Operation Theatre (OT).

The SHMC had a well-equipped OT which could not be used for want of anesthetist and full time surgeon since 2007. The SHMC did not make efforts to arrange/contract an anesthetist and a surgeon to make it functional, and instead allowed the OT facility become unusable. Also, in the absence of faculty, the students are sent to surgery department of Deen Dayal Upadhyay Hospital for their clinical training in surgery which is about 11 Kms away from SHMC.

An OT constructed in CBPACS in 2009-10 is not in use since 2015-16 due to non-availability of Gynecologist.

In Tibbia hospital, 593 female patients from maternity wards and 232 patients from Unani, surgery, ENT and other wards were transferred to other hospitals during the year 2012-17 due to non-functional OT. Medical oxygen, the most essential component for the gynae patients and patients undergoing surgery was also not available in the Tibbia hospital from 22 July 2016 till August 2017 indicating serious lapses in functioning of the Hospital and patient care.

2.1.8.12 Ambulance without Basic Life Support System

As per CCH (MSR) Regulation 2013, the hospital attached to a College shall have an Ambulance with all required facilities. SHMC did not have an ambulance to transport serious patients referred to the referral hospitals. One ambulance purchased in 2004 is generally not being used for this purpose as the SHMC did not equip it with the basic life support system like oxygen cylinder, mask, siren, emergency light etc. Tibbia College had one ambulance parked in the premises of the Hospital since February 2014 without any use. SHMC replied that two CATS (Centralized Ambulance and Trauma Services) Ambulances have now been stationed in its premises from October 2017.

2.1.8.13 Unutilized equipment in AYUSH hospitals

CBPACS had the lab facilities for pathology tests but the same could not be used due to failure to purchase reagents and/or repair the lab equipment. As a result, equipment worth ₹ 33.05 lakh were idled and patients deprived of the lab facilities.

Tibbia Hospital did not use/repair the automatic biochemistry analyzer, as a result, life of unutilized reagents and chemicals procured at a total cost of ₹ 13.64 lakh had expired.

2.1.8.14 Yoga and Naturopathy System of treatment

Yoga focuses on the prevention of diseases and treatment of many lifestyle related disorders. Naturopathy is a nature's effort to eliminate diseases and morbid matter from body to restore the health. Except in CBPACS, none of the AYUSH hospitals has Yoga and Naturopathy facilities though website of GNCTD, Directorate of AYUSH is displaying Yoga and Naturopathy as available services. Tibbia Hospital stated that these are not part of the syllabus prescribed by the Central Council of Indian Medicine. The contention of Tibbia Hospital is not tenable as each AYUSH hospital shall have Swasthayavritta and Yoga as mandatory Department as per CCIM regulation 2012. SHMC stated that the CCRYN[7] official who visited SHMC (May 2016) informed that adequate space as per proposal of CCRYN is not available in SHMC. Thus, AYUSH Directorate which was to promote Yoga and Naturopathy did not take any action to promote them in its own hospitals.

2.1.8.15 Infection Control Committee

As per DGHS Hospital Manual, each hospital should have an Infection Control Committee to oversee the measures for prevention and control of in-hospital infections and for monitoring clinical and surgery procedures, hazardous equipment, sterilizations and disinfection process etc. It also functions as a liaison between the clinical departments and the microbiologist. While the SHMC and CBPACS have this Committee, Tibbia hospital did not have such a Committee though it admitted 26,406 patients in the Indoor Patients Department (IPD) during 2012-17. Absence of the prescribed mechanism to oversee measures for prevention and control of in-hospital infections means that the hospital could be at risk in ensuring an infection safe environment. Tibbia hospital admitted absence of Infection Control Committee.

2.1.8.16 Low bed-occupancy in hospitals

The IPD of Tibbia Hospital and SHMC consisted of 300 beds and 50 beds respectively as on 31 March 2017 for treatment of patients. Audit noticed that during 2012-17, bed occupancy was very low as depicted in **Table 2.1.5**.

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[7] Central Council for Research in Yoga and Naturopathy.

Table 2.1.5: Bed occupancy in hospitals

Year	No. of beds available		No. of beds occupied		% of Bed occupancy rate	
	A&U Tibbia (365 x 300)	SHMC (365x50)	A&U Tibbia	SHMC	A&U Tibbia	SHMC
2012-13	1,09,500	18,250	35,190	4,135	32	23
2013-14	1,09,500	18,250	37,384	4,497	34	25
2014-15	1,09,500	18,250	35,023	4,654	32	26
2015-16	1,09,500	18,250	38,050	3,422	35	19
2016-17	1,09,500	18,250	34,301	2,502	31	14

During the last five years, bed occupancy in the Tibbia Hospital ranged from 31 to 35 *per cent* whereas in SHMC, it ranged between 14 and 26 *per cent*. It was apparent that the existing infrastructure in the hospitals were not optimally utilized. Hospital Administration did not assess the reason for low use of IPD facilities of their hospitals. Absence of associated facilities like non-functional 'Operation Theater', ultrasound facilities, staff shortage, and absence of casualty ward in both hospitals as commented at Paragraphs nos. 2.1.7.1, 2.1.8.5, 2.1.8.9 and 2.1.8.11 and lack of oxygen facility in Tibbia could be reasons why IPD facility could not be utilised to its fullest.

SHMC stated (October 2017) that as per CCH Rules a Homeopathic Medical College admitting 60 students require 20 beds in IPD. The reply is not tenable because if the required bed strength of a Homeopathic college for admitted 50 students is 20, then why SHMC had been functioning with the excess 30 bed strength along with attached infrastructure, resources, staff strength of teachers, doctors, paramedical and other staff since 2013, indicating unjustified use of the available excess infrastructure facilities in SHMC.

2.1.8.17 Vacant seats for BAMS, BUMS and BHMS courses

Admission to courses (BAMS, BUMS and BHMS) in SHMC and CBPACS is done by IP University and in Tibbia College by Delhi University. Annual sanctioned intake of students for three selected Medical colleges for BHMS, BAMS and BUMS[8] courses and actual admittance during 2012-17 is given in **Table 2.1.6**.

Table 2.1.6: Details of seats available and filled

Year ended March	No. of sanctioned/available seats				No. of students admitted				Vacancy
	BAMS		BUMS	BHMS	BAMS		BUMS	BHMS	
	CBPACS	Tibbia	Tibbia	SHMC	CBPACS	Tibbia	Tibbia	SHMC	
2013	100	44	44	50	97	41	35	40	25
2014	100	44	44	50	92	41	36	40	29
2015	100	44	44	50	97	41	35	34	31
2016	100	44	44	50	97	41	37	37	26
2017	100	64	64	50	93	61	50	38	36

8 BHMS – Bachelor of Homeopathic Medicine and Surgery, BUMS- Bachelor of Unani Medicine and Surgery, BAMS- Bachelor of Ayurvedic Medicine and Surgery.

Table shows that annually about 10 to 13 *per cent* seats remained vacant during 2012-17 under three undergraduate courses. Department may look into this issue and take corrective action at the earliest so as to ensure that available seats are fully utilized.

2.1.9 Discrepancies in management of medicines

2.1.9.1 Non-availability of Essential Medicines in the Drug Stores

The Directorate distributes medicines to its dispensaries through central drug stores for Unani, Ayurvedic and Homeopathic medicines. Essential Drug List (EDL) adopted by GNCTD has 277 Ayurveda and 288 Unani medicines which should be available with hospitals/dispensaries at all times in adequate quantity but two central drug stores of the Directorate never had more than 40 *per cent* of the EDL listed medicines at any time during last five years (2012-17). The drug stores procured and supplied only 110 out of 277 Ayurvedic medicines and 99 out of 288 Unani medicines during these years. Further, even those medicines available in the drug stores were not available in the three Unani and six Ayurvedic dispensaries selected for audit for periods ranging from 6 months to one year during 2012-17. Directorate replied that a new EDL was under preparation as it was not possible to procure all types of medicines listed in the EDL.

EDL for homeopathic medicines requires the dispensaries to have 314 medicines out of which 233 are dilutions which are to be maintained in four different potencies and 12 Biochems in two potencies making the total number of medicines 1,025 but 43 *per cent* medicines remained unavailable for more than 5 years. Majority of the medicines demanded were not supplied leading to shortage of medicines in Central Homeopathic Drug Store (CHDS)**.** Directorate replied that EDL for homeopathic treatment has since been revised by an experts' committee of the Directorate but audit noticed that the revised EDL is still under submission for the approval of competent authority. Failure of the Directorate in procuring and supplying essential medicines to dispensaries defeated the very purpose of preparing the EDL and also compromised the ability of dispensaries to effectively provide healthcare to patients.

2.1.9.2 Discrepancies in issue and receipt of medicines

Test-check of stock registers maintained at central drug store and at selected Ayurvedic and Unani dispensaries revealed discrepancies between the quantities of medicines shown as issued from the central drug store and the quantities received in the dispensaries.

Ayurvedic and Unani medicines valuing ₹ 6.75 lakh issued by the Central Drug Store of the Directorate were not found in the record of dispensaries during the years 2012-17. Medicines valuing ₹ 1.34 lakh were received in the selected Ayurvedic and Unani dispensaries but the same were not found mentioned in the records of issuer i.e. Central Drug Store. Further, no data/records about the details of patients, medicines, and quantity were maintained in the dispensaries. In the absence of the same, the authenticity of the process of distribution of medicines to patients could not be verified. The Directorate accepted the audit observation (October 2017). Directorate did not conduct any investigation to enquire and enforce accountability of officials responsible for such discrepancies as this could be due to misappropriation of medicines.

2.1.9.3 Loose dispensing of medicines

EDL (Ayurveda) guidelines published by the GoI discourage loose dispensing of medicines and suggested to procure medicines in standard pack sizes based on the weekly requirement of medicines for the patients as medicine quality gets altered when these are distributed in envelops due to the presence of salt in medicines, and medicines in big containers also get spoiled due to moisture in the environment. Many institutions like CGHS and ESI hospitals also procured medicines in the standard pack sizes for distribution to the patients. Audit noted that the medicines like Asava / Arista, Avaleha / Paka, Churna, Guggulu, Vati and Gutika, Ghrita, Bhasma etc. were procured in bulk and dispensed by the Ayurvedic dispensaries in small paper envelops which were neither safe from moisture nor hygienic/safe to carry, resulting in wastage of valuable medicines. Patients also complained to the Directorate of AYUSH about medicines getting spoiled due to loose dispensing of medicines in paper envelops, especially in rainy season. Directorate replied that the procurement in larger packs was cost effective. The reply is not tenable as dispensing of medicines should be as per EDL guidelines.

2.1.9.4 Purchase of medicines without adequate shelf life and other quality issues

According to purchase policy of the Directorate of AYUSH, medicines should have at least 60 *per cent* of shelf life remaining at the time of supplies but the Directorate procured Ayurvedic and Unani medicines costing ₹ 7.02 lakh with remaining shelf life ranging between 25 and 58 *per cent* during 2012-17 against the purchase policy (**Appendix 2.1.1**). Similarly, 1,600 Human Chorionic Gonadotropin (HCG) cards for detection of early pregnancy passed their shelf life in April 2016 without use as these were purchased with only 10 out of 18 months' shelf life remaining thus reflecting negligence in procurement process. Directorate replied on 8 February 2018 that a clause seeking 'at least 60 *per cent* of shelf life remaining at the time of supplies' has been included in the contract from financial year 2017-18.

Further, Directorate, Tibia Hospital, and CBPACS procured Ayurvedic and Unani medicines worth ₹ 35.36 crore, ₹ 42.59 crore and ₹ 14.88 crore respectively during 2012-17 based on the drug testing reports submitted by the suppliers. SHMC also relied on the drug testing reports submitted by the suppliers in case of homeopathic medicines procured by them. A mechanism of random selection of samples from the drug supplies by the Drug Control Cell of the Directorate for testing through Government approved laboratories was laid down by the Department and Directorate randomly selected 933 samples during 2012-17 whereas in case of Homeopathic medicines there is provision for batch-wise and sub-batch-wise testing of medicines.

Audit is of the view that the Directorate may put in place a similar quality control mechanism for procurement in case of Ayurvedic and Unani Medicines

2.1.9.5 Procurement of medicines valuing ₹ 47.06 crore

Ayurvedic and Unani medicines comprises of Classical medicines and Patented/Proprietary medicines. A response of Ministry of AYUSH, GoI dated 22 August 2012 to RTI appeal shows that purchases of Ayurvedic and Unani medicines out of funds received under National AYUSH Mission, a Centrally Sponsored Scheme, were to be made from M/s IMPCL[9], a Central Public Sector Enterprise or other Public Sector Enterprises (PSE) who have their own arrangement for manufacturing AYUSH medicines. It also stated that procurement of medicines was not to be made from Loan Licensee manufacturers keeping in view the need for ensuring quality of AYUSH drugs and medicines. The prices of IMPCL are also duly vetted by Ministry of Finance, GoI. Directorate of AYUSH, GNCTD has purchased AYUSH drugs and medicines from IMPCL out of funds received under National AYUSH Mission.

As per procurement policy of Directorate approved in 2008 for purchase of Ayurvedic and Unani medicines, Classical Ayurvedic and Unani medicines out of GNCTD funds are to be purchased directly from M/s IMPCL in line with procedure adopted by the Ministry of AYUSH, GoI, whereas procurement of patented Ayurvedic and Unani medicines were to be made through open tender process. The Directorate, Tibia College, and CBPACS together procured Classical and Patented/Proprietary Aurvedic and Unani medicines worth ₹ 47.06 crore[10] (Classical medicines of ₹ 32.87 crore and Patented/Proprietary medicines of ₹14.19 crore) during 2012-17 out of GNCTD funds without following the above Policy. Audit noted the following irregularities in this respect:

(a) In violation of Departmental procurement policy, these Classical Ayurvedic and Unani medicines were not purchased from IMPCL and Patented/Proprietary medicines were not purchased through open tender.

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[9] Indian Medicines Pharmaceutical Corporation Limited, a manufacturer of Aurvedic and Unani medicines.

[10] ₹ 47.06 crore= ISM ₹ 22.25 crore, CBPACS ₹ 0.56 crore and Tibia College ₹ 24.25 crore.

(b) Instead, these medicines were purchased by directly calling rate lists from Central PSEs viz. Hindustan Lifecare Limited (HLL), Karnataka Antibiotic and Pharmaceuticals Limited (KAPL), and Rajasthan Drugs and Pharmaceuticals Limited (RDPL). Purchase orders were issued among these three companies based on medicine-wise lowest rates offered by them. This mode of solicitation is neither open tender nor limited tender.

Directorate of AYUSH, GNCTD replied (16 January 2018) that the all three companies are also PSEs and known and definitive sources and as per GFR they can go for limited tendering and they decided for PSEs because quality of medicines from private companies was poor and lowest of rates offered were accepted.

The reply is not tenable as M/s HLL, KAPL, and RDPL though Central PSEs are Loan Licensee manufacturers which means they don't have their own arrangement for manufacturing AYUSH medicines but are suppliers of the medicines manufactured by others. These PSEs therefore were not eligible for procurement of AYUSH medicines in terms of the above referred intimation dated 22 August 2012 issued by the Ministry of AYUSH, GoI, CVC guidelines, and Procurement Policy of 2008 approved by the GNCTD.

2.1.10 Functioning of Autonomous Bodies under the Directorate

2.1.10.1 Delhi Bhartiya Chikitsa Parishad

Delhi Bhartiya Chikitsa Parishad (DBCP) was established in January 2001 for providing registration of medical practitioners of Indian System of Medicines, maintenance of live register of practitioners, taking action against practitioners and to check practice in Bhartiya Chikitsa by unqualified persons. The 21 member DBCP is headed by a President and assisted by a Registrar who is the Chief Executive Officer of DBCP. Audit noticed the following irregularities in the functioning of DBCP.

(i) Draft Recruitment Rules (RRs) for the post of Registrar and other staff remained pending with the Director (ISM&H) since May 2010 for approval. Personal Secretary (PS) to the President and seven employees were appointed on contract basis by DBCP without approval of the competent authority, i.e the Lieutenant Governor, Delhi, in the full knowledge of the Directorate.

(ii) The PS to the President was found involved in forgery of his mark sheet initially to get admission in Tibbia College for which an FIR was lodged against him. Later without completing his background checks, he was contracted for the PS job based on the same forged mark sheet. The DBCP allowed the PS to President to leave without taking action as contemplated by the GNCTD. The GNCTD dissolved the DBCP in July 2015 but a new DBCP has not been constituted within a period of six months after its dissolution as per DBCP Act. After its dissolution, adequate steps were not taken by the Directorate to safeguard its fixed assets of ₹ 22.05 lakh such as computers, laptops, photocopiers, air conditioners, furniture and fixture etc. which remain unutilised. Their physical verification had also not been conducted after March 2013, and records from April 2015 like cashbook of receipts and expenditure and ledger were not being maintained. While confirming the facts, Registrar of DBCP replied that it shall function from its registered office after reconstitution.

2.1.10.2 Examining Body for Para Medical Training in Bharatiya Chikitsa

Under the provisions of Section 33 of the Delhi Bharatiya Chikitsa Parishad (DBCP) Act, 1998, an Examining Body (EB) was constituted (March 2011) by GNCTD for prescribing the courses of study and training and for conducting qualifying examinations for pharmacists, technicians, and nursing courses in respect of Bharatiya Chikitsa. Audit noticed the following irregularities in the functioning of EB:

(i) EB appointed one of its members as the Secretary of EB in June 2011 without approval of the competent authority. EB terminated services of the appointed Secretary in October 2013 on the ground of misrepresentation/concealment of facts. EB also engaged services of an advocate for fighting the case filed by the terminated Secretary without seeking approval of the GNCTD. This terminated secretary was later appointed as Chairman of EB vide Gazette Notification dated 17 March, 2016. Further, there was no evidence on file whether the approval of the competent authority, i.e., Lieutenant Governor was taken.

(ii) As per pattern of assistance, EB shall raise resources to work on self-sustaining basis within a period of 3-5 years from the date of release of first grant-in aid (GIA). The EB however has not achieved this goal. It received ₹ 34.70 lakh as GIA since its constitution but it has not performed any of its mandated functions i.e. prescribing courses of study and training and conducting qualifying examinations for Pharmacists, Technicians, and Nursing courses in respect of Bharatiya Chikitsa.

(iii) Approval of Planning and Finance Department was required for creation of posts and their service conditions. EB, however, appointed seven casual staff on their own and without following transparent procedures open for all the eligible candidates and their salaries were also fixed on ad-hoc basis. EB thus incurred irregular expenditure on salary amounting to ₹ 17.15 lakh during 2012-17.

2.1.10.3 Board of Homeopathic System of Medicines

The Board of Homeopathic System of Medicine, Delhi (Board) was established under Section III of Delhi Homeopathic Act, 1956. The main functions of the Board are - registration and renewal of registration of medical practitioners of homeopathic system of medicine in State of Delhi; to take action against various bogus institutions/quacks in homeopathy; to recognize homeopathic educational institutions for purposes of affiliation in and outside Delhi state; and to establish and/or aid research institutions. Directorate of AYUSH releases grant in aid to the Board with the condition that Board shall not do any act or undertake any activity which entails additional financial liability without approval of Administration and Finance Department. Audit noticed the following irregularities:

(i) As per the Act, Board needs prior approval of the State Government to appoint a Registrar. Board, however, appointed Registrar by promoting an official from Grade II Assistant in 2009 without the approval of the Government. Board stated that action for obtaining ex-post facto sanction of the competent authority would be taken.

(ii) The term of office of members shall be three years from the date of election or nomination as a member. Thereafter, State Government may from time to time extend this term by periods not exceeding two years in aggregate. The present Board was constituted in October 2012 and its term had expired in October 2015. The Lieutenant Governor ex-post-facto extended (January 2017) the term of present Board up to October 2016 or till reconstitution of the Board through election, whichever is earlier. The GNCTD, however, could neither conduct election within this period nor obtained extension from the Lieutenant Governor.

(iii) Though there were no provisions in the Act or Rules for giving provisional affiliation, the Board gave provisional affiliation (August 2016) to eight institutions for running pharmacy courses subject to the stipulation that the infrastructure and the teaching staff at such institutions will be ensured as per approved requirements. It was noticed that the approval of the Government had not been obtained. Further, prior to giving the affiliation, the Board was to conduct inspections of these institutions as per the Diploma in Homeopathic Pharmacy Course Regulations, 2015. Board, however, did not carry out inspections of three[11] out of these eight institutions. After issuing provisional affiliation, the Board was to re-inspect whether these institutions had achieved the required infrastructure and teaching staff but the same was not done in seven cases[12]. Three institutes out of the seven were from Delhi.

Board replied (August 2017) that it would withdraw the provisional affiliation given to four institutes outside Delhi.

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[11] S.K.H. Medical College, Maharashtra; G.D. Memorial Trust, Patna and Sri Raj Bahadur Singh Memorial Trust, Allahabad.

[12] Breathwell Medicare India (Homeopathic Pharmacy College), Shakarpur, Delhi; Smt. Ishwari Devi Educational and Cultural Society (Homeopathic Pharmacy College), Shastri Nagar, Delhi; J.R. Kissan College of Pharmacy and Health Science, Rohtak, Haryana; Needy People Welfare Society, Rohini, Delhi; S.K.H. Medical College, Maharashtra; G.D. Memorial Trust, Patna and Sri Raj Bahadur Singh Memorial Trust, Allahabad.

(iv) With a view to having more effective and anti-quackery measures in NCTD, the DHS, GNCTD instructed (2014) the respective councils[13] to prepare annual plan for publicity and mass dissemination of information against quackery for generating public awareness. Further, all survey and mapping in relation to quackery and data-base thereof were also to be maintained by the respective councils. No such annual plan was prepared by the Board nor any survey or mapping of quacks carried out. Board stated (August 2017) that it takes action against unauthorized practitioners/ quacks only on receipt of complaint due to resource constraints and it would request the Directorate for release of funds for this purpose.

2.1.10.4 Chaudhary Brahm Prakash Ayurvedic Charak Sansthan

CBPACS was established in the year 2006 as an autonomous body under the Societies Registration Act, 1860 with financial assistance from GNCTD. It was to be a center of excellence as a national resource facility in the capital that would provide state of the art diagnostic and management facilities to patients in Ayurvedic System of medicines and conduct undergraduate and postgraduate courses in Ayurveda. The following irregularities were noted in the functioning of CBPACS:

(i) As per the pattern of assistance, GNCTD was to provide grant in aid to bridge the gap between the expenditure and income of CBPACS. The CBPACS had ₹ 28.70 crore in fixed deposits as at 31 March 2016. This indicates excess release of grants by the Government against the provisions of pattern of assistance.

(ii) As per the approved Recruitment Rules (RRs) (March 2013), the post of Director-Principal was to be held by an Ayurveda Professional having 20 years' experience either recruited directly or through deputation. There is no regular Director-Principal since October 2015 and Director (AYUSH) is in-Charge of this hospital. However, no efforts were made by the GNCTD for filling up the post of Director-Principal on regular basis for smooth functioning of the College and Hospital.

(iii) With a view to providing ambulance services, CBPACS (August 2012) entered into an agreement with an agency for a period of one year for hiring of an ambulance without approval of the competent authority. The ambulance was mostly utilized for pick and drop facility for the Project Director and staff of the CBPACS. It was stopped after Directorate objected (February 2013) to hiring of ambulance since CATS ambulance of GNCTD was available free of cost. An expenditure of ₹ 5.92 lakh was incurred on this account during August 2012 to July 2013 which was irregular and accountability of the

[13] Delhi Medical Council, Delhi Bhartiya Chikitsa Parishad, Board of Homeopathic System of Medicine, Delhi Council for Physiotherapy and Occupational Therapy, Delhi Dental Council.

CBPACS Administration for irregular hiring of ambulance and using it as staff vehicle was not enforced.

(iv) Special audit conducted by Directorate of Audit, GNCTD pointed out (March 2016) recovery of overpayments of ₹ 1.93 crores from the employees and irregular payment of ₹ 2.08 crores to Clinical Registrar and Senior Resident Doctors. CBPACS was directed to place the report in Finance Committee as well as Governing Council for taking the appropriate decision. However, despite lapse of one year, no action was taken either to recover overpayments/irregular payments or to place the report in Governing Council/Finance Committee as of August 2017.

(v) As per GNCTD instructions, contractual employment should be for a period of one year only and shall terminate automatically on the date of completion of one year. As regards pay scale, in case they were posted in a pay scale, their initial pay should be minimum of the pay scale and they would not be entitled for increment in pay or promotion or regularization in service. CBPACS engaged 58 contractual employees in 2010 and they have been employed continuously by giving extension regularly. Approval of the Government was not obtained by CBPACS either at the stage of appointment or at the time of extension. Thus, hiring of 58 contractual employees was ab-initio irregular. These contractual employees were also given annual increments against Government instructions.

(vi) In terms of Memorandum of Association (MOA) of the CBPACS, there should be a Finance Committee to assist the Governing Council in matters relating to finance, a Scientific Advisory Committee to facilitate clinical and research work, and an Academic Committee to pursue the objectives of CBPACS relating to academics. Though the Finance Committee was constituted in February 2014, the other Committees were not constituted as of August 2017. Scientific advisory committee was to facilitate the research work and evolve the scientific and technical programmes at the Sansthan whereas Academic Committee was to take initiative to realize the objectives of the MOA of the institutes keeping national and public interest. Absence of Scientific Advisory and Academic Committees indicate that CBPACS was not actively pursuing its objectives.

(vii) CBPACS Administration has not been using some hospital facilities meant for patients/students. Mortuary block built for the student to study the anatomy of the human body is being used by Delhi Fire Service. Out of twelve lifts available in the building, only four were functional. The condition

Seepage in the wall

Mortuary building being used by Fire services

of the hospital building was bad with seepages, broken tiles, choked drains etc. due to lack of maintenance which poses health hazard to patients/doctors/students.

(viii) Drug store of CBPACS had medicines expired during 2012-17 valuing ₹ 18.25 lakh including medicines of value ₹ 8.97 lakh supplied by CPA while the medicines remained in short supply in other Delhi hospitals and dispensaries. CBPACS did not watch the expiry period of these medicines so as to explore the possibility of using these medicines in other hospitals/dispensaries.

2.1.10.5 Delhi Homeopathic Anusandhan Parishad

Delhi Homeopathic Anusandhan Parisad (DHAP) was set up in July 1998 as an autonomous body to initiate, aid, develop, and coordinate research activities in Homeopathy in collaboration with Homeopathic Institutions and other organisations. During 2012-17, DHAP did not initiate any in-house research activities. There were 14 ongoing research projects started prior to 2012 on lifestyle diseases. 11 such projects were jointly assigned to SHMC and Nehru Homeopathic Medical College, one each to Institute of Human Behaviour and Allied Science, RBTB Hospital and Delhi State Cancer Institute. SHMC reported completion of only one project out of these 11 research projects. DHAP however had no information about the status of these research projects which means they did not monitor the progress of these projects. DHAP stated that Scientific Research Advisory Committee had not met since November 2013 to evaluate the research project works.

In addition, SHMC completed five research projects out of eight in-house research projects undertaken during this period. Remaining three ongoing projects are within the schedule time. CBPACS has an ongoing research project in collaboration with Central Council for Research in Ayurveda and Siddha. Tibbia College and Hospitals did not undertake any research project on Ayurvedic and Unani medications. SHMC had 16 publications in the national and international Journals.

2.1.11 Inspections, Quality Control and Monitoring Mechanism

The following inadequacies in inspections and monitoring were noticed:

2.1.11.1 State level Management Information System Monitoring and Evaluation Cell

Framework for implementation of National AYUSH Mission (NAM) stipulated that a dedicated Management Information System Monitoring and Evaluation Cell should be established at state level but no such cell was established by GNCTD.

2.1.11.2 State drug testing laboratory

MH&FW, GOI released (2001-02) ₹ 95 lakh to set up a drug testing lab of Indian Systems of Medicine (ISM) which was later refunded, as authorization from the Finance Department of the GNCTD was not received in time for extending the validity of the grant. Thus, due to failure of the Directorate, the grant could not be utilized. Subsequent decision to set up the facility in PPP mode was also not adequately followed up by the Directorate despite availability of funds and space (Prevention of Food Adulteration, First Floor, Lawrence Road) for setting up the laboratory. In compliance to the Rule 160 A of Drugs and Cosmetics Rule 1945, the Drug Control Cell of the Directorate of AYUSH gets tested about 1,000 survey samples of Ayurvedic/Unani medicine every quarter from government approved laboratories. It incurred an expenditure of ₹ 14 crore during the 2012-17 alone which was avoidable had the Directorate established a state drug testing laboratory. Directorate stated that efforts will be made to set up State Drug Testing laboratory for Ayurveda and Unani medicines.

2.1.11.3 Inadequate inspections of manufacturing and selling units of medicines

Rule 162 of the Drugs and Cosmetic Rules, 1945 envisages inspection of every manufacturing unit of Ayurvedic and Unani medicines twice a year and Rule 52 (1) stipulates inspection of each manufacturing unit of Homeopathic medicines once a year to ensure compliance to conditions of the license. As of March 2017, there were 57 manufacturing units of Ayurvedic, seven of Homeopathic and 23 of Unani medicines registered with the Drug Control Cell of Directorate and DCD. However, inspections of these units were not being conducted as per the said Rule/Act as detailed in **Table 2.1.7**.

Table 2.1.7: Shortfall in inspection of manufacturing units

Year Ended March	Mandatory (No.)			Conducted (No.)			Shortfall(%age)		
	Hm	Ay.	Un.	Hm.	Ay.	Un.	Hm.	Ay.	Un.
2013	5	54	28	1	45	17	4 (80)	9 (17)	11 (39)
2014	6	54	30	1	41	25	5 (83)	13 (24)	5 (17)
2015	6	90	36	-	69	34	6 (100)	21 (23)	2 (6)
2016	7	112	40	5	74	33	2 (29)	38 (34)	7 (18)
2017	7	114	46	1	38	40	6 (86)	76 (67)	6 (13)
Total	**31**	**424**	**180**	**8**	**267**	**149**	**23 (74)**	**157 (37)**	**31 (17)**

Shortfall of mandatory inspections during 2012-17 was significant. Drug Controller conducted 8, 267, and 149 inspections against 31, 424 and 180 mandatory inspections in respect of Homeopathic, Ayurvedic, and Unani manufacturing units, respectively. In the absence of requisite regular inspections, compliance to provisions of the Drugs and Cosmetic Act and quality of medicines/drugs manufactured could not be ensured.

Further, as per Rule 51 (1) of Drugs and Cosmetics Rules 1945, Drug Inspector of Drugs Control Department (DCD) was to inspect all Homeopathic establishments licensed for sale of drugs within the area assigned to him once a year. DCD did not maintain separate records for such units selling AYUSH medicines to verify whether inspections as required under the Rules were conducted. DCD replied that non-compliance to the rules was due to acute shortage of staff.

2.1.11.4 Survey to identify illegal manufactures not conducted

Drug Controller (ISM) did not have an effective system to identify the manufacturing units to bring them within their licensing regime. They had not conducted any surveys during five years covered in audit to identify units manufacturing Ayurvedic and Unani medicine without a valid license. Audit through online search found three manufacturing units established in NCT of Delhi namely, Hukam Baqai Medical Pvt Ltd, Chawri Bazar, Delhi, Tibb-e-Naqvi Dawakhana Pvt Ltd, Uttamnagar, Delhi and Sadar at old Delhi, which were operating without the mandatory license but the same were not in the knowledge of the Drug Controller. Directorate replied that these three cases would be forwarded to DBCP for necessary action.

2.1.11.5 Inadequate follow up on action against manufacturers of sub-standard medicines

There are approximately 20,000 retail outlets selling Ayurvedic medicines and 2,000 retailers in Unani sector in NCTD. During 2012-17, Drug cell found 73 drug samples of Ayurvedic and Unani medicines as 'not of standard quality' out of which only 21 sample of drugs were manufactured in Delhi. Punitive action like suspension of license or issuance of warnings were taken by the Licensing Authority (LA) of Directorate against manufactures of these 21 drug samples. 52 failed samples relate to manufacturers based outside Delhi and respective Licensing Authority of those States were requested to take appropriate action. Directorate did not follow up with these States further as to action taken like suspension of license against these manufacturers. The GNCTD thus was not in a position to ensure the quality of Ayurvedic and Unani medicines manufactured outside Delhi but sold in the NCTD.

2.1.11.6 Shortage of Drug Inspectors

As on 31 March 2017, against a sanctioned strength of 31 Drug Inspectors (DIs)**,** Drug Control Department (DCD) had 23 DIs and Indian System of Medicine (ISM) had 3 against 5 sanctioned posts of DIs. Shortage of DIs limited their ability in discharging its mandated functions relating to issuing licenses and inspections of drug manufacturing and selling units. DCD stated (August 2017) that the Department was taking steps for employment of sanctioned strength of DIs and requisition for appointment of six more DIs has been sent to UPSC in July 2017.

2.1.12 Conclusion

(a) Infrastructure facilities and equipment in AYUSH Hospitals and dispensaries such as drug storage, emergency services, essential diagnostic equipment, Operation Theatres, ambulances, medical record department and library were inadequate. Sixteen Ayurvedic Dispensaries were working in two-room structure and five in one-room structure against the required three rooms resulting in inconvenience to patients. Except in Chaudhary Brahm Prakash Ayurvedic Charak Sansthan, none of the AYUSH hospitals has Yoga and Naturopathy facilities due to inadequate space. Delay in construction of infrastructure at Dr. B. R. Sur Homeopathic Medical College, Hospital and Research Centre delayed implementation of the Supreme Court Judgment on 27 *per cent* OBC reservation for student admission in SHMC. Student intake in three medical colleges namely, Tibbia, CBPACS, and SHMC were significantly less than the sanctioned seats.

(b) There was significant shortage of medical staff throughout 2012-17 in AYUSH dispensaries. Out of 103 homeopathic dispensaries, only 24 are having full complement of staff to ensure proper patient care. Shortages in the cadres of doctors, pharmacists, and nurses in three Medical Colleges with attached Hospitals, viz. Tibbia College, SHMC and CBPACS was between 37 to 52 *per cent*. There were significant vacancies in Drug Inspectors limiting their ability to discharge the mandated functions relating to issuing licenses and inspections of drug manufacturing and selling units.

(c) Ayurvedic and Unani dispensaries were provided with only 40 *per cent* of essential medicines during 2012-17 and 43 *per cent* of essential medicines in Homeopathic Dispensaries were not available at any time during this period. Ayurvedic and Unani medicines were procured with shelf life ranging from 25 to 58 *per cent* remaining during 2012-17. As against the quality control mechanism in Homeopathic medicines which had provision for batch-wise and sub-batch-wise testing of medicines, the Ayurvedic and Unani Medicines had a mechanism of testing medicines on random basis. In violation of Departmental procurement policy, Classical Ayurvedic and Unani medicines (₹ 32.87 crore) were not purchased from IMPCL by the Directorate, Tibbia College and CBPACS during 2012-17 and Patented/Proprietary medicines (₹ 14.19 crore) were not purchased through open tender.

There were inadequate inspections of manufacturing and selling units of medicines to seek assurance on the quality of these medicines. Drug Controller conducted 8, 267, and 149 inspections against 31, 424 and 180 mandatory inspections in respect of Homeopathic, Ayurvedic, and Unani manufacturing units respectively.

2.1.13 Recommendations

(i) The Department may assess the infrastructural and staff requirements of AYUSH hospitals, dispensaries and drug controllers afresh and take effective action to fill up the gap in a time bound manner.

(ii) The Department may prepare annual action plans and implementation strategy to ensure implementation of all elements of the Five Year Plan in a time bound manner.

(iii) The Department should ensure that AYUSH medicines are procured by following the government/CVC instructions to promote transparency and competition in procurement.

(iv) The Department may take adequate steps to establish in-house drug testing facility in order to facilitate quality testing of AYUSH drugs including independent testing of purchased medicines.

(v) The Department may strengthen the inspections of units manufacturing and selling AYUSH medicines in NCTD to seek assurance on the quality of these medicines.

The matter was referred to the Government in November 2017 and their reply is awaited as of January 2018.

Department of Urban Development

2.2 Development and Strengthening of Delhi Road Network by the Municipal Corporations of Delhi

A performance audit of road works executed by the Municipal Corporations of Delhi was conducted with a view to assessing whether construction and maintenance of roads were planned with a long term perspective and executed in a transparent manner in accordance with the prescribed rules, procedures and terms and conditions of the contracts. Major audit findings are as under:

Highlights

- ***Multiple agencies were responsible for Delhi Road Network. The Urban Development Department did not establish any mechanism to coordinate the efforts of these agencies to prepare a perspective plan, lack of which hindered the effective planning and coordination in developing Delhi Road Network in a phased manner to cope up with ever increasing population of vehicles in the city. Further, there was no effective mechanism for citizens to address their grievances related to specific roads to the responsible agencies for redressal.***

(Paragraph 2.2.6)

- ***South Delhi Municipal Corporation made a payment of ₹30.92 crore to a contractor as of July 2017 on account of post tendering increase in length of new drain from 2,538 meter to 56,636 meter and strengthening of drain from 6,769 meter to 10,226 meter. Further, construction of 5,360 meter road and drain along both side of road included in the contract were not executed in the roadwork of Okhla Industrial Area Phase I.***

(Paragraph 2.2.8.1 (a) (i))

- ***After award of work, the design of ROB at Bijwasan was changed significantly by increasing length of its approaches, number of piles, number of spans of superstructure etc. Post tendering changes led to extra payment of ₹ 8.33 crore. In grade separator work at Dabri intersection there was deviation of 38.87 per cent with excess execution of schedule of quantities items for ₹ 19.35 crore and less execution of ₹26.47 crore. No revised technical sanction was obtained in these works.***

(Paragraph 2.2.8.2 (i))

- ***South Delhi Municipal Corporation failed to recover mobilization advance and interest of ₹1.07 crore from a contractor though the work was abandoned by the contractor in 2013.***

(Paragraph 2.2.8.4)

- ***Incomplete remodeling of Karawal Nagar Road from Wazirabad Road to Shiv Vihar Tiraha by East Delhi Municipal Corporation resulted in unfruitful expenditure of ₹8.34 crore.***

(Paragraph 2.2.8.7)

- ***In 11 works, an expenditure of ₹8.09 crore was incurred by providing bitumen mastic carpet without constructing base course.***

(Paragraph 2.2.8.9)

- ***Awarding of works of covering of Nallah at Nauroji Nagar and Pushp Vihar without ensuring adherence to environmental norms resulted in wasteful expenditure of ₹40.58 crore.***

(Paragraph 2.2.8.12)

- ***Changes made in bid for the work of Grade Separator at Rani Jhansi Road after submission of tender resulted in post tender enhancement of cost by ₹5.22 crore.***

(Paragraph 2.2.8.13 (iii))

- ***Final payment of ₹242.55 crore for 82 works in 14 Divisions was made by the Divisions during April 2012 to March 2017 without obtaining the requisite certificates from respective Executing Officers. Forty eight works continue to be work-in-progress and delay in completion ranged between 76 and 2,899 days.***

(Paragraph 2.2.9.1 (a) and 2.2.9.2 (ii))

2.2.1 Introduction

Area of National Capital Territory of Delhi (NCTD) is 1,483 square km. NCTD is geographically divided mainly into three Municipal Corporations (MCsD) viz. North Delhi Municipal Corporation (North DMC), South Delhi Municipal Corporation (South DMC), and East Delhi Municipal Corporation (East DMC). Prior to trifurcation in April 2012, there was only one Municipal Corporation (MCD).

Section 298 of the Delhi Municipal Corporation Act 1957 makes the Municipal Corporation of Delhi the sole owner of all the roads in Delhi. Owing to financial constraints faced by MCD, the GNCTD (January 2012) curtailed legal mandate of MCD through an executive order and vested the roads having Right of Way (ROW) of 60 feet and above with GNCTD to ensure their proper maintenance and upkeep from the funds of the State

Government. Presently, besides MCsD, there are three GNCTD agencies, namely, Public Works Department (PWD), Delhi State Industrial and Infrastructure Development Corporation (DSIIDC), and Irrigation and Flood Control Department (I&FCD), and two Government of India (GoI) agencies, namely, Delhi Development Authority (DDA) and New Delhi Municipal Council (NDMC) that construct/maintain roads in NCTD. As of March 2017, there were 1.03 crore motor vehicles in Delhi plying over a road network of 33,868 kilometer (Km). Lengthwise details of Delhi roads maintained by different agencies are shown in the **Table 2.2.1**.

Table 2.2.1: Agency wise length of road maintained

(Length in Km.)

Agencies	MCsD	PWD		NDMC	I&FCD	DDA	DSIIDC	Total
		City roads	Highways					
Length of the roads	23,931	6,308	430	1,290	40	435	1,434	33,868

2.2.2 Organizational set up

All the three Municipal Corporations of Delhi (MCsD) are headed by respective Commissioners. Each of the three MCsD has its own Engineering Department headed by respective Engineer-in-Chief supported by Chief Engineers (CE), Superintending Engineers (SE) and Executive Engineers (EE) etc. There are 12 Municipal Zones (Six in North DMC, four in South DMC and two in East DMC) geographically divided into 55 works divisions (Division) headed by respective EE. There is a Quality Control Circle (QCC) in each of the MCsD for quality assurance of engineering works and also a common laboratory (MCD Lab) for MCsD for testing of engineering materials. MCD engaged Central Road Research Institute (CRRI) as an independent agency (third party) for quality assurance of works. For financial management and control, there is a Finance Wing in each of the MCsD headed by respective Controller of Accounts-cum-Financial Advisor. Urban Development Department, GNCTD (UDD) is the administrative department of MCsD.

2.2.3 Audit objectives

The main objectives of this Performance Audit were to assess whether

a) there was an effective mechanism in UDD and in MCsD to draw need based perspective plan keeping in view long term growth in vehicle population and habitat;

b) award of works and their execution by MCsD was in accordance with prescribed procedure, rules and specifications and contracts management mechanism was efficient and effective.

c) there was a mechanism in UDD to monitor the physical as well as financial progress of road works approved by GOI/GNCTD under various schemes, and

d) quality control/assurance mechanism for road works was efficient and effective.

2.2.4 Audit Scope and Methodology

This Performance Audit was carried out during May - July 2017. Out of total 55 Divisions under the three MCDs (North DMC-25, South DMC-22 and East DMC-8) 17 divisions (North DMC-8, South DMC-7and East DMC-2) which have booked a total expenditure of ₹ 10 crore and above on road works during the period from April 2012 to March 2017 were selected for this audit. In these divisions, all the 166 road works approved by GoI and GNCTD which were awarded between April 2012 to March 2017 and works awarded prior to April 2012 but remained incomplete or were completed during 2012-17 were covered. 24 works having the cost of ₹ 25 lakh and above funded by the MCsD from their own resources also formed part of this audit. As such, total 190 road works (North DMC 89, South DMC 73 and East DMC 28) involving total expenditure of ₹ 880.35 crore were selected for audit.

An entry conference with the officers of UDD and MCsD was held on 4 May 2017 to discuss the scope, objectives and methodology for this Performance Audit. Planning and sanctioning of road projects/works were examined at planning branches of UDD and MCsD and records relating to implementation of the sanctioned works and their quality related aspects were examined in the divisions and other field formations of MCsD. An exit conference with the UDD and MCsD was held on 28 September 2017 wherein the MCsD assured that reply on audit observations would be submitted within ten days. However, no reply was received from the North and East DMCs. Subsequently, the draft Performance Report was issued to Principal Secretary (UD) on 22 September 2017. The replies from UDD were awaited as of January 2018.

2.2.5 Audit Criteria

The performance and level of efficiency of UDD and that of MCsD in developing and strengthening of Delhi road network were evaluated considering the following as criteria:

(i) General Financial Rules, Receipt and Payment Rules and other relevant Government rules; Instructions and orders issued by Government of India and Government of NCT of Delhi;

(ii) Central Public Works Department Works Manual (CPWD Manual), Central Public Works Account Code, Delhi Schedule of Rates and directives of UTTIPEC[14];

(iii) MORTH[15], Indian Road Congress and CPWD specifications;

(iv) Provisions of General Conditions of MCsD's contracts and agreements.

Audit Findings

2.2.6 Perspective Plan not prepared

There are multiplicity of agencies responsible for Delhi Road Network. However, there is no single agency or mechanism to prepare a perspective plan for improvement of Delhi Road Network. The UDD being the nodal department of the GNCTD for development of civic facilities in Delhi did not establish any mechanism or administrative structure to coordinate the efforts of all these agencies to prepare a perspective plan. Lack of perspective plan hindered effective planning and coordination in developing Delhi Road Network in a phased manner to cope up with ever increasing population of vehicles in the city. Population of vehicles in NCTD has increased from 77.85 lakh in 2012-13 to 97.04 lakh in 2015-16 to 1.03 crore in 2016-17 but no work/project for construction of new roads, flyover or underpass was undertaken during this period by any of the 17 divisions covered in audit. Also, UDD did not evolve any mechanism for citizens to address their grievances, related to specific road to the responsible agencies for redressal.

2.2.7 Source and management of funds

Regular source of funds for MCsD for road works has been Grant-in-Aid (GIA) from GNCTD under the head LA roads and Trans Yamuna Area Development Board (TYADB). MCsD also receive Grant-in-Aid from MoUD under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and from MoRTH under Central Road Fund (CRF). These grants are received through UDD. The UDD, however, had not maintained any data/record of works approved under different heads/schemes for future reference and to watch their physical and financial progress.

2.2.7.1 Requirement and availability of funds were not properly synchronized

Grants-in-Aid from GNCTD under its head of account LA Road was the main source of funds for road works for MCsD. It was observed that there was no correlation between the works sanctioned and funds made available to MCsD under LA Road by the UDD. Works were sanctioned by the Lieutenant Governor on individual proposals but funds were released by the UDD to MCsD as GIA on quarterly basis depending upon yearly budget allocation by

[14] Unified Traffic and Transport Infrastructure (Planning and Engineering) Centre.
[15] Ministry of Road, Transport and Highways.

GNCTD without analyzing/assessing the actual requirement of MCsD. Due to mismatch of works sanctioned and funds budgeted/released, some new works sanctioned are not taken up and/or ongoing works could not progress or liabilities are accumulated for payments to the contractors. This resulted in accumulation of cash liabilities of ₹ 14.98 crore as on 31 March 2017 with South MCD on account of the contractors' bills passed under the head LA road and committed liabilities of ₹ 1.73 crore and ₹ 76.60 crore with South and North DMC, respectively, on account of award of works without availability of funds. Mismatch in works awarded and funds released hampered the progress of works. East DMC, on the other hand, had unutilized GIA amounting to ₹ 1.13 crore as on 31 March 2017.

2.2.7.2 Underutilization of Central Road Funds (CRF) by MCsD

GIA out of the CRF is provided by Ministry of Road Transport and Highways (MoRTH) to the States for road works on the basis of individual proposals submitted by them. In GNCTD, proposals for works planned to be undertaken through CRF are submitted to MoRTH by different agencies through PWD and funds from MoRTH to executing agency are routed through UDD.

Details of the proposals submitted by MCsD to PWD under CRF was not available with the MCsD. As per the information provided by PWD, the MCsD submitted only 27 proposals to PWD during the period from April 2012 to March 2017. The PWD, however, sent only 5 proposals to MoRTH and only one proposal was approved by MoRTH. Reasons for non-submission of remaining proposals by PWD and non-approval of 4 proposals by MoRTH were not found on the records of MCsD. It indicates that the proposals were not adequately pursued by MCsD to take advantage of this fund for improvement of Delhi road network.

South DMC stated that they were not expected to take further action once they had submitted the proposals for CRF funds. Reply is not acceptable as the proposals should have been actively pursued by MCsD particularly when MCsD were facing financial constraints for road works.

2.2.7.3 Unauthorized utilization of GIA

GIA from Government of India and GNCTD were received by MCsD for road work and for creation of capital assets. Audit observed that MCsD had utilized upto 10 *per cent* of such grant i.e. ₹ 73.50 crore as administrative expenses for paying salaries and other expenditure for administering the plan schemes even though there was no specific stipulation to this effect in the terms and conditions of the GIA. SDMC cited permission from the Finance Department of GNCTD vide letter dated 22 July 2011 for such deduction which they have not been able to furnish till date. The Finance department has also stated (02 February 2018) that the letter is not traceable at once and efforts will be made to trace out in future and will be provided.

It was also noticed that UDD never asked for the project-wise details of the expenditure out of the GIA released to the MCsD.

2.2.8 Execution of works and contract management

2.2.8.1 Lack of transparency coupled with time and cost overrun.

Project-II Division, Central Zone, MCD invited tender in February 2010 for Improvement and Strengthening of the roads of Okhla Industrial Area Phase I and II under JNNURM. Out of three technically qualified bids, bid of J. Kumar Infra projects Limited (Agency-I) was found the lowest (L-1) with its quote of ₹ 138.49 crore and Dinesh Chandra R. Aggarwal Infracon Private Limited (Agency-II) was the second lowest (L-II) with its quote of ₹ 142.89 crore. The Division recalled the tender on 22 December 2010 on the plea that rates quoted by Agency-I for some items were more than the justified rates worked out by MCD. Agency-1 moved the Delhi High Court (the Court) challenging recall of tender. On the directions of the Court, bids received in retendering were opened on 10 March 2011. This time Agency-2 who was the L-II in earlier tendering process was found the L-1 quoting an amount of ₹ 123.96 crore and Agency-I, the L-1 of earlier tendering process, was found the L-2 with its quote of ₹ 135.63 crore.

The Agency-I contended in the court that price quoted by Agency-2 was not workable and additional sum would be recovered through the device of escalation etc and there would be serious issue of quality. The court (March 2011) took note of apprehension of Agency-I and in their orders directed MCD to appoint CRRI as an independent agency to monitor the work with the mandate, *inter alia* to ensure timelines are met and the cost escalation is kept to the bare minimum. With a view to maintaining transparency in the execution, the Court directed that concerned independent agency would place on website of MCD quarterly progress reports of the work. Accordingly, the EE awarded the work in August 2011 to Agency-2 at a contractual amount of ₹ 123.64 crore. As of October 2017, payment of ₹ 137.29 crore had been made to the contractor. Further scrutiny revealed the following:

(a) Non-compliance of orders of Delhi High Court

Despite court orders, the MCD did not engage CRRI as independent monitoring agency. As a result, work was executed without a vigil by an independent agency on cost, and time line of the work. Scrutiny further revealed that during execution, division increased the scope of work, got executed BOQ items at higher rates, did not obtain assurance on quality of work and closed the work prematurely as brought out in subsequent paragraphs.

(i) Escalation in cost of work due to post tendering increase in scope of work

The division at post tendering stage increased the length of drain to be strengthened from 6,769 meters to 10,226 meters and length of new drain to be constructed from 2,538 meters to 56,636 meters. Division also got restoration of a road cut by DJB through this contract as extra item on market rates at a cost of ₹ 5.91 crore. Further, road to be constructed by bitumen as per SOQ, was in actual got constructed by cement concrete at an extra cost of ₹ 1.36 crore. Resultantly, a payment of ₹ 30.92 crore on account of post tendering increase in the scope of work was made to Agency-2 (up to 36 RA bill) as of July 2017. It included ₹ 20.79 crore paid at prevailing market rates which were 170 to 231 *per cent* higher than the contractual rates. Further construction of 5,360 meters length road having an area of 21,913 Square meter and drain along both sides of this road and other ancillary works was never taken up. Neither the reasons and justification for increase/decrease in the scope of work nor approval of the competent authority for post tendering alteration in the scope of the work was found on record.

South DMC stated (October 2017) that variation and deviations in estimated quantity were made as per requirement of site with the permission of competent authority. Reply is not acceptable as this was not a case of variation in the quantity but a case of increase in scope of work at post tendering stage for which revised technical sanction was to be obtained from the competent authority under Section 2.5.2 of CPWD Manual.

(ii) Insufficient records on assurance of quality of work

Reports of the mandatory quality tests by the divisional officers prescribed in CPWD and MORTH specifications and quality test reports of third party were not available with the division.

South DMC replied that quality assurance of the work had been carried out as per requirement. In support the South DMC furnished a letter of CRRI, treating it as certificate of CRRI on quality aspect of the work. Though Audit found on record detailed estimate along with scope of work and terms and conditions and it appears that CRRI must have been engaged for complete work as it is done for all works of more than ₹ 25 lakh but supporting records were not available.

(iii) Avoidable payment on account of cost escalation

Section 15.1.2 of Works Manual provides that before approval of NIT availability of clear site, approval of local bodies and layout plan for all services is desirable.

It was noticed that the work was completed with a delay of 942 days and division has paid ₹ 7.88 crore to the contractor on account of escalation beyond stipulated date of completion. This delay includes delay of 556 days on account of non-availability of hindrance free site (307 days), road cut made by DJB (124 days), detection of location of manholes (94 days) and delay of 31 days in making available site for the plant. Payment on account of cost escalation for such delays could have been avoided had the division addressed all these issues before award of work. MCD also allowed extension of time for 188 days on account of increase in scope of work but division did not take into account the decrease in scope of work. As against the contractual quantities of work of ₹ 123.64 crore, only quantities costing ₹ 94.42 crore were executed. As such there was decrease in scope of work. Hence, allowing extension of time without levy of compensation was not justified.

(b) Unjustified loading of cost of vehicle along with its running cost on work

A condition was included in the general conditions of contract (not in SOQ) that contractor would provide a new vehicle of not less than 1800 CC for the use of the Department along with fuel, maintenance, driver etc. during the period of execution of project. After completion of the project the vehicle was to be transferred to MCD. This was not justified as it amounts to buying a car through the contractor to avoid the approval of the competent authority. The project has been closed but the vehicles were not taken in to stock of South DMC.

Thus, as of August 2017, against the contractual amount of ₹ 123.64 crore for the work viz. Improvement and strengthening of the roads of Okhla Industrial Area Phase I and II under JNNURM, an amount of ₹ 137.29 crore including escalation cost of ₹ 11.95 crore have been paid to the contractor for the work, out of which only ₹ 94.42 crore was for items/quantities in the original scope of work and the balance amount of ₹ 30.92 crore was paid for quantities added during post tendering stage. Besides, timeline and quality assurances provisions were not adhered to. In spite of court orders, quarterly progress reports of CRRI were not uploaded on website of MCD. Hence, execution of work lacked transparency. South DMC stated that quarterly progress report were uploaded on website of South DMC. Reply is not tenable as quarterly progress reports were to be uploaded by CRRI, an independent monitoring agency.

2.2.8.2 Inordinate delay in completion of road bridge projects

Project-I Division, West Zone, MCD awarded the work of construction of Grade Separators at Dabri Intersection of Pankha Road (grade separator) in January 2008 under the head LA road at a contractual cost of ₹ 109.84 crore with stipulated date of completion in August 2010. The work was completed on 22 August 2014. As of August 2017, payment of ₹ 105.77 crore was made to the contractor.

The Division also awarded another work of construction of Over bridge and approach roads at Railway Level crossing at Bijwasan (over bridge) in December 2009 under the head ROB/RUB at a contractual cost of ₹ 44.21 crore with stipulated date of completion in December 2011. The work was completed with a delay of 54 months on 30 June 2016 at a total cost of ₹ 66.18 crore including cost escalation of ₹ 13.64 crore. Audit findings are as under:

(i) Non obtaining of revised technical sanction for post tendering increase in Scope of work

Section 2.5 of CPWD Manual stipulates that technical sanction to a work amounts to a guarantee that the proposals are technically sound and that the estimates are accurately prepared and based on adequate data. Section 2.5.1 (c) provides that before an estimate is technically sanctioned, detailed architectural drawings with specifications are desirable. As per Section 2.5.2, technical sanction can be exceeded upto 10 *per cent* beyond which revised 'technical sanction' shall be necessary. Similarly, if subsequent to the accord of technical sanction, material structural alterations are contemplated, the orders of the authority which sanctioned the estimate technically should be obtained, even though no additional expenditure may be involved due to such alterations.

After award of overbridge work at Bijwasan significant structural changes were made in the design of the ROB by increasing length of its approaches, number of piles, number of spans of superstructure and clear height. These changes ultimately resulted in 61 *per cent* deviation in the cost of contractual quantities of the contract. Against the contracted quantity, there was excess execution of SOQ items for ₹ 17.60 crore and less execution of ₹ 9.56 crore. It led an extra payment to the contractor of ₹ 8.33 crore. Similarly, in grade separator work of Dabri Intersection, there was a deviation of 38.87 *per cent* with excess execution of SOQ items for ₹ 19.35 crore and less execution of ₹ 26.47 crore. It clearly indicates that technical sanctions in both the works were not based on adequate data. It was further noticed that revised technical sanction was not obtained from the competent authority. Further, post tendering changes in the scope of the works with significant cost implication also compromised the sanctity and transparency of the tendering process.

South DMC in October 2017 stated that change in scope of over bridge work was due to increase in the height of girder by the Railways. Reply is not tenable as in the note submitted to the South DMC for revised administrative approval and expenditure sanction the issue of increasing the height by the railway was not brought out. Division has not offered any comment on the issue of not getting the revised technical sanction in respect of Grade Separator work at Dabri Intersection.

(ii) Avoidable time overrun and payment of cost escalation

As per section 15.1(2) of CPWD Manual availability of clear site and funds are pre-requisites for approval of NIT.

The work of over-bridge at Bijwasan was completed with a delay of 1,483 days which includes delay of 1,439 days on account of delay in land acquisition and division had paid ₹ 10.60 crore on account of cost escalation for the period beyond stipulated date of completion. The work of grade separator at Dabri Intersection was completed with a delay of 1,464 days due to delay in shifting of DJB lines, high tension lines, MTNL lines, gas pipe lines and removal of encroachment. Cost and time overrun could have been avoided had the division ensured the hindrance free site before award of works.

The extension of time for total delay without levy of compensation was not justified as some of the reasons considered as hindrances such as non-handing over of site for casting yard and delay in shifting of services are not reasons to be considered as total hindrances for all components of work. The days on which work of any type related to this contract was done or could have been done should have also been taken into consideration while granting extension of time and compensation for delay considered accordingly. Since record of hindrances for both the works, was not maintained in the prescribed manner and lacked vital information and data, exact allowable delay could not be worked out in audit.

South DMC in October 2017 stated that delay in completion of over bridge work was mainly due to delay in land acquisition. South DMC did not offer comments on the remaining issues.

(iii) Loading of Divisions' own expenditure on works

Items for providing manpower and heavy machineries to the Divisions were included in SOQ of contracts and a total payment of ₹ 1.12 crore was made to the contractors against these items as detailed given in **Table 2.2.2**.

Table 2.2.2: Items for Division's use included in the contract

Sl. No.	Item	Expenditure (in ₹)		Total (in ₹)
		Over bridge	Grade separator	
1	Beldar on daily basis	6,60,000	5,40,000	12,00,000
2	Tractor trolley	0	5,36,277	5,36,277
3	Tipper with beldar	5,76,072	0	5,76,072
4	Maintenance of AC Car for MCD staff	22,99,977	34,88,625	57,88,602
5	Computer operator	8,53,312	0	8,53,312
6	Maintenance of site office	0	22,00,000	22,00,000
	Total	**43,89,361**	**67,64,902**	**1,11,54,263**

Loading the Divisions' own expenditure on the contracts amounts to unauthorized utilization of GIA. However, no proof of supply of manpower and machineries by the contractors and their utilization by the Divisions was found on record.

In respect of over-bridge work, South DMC stated that machinery and manpower was used for mass demolition action by the Government. Reply is not acceptable as it was clearly mentioned in the SOQ that manpower was hired for keeping the site neat and clean and tractor trolley and tipper were to be used for shifting serviceable material from the site.

(iv) Execution of extra items without justification and approval

The contractors were paid ₹ 2.38 crore for extra items such as providing and fixing designer wall tiles, laying batch mix concrete, providing vehicle for MCD staff etc., but no justification or approval of competent authority for these items was found on records. In the absence of proper justification and approval of competent authority, it could not be ascertained in audit whether execution of these items was based on actual need. Further, EE irregularly procured two computers amounting to ₹ 1.20 lakh through the contractor as extra items. However, no entry was made in stock register of the Division. South DMC stated that computers were purchased for making day to day record. Reply is not acceptable as the computer, if actually needed, should have been procured through office contingencies. South DMC did not explain as to why the entries of these were not made in stock register.

(v) Undue payment to contractor

A payment of ₹ 44.35 lakh was made to the contractor for grade separator work for using reinforcement bar of Fe 500 in place of reinforcement bars of Fe 415 mentioned in contract. Reasons for not using contractual items, approval of competent authority to use Fe 500 in place of contractual Fe 415 and basis for working out price difference between Fe 415 and Fe 500 were not on record. Payments for items not approved by competent authority amounts to undue payment to contractor.

(vi) Wasteful expenditure

Grade separator work was completed in August 2014 and the contractor was paid ₹ 47.01 lakh for an item of SOQ for horticulture works comprising preparation of land/providing of good earth/manure, supply of plants and trees and manpower. Audit physically visited the site (June 2017) and noticed that there was no sign of vegetation around or below the flyover. Instead, three big office complexes were existing there i.e. Office of the EE, Pr.-I, and II, West Zone, South DMC and Office of the EE, Maintenance Division (PWD). In such a situation, it was difficult to verify whether the work was previously executed and dismantled at a later stage or it was not at all executed. It was a loss to government exchequer in both the situations.

2.2.8.3 Irregular engagement of the consultants

Section 6.13 of CPWD Manual provides that engagement of private consultant shall be resorted to only when the Director General (W) is satisfied that the architectural staff is fully occupied. Further, Department shall maintain a panel of private consultants prepared on the basis of open advertisement and appointment of private consultant in specific case will be on the basis of invitation of quotations limited to those in the panel. Thus, consultants, if needed, were to be engaged by MCD itself. However, in three works[16], MCD included a clause for providing a consultant for comprehensive consultancy for the project in the NITs rather than engaging the consultants themselves. Engagement of consultants through contractors was irregular.

Contractors of Grade separator at Dabri Mor (Work-I), Over Bridge at Bijwasan (Work-II) and Rani Jhansi Road Over Bridge works (Work-III) quoted ₹ 1.49 crore, ₹ 24.37 lakh and ₹ 1.30 crore, respectively for consultancy. Payments to contractors were made according to quoted rates in Work-I and Work-II. Contractor for Work-I signed an MOU in March 2008 with a consultant firm for providing comprehensive consultancy for this work at a fee of ₹ 1.10 crore whereas the amount quoted by him in the contract was ₹ 1.49 crore. Thus, MCD paid the contractor ₹ 39 lakh more than the fee at which he engaged the consultant. This amount could have been saved had the MCD itself engaged the consultant directly. Formal engagement letter issued by the contractors of Work-II and Work-III to the consultant and details of payments made to them by the contractors were not provided to audit.

South DMC replied that engaging consultant by agency is a standard practice in other organizations. South DMC, however, did not furnish the reasons for not observing the provisions of works manual.

2.2.8.4 Incomplete work and non-recovery of mobilization advance

MCD awarded a work under JNNURM in December 2010 for Improvement of Tigri road from MB Road to Durga Vihar, Devli road from MB Road to Devli Village, SSN Marg in village portion and EPDP road between Kalkaji using Ready Mix Concrete (RMC) at a cost of ₹ 29.96 crore with stipulated date of completion in January 2012 for which interest bearing mobilization advance of ₹ 1.50 crore was also released to the contractor in May 2011. An amount of ₹ 7.55 crore was paid to the contractor up to October 2013 and thereafter, the Contractor withdrew labour and machinery from the construction site without the permission of the Engineer-in-Charge. By this time only ₹ 67.79 lakh was recovered on account of mobilization advance and out of 18 contractual items of SOQ, only 10 items were partly executed and eight were not executed at all. Though the work was lying abandoned, the

[16] (i) Construction of Grade Separators at Dabri Intersection of Pankha Road (Work-I) (ii) Construction of Over bridge and approach roads at Railway Level crossing at Bijwasan (Work-II) and (iii) Construction of Grade Separator at Rani Jhansi Road (Work-III).

contractor was further paid ₹ 22.51 lakh till December 2014. Recovery of mobilization advance was also not effected from these payments. South DMC did not get the work completed either through this contractor or through another contractor on the risk and cost of the contractor. MCD has been holding a bank guarantee of ₹ 1.50 crore (with validity upto December 2017) against the mobilization advance but the same was not encashed to recover the dues. As of October 2017, an amount of ₹ 1.07 crore was lying unrecovered with the contractor on account of mobilization advance and interest thereon. Thus, indecision on the part of South DMC resulted in non-completion of work and non-recovery of mobilization advance ₹ 1.07 crore though the work was abandoned by the contractor more than three years ago in 2013.

South DMC stated that the part work was carried out on the roads as per scope of the work except on two roads. It was further stated that a recovery letter had been written (October 2017) to the contractor. Reply is not acceptable as MCD was holding a valid bank guarantee of ₹ 1.50 crore against the mobilization advance and earnest money of ₹ 25 lakh but the same were not encashed to recover the balance of mobilization advance and compensation for non-performance of contract though the contractor has abandoned the work in October 2013.

2.2.8.5 Inadequately planned road construction works

The work of Widening, Improvement and Strengthening of Dera Bhati Road (Road-I) along with construction of drain was awarded by Project Division, South-II in June 2011 at a contractual amount of ₹ 26.80 crore with stipulated date of completion in August 2012 under Central Road Fund. Similarly, another work for Widening, Improvement and Strengthening of Gadaipur bandh road (Road-II) was awarded by the Division in January 2012 at a cost of ₹ 11.58 crore with stipulated date of completion in January 2013. Payments of ₹ 26.26 crore and ₹ 11.53 crore had been made for Road-I and II in March 2014 and April 2015, respectively through RA bills. Audit noticed that at the time of award of work 77 and 221 numbers of trees were existing on the portion of Road-I and Road-II to be widened. The Division applied to Forest Department for permission for felling of 77 trees existing on Road-I in July 2011. The Deputy Conservator of Forests (DCF) sought some clarification from Division on 20 December 2011. Matter was not pursued by the Division thereafter. Matter of permission for felling trees in respect of work of Road-II was taken up by the Division on 8 May 2014 with Forest Department i.e. more than two years after award of work. The DCF (South) asked the MCD in November 2014 to deposit ₹ 96.60 lakh as security deposit and furnish the details of the locations of proposed compensatory plantation in lieu of felling of trees. Neither the money nor other documents were submitted to the DCF. Both the roads were constructed without removing trees. The roads were handed over to PWD in August 2014. Existence of 77 trees on

Road-I having a length of 5,760 meter and 221 trees on Road-II having a length 2,850 meter raises question mark on workability and utility of these roads. The PWD repeatedly requested the Division to remove the trees as fatal accidents were taking place because of these trees. However, trees were not removed as of July 2017.

Quality of road work was also not ensured by MCD. It is evident from the fact that soon after taking over the roads in August 2014 the PWD started making complaints about poor quality of roads but they were not attended by the South MCD. Road and drainage were to be maintained by contractor for five years from the date of completion of work. PWD asked the Division to get the defects removed but to no avail. Consequently, PWD had to incur an expenditure of ₹ 42.69 lakh on repair of drain. Thus, despite an expenditure of ₹ 38.22 crore, intended facilities of widened and improved roads could not be provided to public.

South DMC stated in October 2017 that the contractor of Road-I was asked in July 2017 to repair the damaged road. South DMC also added that widening of Road-I was re-aligned to avoid the felling of trees. It is clear from the reply that Division took up the matter with the contractor in July 2017, i.e only after being pointed out in audit whereas PWD started complaining about poor quality of road in August 2014. However, South DMC did not furnish any document evidencing change in alignment of Road-I. Audit is also of the view that expenditure of ₹ 42.69 lakh incurred by PWD should have been recovered from the contractor by encashing the bank guarantee lying with the South DMC which is valid up to 19 November 2018.

2.2.8.6 Unwarranted Expenditure

A bituminous road mainly consists of three courses (i) Water Bound Macadam (WBM), known as sub-base course, which forms a foundation of the road, (ii) Bituminous Macadam (BM)/Dense Bituminous Macadam (DBM) course as road base material and (iii) Bituminous Concrete (BC) is the top layer of the road which is known as wearing course made of crushed stone aggregates of specified grading pre-mixed with bitumen, or an open grade premix surface of small size aggregate premix with bituminous binder is laid on previously laid base course. Thus top layer of road is constructed either by the BC containing coarse/fine aggregate premix with bitumen or with open grade small size aggregate premix with bituminous binder. This layer provides riding quality to the road and comes in the direct contact of commuters. This layer is followed by seal coat to protect the road from water.

(a) Project-I Division, Shahdara (North) awarded the work of Construction of storm water drain, footpath and widening of Service Road along ROB on Shahdara Saharanpur Railway line in January 2010 at a cost of ₹ 6.44 crore under the Head LA road. Under the work, a new service road was widened and constructed by providing premix carpeting and seal coat. The work was completed on 28 December 2012 at a cost of ₹ 6.42 crore. While the work was in progress, the Division awarded another work of strengthening of the same service road again by providing BM and BC for ₹ 4.09 crore in February 2012 which was completed in June 2012 at a cost of ₹ 3.38 crore. Thus, necessity of strengthening of a road just after its construction is questionable which resulted in unwarranted expenditure of ₹ 3.38 crore. Moreover, if BC and BM was to be used for this road, this should have been included in the first contract itself.

(b) M-I Division, Shahadra (North) awarded the work for restoration of Johripur road from UP border to Shiv Vihar Tiraha and of Brijpuri road from Wazirabad road to Shiv Vihar Tiraha at a cost of ₹ 75.01 lakh in June 2011 by providing WBM, premix carpet surfacing and seal coat which was completed in December 2011. In August 2012, the Division requested Project-I Division, Shahadra (North) to take up the work of dense carpeting of same road without explaining the reason for premature strengthening. Project-I Division awarded the work of Improvement and Strengthening of these roads by providing BM and BC in June 2013 at a cost of ₹ 2.66 crore. Though the contractor was paid ₹ 2.77 crore including ₹ 11.19 lakh on account of cost escalation by December 2013, the work was in progress as of August 2017.

Thus, undue strengthening of a road has resulted an unwarranted expenditure of ₹ 2.77 crore. Non-recording of the completion of work and non-finalization of the bills even after four years of last running bill does not provide assurance that the work was actually carried out.

2.2.8.7 Unfruitful expenditure due to incomplete remodeling of a road

Length of the Karawal Nagar Road from Wazirabad Road to Shiv Vihar Tiraha is 4.2 Km. The UDD, in August 2006, conveyed the approval of Trans Yamuna Area Development Board (TYADB) for an amount of ₹ 4.85 crore for widening of a stretch of one km of this road i.e., from Wazirabad Road to Sherpur Chowk. Audit findings are as under:

i. The work of widening of a stretch of 1 km of this road was not taken up by the MCD. Reasons of non-execution of work was not found on record. In April 2007, TYADB approved an additional amount of ₹ 21.78 crore for widening of the remaining stretch of 3.2 km of the road i.e from Sherpur Chowk to Shiv Vihar Tiraha. This time Project-II Division, Shahdara (North) awarded the work, in August 2010, for Widening, Improvement and Strengthening of only a small stretch of 1.450 km of this road i.e. from Chand Bagh Culvert to Senior Secondary School, Dayalpur along with construction of raised footpath at a contractual cost of ₹ 11.67 crore with stipulated date of completion in February 2012. Payment of ₹ 8.34 crore was made to the contractor up to 10th RA bill paid in March 2013. The subject road was visited by audit along with an officer of East DMC on 21 July 2017 and it was noticed that there was a culvert on a drain on the road under reference being maintained by Irrigation and Flood Control Department, GNCTD. The road on either side of culvert was widened by the Division under


Narrow culvert in the middle of widened Karawal Nagar Road

this contract but the culvert itself was not widened by East DMC or got widened through I&FCD. The narrow culvert remained a big bottleneck undermining the utility of widening of the road.

ii. As per approved scheme, raised footpath with cement concrete curbs and paver blocks were to be constructed on both sides of the road, which were not constructed. TYADB had approved widening of complete Karawal Nagar Road of 4.2 km. However, under this contract only a small stretch of 1.450 km was widened and strengthened. Work of widening and strengthening of remaining length of 2.750 km of road had not been taken up for the reasons not found on record. Beyond Dayalpur school, the road is very narrow and without central verge. Hence, despite an expenditure of ₹ 8.34 crore intended benefits could not be provided to residents and whole of the expenditure remained unfruitful.

iii. The 10th RA Bill shows that the Division paid ₹ 22.02 lakh to the contractor for reconstruction of the road with premix carpeting and seal coat but the EE in May 2013 awarded another work for strengthening of the same stretch of the road by providing dense carpeting at a contractual cost of ₹ 2.48 crore. The work was completed in July 2013 at a cost of ₹ 2.52 crore. It indicates that a road which was completed in March 2013 has again been strengthened in July 2013 resulting in unwarranted expenditure of ₹ 2.52 crore.

iv. The subject road was strengthened in July 2013 but during physical visit


Dilapidated condition of Karawal Nagar Road

it was found in very dilapidated condition with big potholes. Though it was under warranty period, the division did not get the defects rectified by the contractor.

2.2.8.8 Un-finished strengthening of road

TYADB sanctioned (June 2012) ₹ 160.10 lakh for Improvement and Strengthening of Internal Roads of DDA MIG and LIG flats at East of Loni Road including improvement of carriageway by dense carpeting, improvement of side berms and improvement and raising of existing drain. Shahdara North Project-I Division awarded the work (December 2012) of providing and laying BM and BC on designated roads. However, works of improvement of side berms and existing drains were not included in the contract for which no reasons were found on the record. The work was completed in September 2013 at a cost of ₹ 96.98 lakh. Unmaintained side berms are risky for pedestrians as well as for vehicles. Similarly, adequate arrangements to drain out rain water from road pavement is also essential for sustainability of good road condition.

2.2.8.9 Application of mastic asphalt without base course

Mastic carpeting is not a term defined in MORTH specifications. However section 515.4.2 of MORTH specifications provides for laying of the mastic asphalt on previously made base course. It was, however, noticed that six divisions incurred an expenditure of ₹ 8.09 crore during April 2012 to March 2017 for 11 works of Improvement and Strengthening of roads in disintegrated condition, by providing bitumen mastic carpet without constructing the base. Since strengthening/improvement of road by laying mastic carpeting alone without constructing the base is not specified in MORTH specifications, it could not be ascertained in audit whether desired results of strengthening of these road were achieved through these works.

2.2.8.10 Un-authorized utilization of grant-in-aid

The GNCTD in 2007 approved a scheme for 'Widening, Improvement, Strengthening and Beautification of GT Road from eastern approach of ISBT to Uttar Pradesh Border'. Project-II Division, Shahdara (North), however, unauthorisedly diverted the funds received under this scheme for construction of RCC drain from New Seelampur to Shiv Mandir including side lane from Shiv Mandir to Road No. 66 which was awarded in September 2012 at a contractual cost of ₹ 2.08 crore. The stipulated date of completion of the work was in May 2013. MCD paid ₹ 1.08 crore to the contractor till November 2013 and no progress of the work was recorded thereafter.

2.2.8.11 Undue payment to the contractor

As per directions issued by Quality Control Circle (QCC), fee for 3rd party quality assurance to CRRI was to be borne by the contractor of the work. It was however noticed that Project-I Division, Shahdara (North), East DMC made a payment of ₹ 8.98 lakh to the contractor against payment made by him to the CRRI for the work awarded vide Work Order No. 07/2015-16 dated 12 June 2015. As this expenditure was to be borne by the contractor, payment on this account to the contractor was irregular and should be recovered from the contractor.

2.2.8.12 Wasteful expenditure of ₹ 40.58 crore on incomplete covering of Nallah at Noroji Nagar and Pushp Vihar

Gazette notification of Delhi Development Authority, Ministry of Urban Development (MoUD), GOI dated 7 August 2009 stipulates that all transportation projects/transportation engineering solutions in Delhi by any agency having road engineering/infrastructure implication would require clearance of the Unified Traffic and Transport Infrastructure (Planning and Engineering) Centre of DDA (UTTIPEC). The UTTIPEC Governing body on 19 February 2010, for environmental reasons, decided that no covering of drains henceforth would be taken up by any agency and drains should be developed with the local ecological and landscape to use them as Non-Motorized Transport (NMT) connectivity routes. As some of the projects of MCD approved under JNNRUM were not getting approval of UTTIPEC, MoUD directed on 4 November 2010 that MCD may submit other projects in place of such projects for approval of the Ministry.

MoUD, GOI conveyed its approval in December 2009 for funding the projects of covering of Nallah at Nauroji Nagar (₹ 51.20 crore) and Pushp Vihar (₹ 233.00 crore) for providing parking/road-cum-parking under JNNURM. MCD did not submit the proposals to UTTIPEC and approached directly Lieutenant Governor for relaxing the directives of UTTIPEC. Lieutenant Governor did not accept the request of MCD, and directed to firm up the tender and go for an open bid process at an early date to develop an environment friendly Eco-Mobility corridor at these stretches.

MCD again on 16 May 2011 approached the Lieutenant Governor with a submission to finalize a policy for covering of nallahs in a manner which would allow percolation of water through various channels to these nallahs. It was however noticed that no reference to decision of UTTIPEC dated 19 February 2010 was made in the note. Lieutenant Governor approved the concept. The MCD thereafter did not submit the designs and drawings for covering of these nallahs, based on approved concept, to UTTIPEC for clearance, and EE (Project)-I South and EE (Project)-I Central, in September 2012, awarded the works for covering of nallahs at Naroji Nagar at a contractual cost of ₹ 33.38 crore and nallah at Pushp Vihar at a contractual cost of ₹ 163.21 crore. On an application filed in National Green Tribunal (NGT) for covering of nallah against the directives of UTTIPEC, the NGT on 13 January 2015 directed not to cover any of the drains. Thereafter both the contract have been closed in September 2015 after incurring total expenditure of ₹ 33.73 crore on these works.

Abandoned work of covering of PushpViharNallah

The MCD ignoring the directives of UTTIPEC got approved from MORTH, GOI, in February 2012, another work for Construction of road over drain from Mandoli road to Drain no. 1 near Jafrabad under CRF. The EE (Project)-I Shahdara incurred an expenditure of ₹ 6.85 crore on pre tendering preparatory works of this project such as payment to BSES, DJB and forest department but work could not be commenced because of NGT orders.

Thus, award of works for covering of Nallah, in violation of UTTIPEC directives and without its clearance, had not only resulted in wasteful expenditure of ₹ 40.58 crore, but it also made the conditions of the Nallah at Pushp Vihar and Naroji Nagar worse as despite the directions of the NGT unfinished reinforcement bars have not been removed from there. Resultantly, not only these were hampering the cleanliness of nallahs but also disturbing free flow of water. Further, there is unrecoverable loss to environment as 249 number of trees were cut by MCD for covering of Mandoli Jafrabad drain.

South DMC replied that decision of UTTIPEC was brought to the notice of the Lieutenant Governor vide note dated 16 May 2011 and the Lieutenant Governor accorded approval for execution of work. Reply is not in order as the Lieutenant Governor has never accorded the approval to execute the work without approval of UTTIPEC. Simply a concept was approved by Lieutenant Governor.

2.2.8.13 Abnormal delay and increase in cost of elevated road project

With a view to overcoming bottlenecks on congested Rani Jhansi Road cutting across densely populated commercial localities of Azad Market and Bara Hindu Rao and to providing hurdle free connectivity between Interstate

Bus Terminal, Kashmiri Gate and Idgah, Lieutenant Governor accorded (July 2006) administrative approval and expenditure sanction of ₹ 177.72 crore for construction of Grade Separator at Rani Jhansi Road. This estimated cost included cost of construction of a grade separator of ₹ 75.40 crore, cost of removal of underground utilities and of land acquisition etc. of ₹ 96.42 crore and ₹ 5.90 crore for contingencies and quality control.

Sadar Paharganj Project Division took two years to award the contract in June 2008 at a contractual amount of ₹ 93.84 crore with stipulated date of completion in October 2010. Audit noted that:

i) MCD did not do a comprehensive survey of the locality to identify affected areas to factor in relevant issues in project planning prior to administrative approval and award of work. The grade separator was to cross over a place of worship falling in its alignment and therefore, opposition from the community and possible solution including modification in alignment/design of the grade separator should have been adequately planned. MCD did not consider that there was a railway track falling in the alignment of grade separator and construction of bridge over it by railways and its cost and timelines were to be considered in this project in consultation with the Railways.

ii) MCD did not adequately estimate the presence of residential, commercial, and government properties that were to be relocated/compensated. As a result, there were recurring interruptions during execution and grade separator work which was supposed to be completed by October 2010 remain in work in progress as of August 2017 in spite of incurring an expenditure of ₹ 58.79 crore. Original cost estimate of ₹ 177.72 crore was revised (August 2014) to ₹ 724.22 crore.

The Division stated that North MCD had put forth its best efforts in completion of project despite odd conditions. Reply is not tenable as the work was inadequately planned and as a result, an important decongestion project remains incomplete for over 10 years from its approval. Besides, long construction schedule created chaos and difficulties to the residents and visitors of the localities.

iii) SPZ Project Division under North DMC invited (August 2007) item rate tender for the work of Grade Separator at Rani Jhansi Road. The work was awarded on single bid basis at an amount of ₹ 93.84 crore. Price bid documents showed that price quoted initially was revised upward in three items of schedule of quantities through cutting. Upward revisions in a single bid are not justified. Audit noticed that corresponding changes were not effected in other relevant places of the price bids. Impact of upward revision resulted in increase of ₹ 5.22 crore in total price bid from ₹ 93.44 crore to ₹ 98.66 crore.

SPZ Project Division replied (July 2017) that cutting in rates made by the bidder in the financial bid were meticulously marked/noted by the concerned Accountant and also attested by the EE. The reply is not tenable. Vague initials on the side of correction cannot be accepted as the same were not supported by remarks from the tender opening committee evidencing these revisions as if these were made prior to submission of price bids. Moreover, correction of clerical and arithmetical mistakes in the price bids noted at the time of opening bids could be justified but in this case, there were evidence of two upward revisions of the base rates in the price bids document, and should not have been accepted. Therefore, possibility of enhancement of rates in post tender stage fraudulently allowed by the MCD officials could not be ruled out, particularly since it was a single tender.

2.2.8.14 Increased cost and idle investment due to delay in execution of RUB at Kishan Ganj

A work for 'Widening of Kishan Ganj RUB and that of approach roads' was approved by the Ministry of Surface Transport, GoI in November 1992 for ₹ 24.36 crore to connect Central Delhi and West Delhi. MCD was to take up widening of approach roads and widening of existing RUB was to be assigned to the Railways. Widening of roads and RUB were to be executed simultaneously. Audit findings are as under:

(i) Increase in cost due to delay in starting the work

MCD took 12 years to pay the deposit of ₹ 17.52 crore in September 2004 and ₹ 8.89 crore in February 2006 to Railways for construction of RUB. Cost estimates were revised to ₹ 56.47 crore in August 2006. Thus, inaction on the part of MCD resulted in increase in the cost of project by ₹ 32.11 crore in the initial stage itself.

(ii) Idle investment due to non-completion of RUB

Railways started construction of underpass only in April 2012 after seven years from the receipt of amount and completed only one Box in December 2014 and submitted revised estimate from ₹ 26.41 crore to ₹ 57.40 crore and demanded additional fund of ₹ 31 crore from North DMC. MCD requested the Railway to furnish the details of expenditure out of the funds released earlier which they did not do. MCD did not release additional funds and consequently, Railway did not take up the work of remaining three boxes. It was observed that the matter was not escalated to the level of Commissioner North DMC or Urban Development Department for timely completion of project.

(iii) Non-functional RUB

For operating one box of RUB constructed by the Railways, retaining wall and other allied works were to be constructed. MCD took 23 months to award this work in December 2016 at a cost of ₹ 1.48 crore. This work was stopped in August 2017 after 60 *per cent* physical completion due to overflow of water from adjoining DJB sewage system reflecting poor planning on the part of MCD. Consequently, the only box of RUB completed in December 2014 was also lying unutilized.

(iv) Irregular payment to contractor

Section 33.10 (3) of CPWD Manual stipulates that cost escalation is to be paid for work done during the stipulated period of the contract including the justified period extended under the provision of the contract.

The stipulated date of completion of the work for construction of approaches was 14 October 2010. The work had not been completed as of August 2017.

No extension of time for delay has been granted by the competent authority but the division has paid ₹ 93.81 lakh on account of cost escalation for the period of delay beyond stipulated period of completion.

An amount of ₹ 36.92 crore have so far been incurred on this project including widening of approach roads on either side of RUB completed at a cost of ₹ 8.68 crore but widening of Kishan Ganj RUB to connect Central Delhi and West Delhi planned in 1992, however, remains as work in progress and could not be made available to the citizens.

2.2.8.15 Unfruitful expenditure in construction of RUB at Sultanpuri due to deficient planning

Work for approach road of RUB at Sultanpuri was awarded by Rohini Project-I Division in July 2010 at ₹ 38.97 crore with stipulated date of completion in August 2012. Presence of underground civic facilities like MTNL cables, DJB lines, NDPL/BSES electrical lines services in Delhi area is a known fact and should be factored prior to awarding the contract for construction work on these sites. MCD did not do the required due diligence in this respect. After achieving physical progress of 20 *per cent*, work was stopped in February 2013 due to non-removal of these underground hindrances and contract was terminated. In the meantime, the contractor was paid ₹ 9.04 crore against running bills which has become infructuous. Besides, unadjusted advance of ₹ 1.61 crore paid to the contractor was also not recovered. In the absence of approach roads, RUB constructed also could not be used depriving the public of a better road connectivity. Audit is of the view that security deposit should not be released without recovering the unadjusted advance.

2.2.8.16 Unauthorised deviation in quantities of items

Section 24.1.2 (2) and (3) CPWD Manual stipulate that deviation in quantities of individual items beyond the limit of 10 *per cent* should be sanctioned by the competent authority and the quantum of deviation shall be the sum of absolute value of deviated amount of all individual items. It further stipulate that if total deviation of quantity is beyond the deviation limit of 10 *per cent*, deviation beyond this limit should not be made at site without in principle approval of technical sanction authority. However, in six RUB approach road works executed during the audit period, there were deviations ranging from 43 to 72 *per cent* in quantities of items actually executed over the contractual quantities as indicated in **Table 2.2.3**. The approval of the competent authorities was not obtained in these cases either for reduction or increase of the quantities.

Table 2.2.3: Details of deviation in quantity

(₹ in crore)

Sl.No	Name of work	Contractual amount	Cost of quantities executed in excess (No. of items)	Cost of quantities executed short (No. of items)	Amount of deviation	Percentage of deviation
1	**2**	**3**	**4**	**5**	**6 (4+5)**	**7 (6/3x100)**
1	Construction of RUB at Narela	23.69	8.97 (82)	7.17 (28)	16.14	68
2	Construction of RUB near Mundka	34.62	10.21 (66)	10.62(43)	20.83	60
3	Construction of RUB near Sawan Park	19.51	6.37 (93)	6.66 (33)	13.03	67
4	Construction of RUB, Badli	24.88	5.89 (68)	4.74 (35)	10.63	43
5	Construction of RUB at Sanjay Gandhi Transport Nagar	4.26	1.35 (90)	1.34 (29)	2.69	63
6	Construction of RUB at Roshnara Garden	14.10	5.92 (70)	4.18 (52)	10.10	72
		Total	**38.71**	**34.71**	**73.42**	

In all the six works, there were excess execution of the SOQ items amounting to ₹ 38.71 crore and less execution of items amounting to ₹ 34.71 crore. It indicates that technical sanctions of the works were not based on adequate/reliable data. Further, approval of competent authority was not obtained in any of these cases.

Narela Project Division stated (August 2017) that the works were executed as per site requirements and contractual cost of both the projects was within the contractual amount. The reply is not acceptable as approval of the competent authority was not obtained as required under Section 24.1.2 (2) and (3) CPWD Manual.

2.2.8.17 Unauthorised expenditure in the work of Providing Ready Mix Concrete on Phirni road of village Hiran kudna

Narela Project Division awarded the work in July 2013 at ₹ 3.53 crore with stipulated date of start and completion as 19 July 2013 and 24 March 2014, respectively. As per contract, a road of 1,400 meter length was to be constructed, but in actual 3,446.06 meter road, almost two and half times the contractual quantity was constructed whereas six items[17] were not executed at all and the quantities executed in respect of 12 items were less than SOQ. Payment of ₹ 3.50 crore was made to the contractor up to January 2015. Thereafter, the status of the project remained the same and was not completed as of August 2017. Reasons and justification for construction of extra length at a cost of ₹ 1.09 crore were not found on the record nor the revised technical sanction was obtained. Thus, due to post tendering increase in the scope of work, Division had incurred unauthorized expenditure of ₹ 1.09 crore.

Narela Project Division replied that the extra length of the road was constructed on the demand of local residents. The reply is not acceptable as in the absence of approval of the competent authority it did not provide assurance that the construction of extra length of road was need based and technically justified.

2.2.8.18 Non recovery of ₹ 1.92 crore from contractors

Condition No.4 of additional conditions of the contract for the work of RUBs at Mundka and Rampura stipulates that if, due to site conditions, the quantity of any item of contract, whose accepted rates are lower than the justified rates worked out by the department, decreases from the quantity stipulated in the schedule of quantities, such non executed quantities shall be recovered at the difference of justified rates worked out by the Department and accepted rates of item of contract.

In Mundka and Rampura RUBs, quantities of 26 items and 29 items with tendered rates lower than justified rates were executed in lesser quantities than those mentioned in schedule of quantity of contract. Audit noticed that though payments of ₹ 34.38 crore and ₹ 5.95 crore were made to contractors of respective works up to October 2016 and October 2014 but recoveries amounting to ₹ 1.72 crore and ₹ 0.20 crore respectively according to the above condition have not been made. As of August 2017, these projects have neither been declared as complete nor final bills paid.

Rohini Project-I and Narela Project Divisions assured in July/August 2017 that the recoveries would be made. An amount of ₹ 1.73 crore is lying with Rohini Project-I Division as security deposit in respect of Mundka RUB and audit is of the view that recovery should be made out of this amount. Narela Project Division stated (January 2017) that security deposit withheld from bills of Rampura RUB amounting to ₹ 29.74 lakh has been forfeited on rescinding the project but it was not clear whether the forfeiture was on account of recoverable amount.

[17] (i) Earth work, (ii) disposal of soil, (iii) brick work, (iv) steel work, (v) cement concrete of 40 mm grade and (vi) cement concrete of 20 mm grade.

2.2.8.19 Un-authorized change in scope of work after award in the improvement and strengthening works.

Rohini Project-I Division awarded six works having total estimated cost of ₹ 19.60 crore, relating to 'Improvement of drains and side berms at Sectors 5, 6, 17 and 18 Rohini, strengthening of carriageway and improvement of drainage systems at Saraswati Vihar, Rohini, improvement and development of Roads and improvement of drains at Pushpanjali Enclave, Rohini' during 2012-17. As per schedule of quantities of these contracts, side berms were to be improved/ constructed with CC paver blocks at a total amount of ₹ 3.09 crore. However, in place of paver blocks, ready mix concrete (RMC) was used. Substituting contractual item without cost adjustment amounts to undue favor to contractors. Exact financial impact could not be worked out as quantity of RMC used in berms was not available.

The Division stated (July 2017) that scope of work was changed in the larger public interest and with the approval of competent authority. The reply is not acceptable as the requirement should have been assessed at the time of framing the estimate. The changes after the award of work were against the spirit of transparency and healthy competition and unfair to other bidders. Difference in cost due to substitution was not recovered from the contractor.

2.2.9 Non- monitoring of works at execution stage by MCsD

2.2.9.1 No assurance that works were completed as per specifications

(a) Rule 132(7) of General Financial Rules (GFR) provides that final payment shall be made on a personal certificate by the officer in-charge of execution of work that he is satisfied that the work has been executed as per the specifications and the workmanship is up to the standards. Final payment of ₹ 242.55 crore for 82 works (South DMC-34, North DMC-32 and East DMC-16) in 14 Divisions was made during April 2012 to March 2017 without obtaining the requisite certificates from respective Executing Officers.

(b) Section 30.4 of CPWD Manual states that before a road work is declared as complete in all respects, it has to be certified by the SE/EE, that the work has been carried out as per specifications.

It was, however, noticed that during the period April 2012 to March 2017, total 127 works (South DMC-55, North DMC-51 and East DMC-21) having contract value of ₹ 545.94 crore were completed but in none of these works the requisite certificate was recorded by the respective SE/EE. This shows failure of the officers to perform their designated responsibilities and there was no assurance regarding actual completion of these works and their quality.

On being pointed in audit, Engineer-in-Chief, South DMC instructed (October 2017) all the EEs to release payment to contractors after the completion certificate by the SEs.

2.2.9.2 Weak financial control mechanism in MCsD

(i) Non finalization of bills

Section 30.2 of CPWD Manual provides that final payments for works costing more than ₹ 15 lakh should be made within six months of the completion of the work. It was however noticed that in 45 works, costing more than ₹ 15 lakh, the final bills were not processed as of September 2017 even after 145 to 2,147 days of their completion. For instance, two works namely strengthening of carriageway of 13.5 meter and 18 meter of Sector 18, Rohini and strengthening of road by dense carpet at Punjabi Bagh respectively were shown completed in November 2011 and May 2017 but the bills of these works has not been finalized as of September 2017.

South DMC stated that bills were not finalized because some formalities were not completed by the contractors. Reply is not tenable as these bills are to be processed in accordance with the terms of the contract including compensation for delays attributed to the contractors. Out of 45 works, 25 works were completed after the contractual completion date (Refer to Paragraph 2.2.9.2(ii) of this report). Moreover, reasons for delays in final bill payment were not on record.

(ii) Non levy of compensation for delay

Clause 33.1(3) of CPWD Manual provides for recovery of compensation for slow progress or delay in completion of work subject to a maximum of 10 *per cent* of tendered value. Clause 33.1(4) stipulates that there is no choice for Engineer-in charge but to recover the same at the rates mentioned in clause 2 of the contract. It was noticed that out of total 190 works scrutinized in audit, 117 works completed on or before their stipulated dates of completion, 25 works were completed with a delay of 34 to 513 days and 48 works were ongoing even after 76 to 2,899 days from their stipulated date of completion. However, no compensation was levied by the competent authority on contractors for delayed completion or slow progress in these works.

(iii) Payment for works having no evidences for their actual execution

In five divisions a total amount of ₹ 7.19 crore was shown in cash books as payments for works done under the head of LA Road **(Appendix 2.2.1)**. On being asked about the approval of the competent authority for these works, Divisions intimated that the same was not available. No documents like work orders, bids and contract documents, completion certificate etc. were made available to audit by the divisions in support of these payments except vouchers. Further scrutiny of the vouchers revealed that out of ₹ 7.19 crore, an amount of ₹ 1.13 crore was shown incurred on contingent expenditure of divisions such as purchase of furniture, car, construction of office cabin etc. However necessary stock entries of the items were not found in official records of the divisions. In the absence of proper documents, it could not be ascertained whether these works were actually executed and possibility of fraud cannot be ruled out.

(iv) Non maintenance of work wise details of expenditure

Section 10.3 of CPWD Manual provides that permanent and collective records of expenditure incurred in the Division during a year on each work should be maintained in the form of 'Register of Works' and it should be reviewed and initialed by the EE. Such register however was not being maintained in the Divisions which indicates lack of control to ensure that the expenditure incurred on works was in accordance with expenditure sanction of competent authority. South DMC stated that the required register would be maintained henceforth.

2.2.9.3 Non-maintenance of Records of Quality Assurance System

CRRI was to conduct Third Party Quality assurance for every project of ₹ 25 lakh and above. It was to conduct stage-wise inspections in accordance with the agreed modalities and submit complete and comprehensive inspection report within 10 days of the inspections. As per directions of Quality Control Circle, payment to contractors was required to be made after receiving third party quality assurance report from CRRI. During the period April 2012 to March 2017, total payment of ₹ 880.35 crore was made to contractors for 190 works through RA or final bills. Audit however observed that the Executive Engineers of the Works Divisions were not maintaining prescribed registers in respect of samples of materials sent for testing and sample test reports including third party quality assurance reports and quality audit documents were also not maintained. In absence of these records, Audit could not verify whether running bill and final payments to contractors were made after due consideration of third party quality assurance report from CRRI. On being pointed out in audit, E-in-C (South DMC) issued directions (October 2017) to all the EEs for strict compliance to the directives of Quality Control Circle contained in their circular dated 20 February 2007.

2.2.10 Non-compliance of provisions of MoRTH

Compliance with the MoRTH specifications for road and bridge works is a standard condition for similar works awarded by the MCsD. Section 500 and 600 of MoRTH Specifications define the procedures and specifications for bituminous and cement concrete pavement roads (CC road) respectively. A bituminous road mainly consists of three courses – Sub Base Course made of Water Bound Macadam (WBM); Base course made of Bituminous Macadam (BM); and Wearing Course made of Bituminous Concrete (BC).

During the period April 2012 to March 2017, MCsD carried out 110 works of improvement/strengthening/resurfacing of bituminous roads and 14 works of Cement Concrete roads involving total expenditure of ₹ 301.27 crore. Audit checked all the 124 road works to ascertain the level of compliance with the MoRTH specifications/procedures and the discrepancies are as under:

(i) Non-formulation of road work wise Job Mix and Mix Design

Job mix formula is a mixture of bitumen or any other binder, coarse aggregate/fine aggregate, mineral filler etc. in a specified proportion by weight or percentage to be used in construction of a specific bituminous road. Section 507.3.3 of the MoRTH specifications provides that the contractor shall inform the Engineer in writing, at least 20 days before the start of the work, of the job mix formula proposed for use in the work, and shall give the details of source and location of all materials along with test results of physical characteristics of aggregates to be used. EEs of MCsD, however, did not adhere to this, and instead incorporated a condition in NITs of road works that one job mix formula for one year shall be got designed by the contractor from MCD Lab and its cost shall be borne by the contractor irrespective of the number of works undertaken during the said year. Even this procedure was not followed in practice.

For example, MCD Lab intimated in August 2017 that they received samples of materials for job mix formula from divisions and not from contractors as required as per NIT. However, there was no record in the Divisions as well to show that samples were ever sent to MCD lab such as description and date of samples of materials dispatched to MCD Lab, sources, locations they were collected from, test results of physical characteristic of aggregates and other materials submitted by the contractors etc. The samples of the materials taken into consideration by MCD Lab were neither preserved in the MCD Lab nor made available to Division to ensure use of the same materials by the contractor in works. Neither the MCD Lab nor the Divisions has maintained record of road work wise or contractor wise job mix formula approved by MCD Lab.

Similarly, mix design of cement concrete is required to be formulated for CC roads. However, no record was found maintained in Divisions to show that mix designs were approved or got approved by EEs for CC roads.

South DMC stated that whenever contractor wants to get a new formula designed he has to submit various materials and information to the concerned division in which works have to be taken up. South DMC however did not clarify as to why this practice as defined by SDMC in their reply was not followed.

(ii) No structural designing of road pavements

Axle load of different type of vehicles moving on the road governs the structural design of a road pavement. Various bituminous roads were strengthened /improved/resurfaced by MCsD by laying new layer of 40 to 50 mm thick BC or 25 mm thick mastic asphalt. However, there was no record to show the basis on which the thickness of BC/Mastic Asphalt was decided. It indicates that no exercise was under taken to design the pavements of these roads according to axle load. Moreover, BC and Mastic Asphalt are merely wearing courses to provide riding quality to road. Thus, strengthening of the roads, previously strengthened at least five years ago, by laying BC or Mastic alone without providing new base of BM did not provide an assurance that the roads had achieved required strength and durability.

South DMC stated that for resurfacing of the existing roads, structural designing of road pavements was not necessary. Reply is not acceptable as wearing course laid on these roads also forms the part of the road crust. Hence the thickness of this course should have been designed taking into consideration the axle load on the respective road.

(iii) Non-removal of already applied bituminous layer

Section 501.8.3.2 of MoRTH specifications stipulates that where specified, the existing bituminous layer shall be removed with care. Examination of 110 works amounting to ₹ 238.33 crore revealed that new wearing course of BC was laid on roads without removing existing one in any of them. There was no document in respective Divisions about any exercise undertaken to evaluate the strength and condition of existing layer before deciding laying of new course, ignoring the fact that the existing wearing course which may already have outlived its normal life would form base for the new one. Hence there was no assurance that desired quality and strength could be added to the roads through these works. This could also mean that quality and durability of new surface got compromised resulting in untimely recurrence of potholes, and bills of quantity approved and paid for full resurfacing could be higher than the quantity actually used by the contractor.

South DMC stated that the resurfacing of roads was carried out as their existing surfaces had outlived their life and there was no necessity to remove the existing surface. Reply of South DMC is not tenable as there was no evidence in records to show that there was no need to remove the existing layer in any of the works.

(iv) Not applying seal coat to protect the roads from water

Bitumen is highly vulnerable to water. Section 513.1 of MoRTH specifications provides for application of seal coat on wearing course for sealing voids in a bituminous surface. Seal Coat provides an impermeable surfacing to prevent penetration of water in the previously laid bituminous courses. It was, however, noticed that provision for seal coat was not included in any of the works of strengthening/resurfacing of roads nor it was provided over newly laid bituminous course which may reduce the normal life span of these roads.

(v) No determination of density and thickness of bituminous courses

Sections 501.6 and 509.4.8 of the MoRTH specifications prescribe compacting of layers of BM/BC through rolling by smooth wheeled tandem rollers till the desired density of finished layer is achieved. Achieving the specified density and laying a bituminous layer of stipulated thickness was not only important to ensure the desired strength of the bituminous layers but it also had a financial implication as payment to the contractor was to be made on the basis of the volume of the compacted layer of BC/BM.

As per orders of competent authority, cutting of the core of newly laid BM/BC course for determination of its thickness and density was to be got done through CRRI. Audit, however, did not see such reports of CRRI in the case files or in any other records of the respective Divisions in respect of any of the 110 resurfacing works audited.

Although South DMC stated that the reports of CRRI included the thickness as well as field density achieved at site, the said reports were neither found on record in divisions nor were furnished by the South DMC with the reply.

(vi) Lifting the Manholes to the level of resurfaced road was left incomplete

In 20 works relating to strengthening of the roads, an item for lifting the Manholes was included in Schedule of Quantity (SOQ). However, in 17 works, the item of lifting of manholes was not at all executed and in three cases, the quantity executed was much less than that stipulated in contracts. However, no reasons were found recorded for non-execution/execution of reduced quantity by the engineers. In all these works, layers of 50 mm to 100 mm of thickness of BC/BM on roads without scarifying the existing layers means the manholes in the middle of the road pavement remained at a level lower than the resurfaced road thus creating rabbets (broad grooves) at the un-lifted manholes. Rabbets in the middle of the roads could be life threatening to the vehicular traffic as well as to pedestrians.

South DMC stated that this work was carried out by DJB as manholes were on the sewer line maintained by DJB. Reply is not acceptable as the works for raising of manhole to the level of the resurfaced road were to be taken up simultaneously and the same were part of the contracts. South DMC also did not furnish documentary evidence that the work of raising these manholes was got completed through DJB.

(vii) Non-maintenance of history sheet of roads

Proposals for strengthening/resurfacing of the roads are approved citing existing roads being more than five years old. However, no documents to verify the details of previous strengthening/resurfacing/repair and other allied works on the roads under the jurisdiction of the Divisions was found maintained. In the absence of records, audit could not verify whether strengthening of these roads was carried out on or after completion of their normal life span or any repair work was carried out on these roads at the cost of MCsD during their warrantee period. Record of grievances received from public relating to condition of roads and action taken thereon were also not found maintained in Divisions. South DMC replied that the requisite register would be maintained henceforth.

(viii) Non enforcement of maintenance and guarantee clause of contracts

As per terms and conditions of contracts, the contractors are responsible for maintaining the road and rectification of defects, if any, for a period of five years from the last day of the month in which a particular road is completed. For this to happen, the MCsD divisions were to conduct periodical survey of these roads to find faults in the roads and to ask the contractors to remove/repair the defects. However, there was no record or mechanism in the divisions to indicate that these provisions were ever enforced. Non-existence of such data indicates that contractors were never put on job by the division to rectify the defects whenever and wherever occurred on roads during the warrantee period.

Further, in all 190 cases examined by the audit, formal completion certificates were not issued by the competent authority and therefore, it is not clear as to how and from which date the warrantee clause could have been actually enforced.

South DMC replied that warranty clause was being enforced whenever required. South DMC however did not furnish evidence in support of this statement. Not ensuring compliance with these provisions also means non-maintenance of these roads to the detriment of public road safety with corresponding savings to the contractors.

2.2.11 Conclusion

Section 298 of DMC Act 1957 makes the Municipal Corporation of Delhi the sole owner of all the roads in Delhi. However, as of March 2016, out of 33,868 Km road network of Delhi, 23,931 Km are maintained by the MCsD. Public Works Department, Delhi State Industrial and Infrastructure Development Corporation, and Irrigation and Flood Control Department under the GNCTD, and Delhi Development Authority and New Delhi

Municipal Council under GoI also are constructing/maintaining roads. Audit noted that:

(a) Multiple agencies were responsible for Delhi Road Network. The Urban Development Department (UDD) did not establish any mechanism to coordinate the efforts of these agencies to prepare a perspective plan, lack of which hindered the effective planning and coordination in developing Delhi Road Network in phased manner to cope up with ever increasing population of vehicles in the city. There was failure to evolve an effective mechanism for citizens to address their grievances related to specific roads to the responsible agencies for redressal.

(b) The UDD has not been maintaining data/record of works approved during previous years under different heads/schemes for future reference and to follow up implementation of works so approved from the MCsD and their physical and financial progress. Due to mismatch of works sanctioned and funds budgeted/released, some new work sanctioned are not taken up and/or ongoing works could not progress.

(c) MCsD could not effectively tap the funds from the Central Road Fund, maintained by MoRTH for States road works, due to lack of adequate follow up. MCsD unauthorisedly transferred Grant-in-Aid meant for road works amounting to ₹ 73.50 crore to their non-plan accounts to meet their administrative and contingent expenses.

(d) There had been delays of 1,464 days and 1,483 days in completion of Bridges at Pankha Road and Bijwasan respectively besides cost escalation of ₹ 10.60 crore in over bridge at Bijwasan. Works for Grade Separator at Rani Jhansi Road and under bridge at Kishan Ganj were lagging behind 2,502 days and 2,513 days respectively from their stipulated date of completion.

(e) Quality assurance was lacking in MCsD as provisions of CPWD Manual and MoRTH specifications and instructions/directions issued by the Quality Control Circle of MCsD were not adhered to leaving scope for substandard work.

(f) Records were not maintained to verify whether strengthening of the roads was carried out on or after completion of their normal life span or any repair work was carried out on these roads at the cost of MCsD during their five years' warranty period.

(g) MCsD were not maintaining history sheets of roads or the warranty period in which the contractor was liable to repair the road constructed.

2.2.12 Recommendations

The Department may:

(i) *prepare long, medium and short term comprehensive plans based on proper survey and reliable data for development and strengthening of Delhi Road Network;*

(ii) *ensure strict compliance to provisions and specifications of CPWD and MoRTH in development/strengthening of roads;*

(iii) *evolve a mechanism for monitoring of approved road works under various heads/schemes;*

(iv) *strengthen quality assurance mechanism to ensure durability of newly constructed/strengthened roads by following guidelines/instructions issued from time to time.*

(v) *upload history sheet/warranty period of roads on its website.*

(vi) *ensure enforcement of maintenance and guarantee clause of contracts.*

The matter was referred to the Government in November 2017 and their reply is awaited as of January 2018.

Department of Weights and Measures

2.3 Working of Department of Weights and Measures, Delhi with special focus to safeguard interests of Consumers

The Department of Weights and Measures, GNCTD (Department) has the mandate to protect the interests of the consumers by ensuring accuracy of weights and measures and to ensure mandatory declarations on packaged commodities by enforcing provisions of the Legal Metrology Act 2009 and other Rules. Some of the significant audit findings are summarized below:

Highlights

- ***The Department did not conduct any survey to prepare data base of users of Weights and Measures nor prepared any annual plans to conduct inspections with balanced approach.***

  (Paragraph 2.3.7.1)

- ***There was a shortage of manpower under key functionaries viz. Inspectors/Manual Assistants mainly responsible for enforcement of Act and Rules.***

  (Paragraph 2.3.7.2)

- ***Due to infrastructure deficit, central assistance remained unutilized. Verification equipment provided by Government of India were not optimally utilised.***

  (Paragraph 2.3.7.3 (iv) to 2.3.7.3(v))

- ***Control over revenue receipts was weak which led to mismatch in receipts and deposits in bank and non-reconciliation of revenue receipts of ₹40.32 crore with Pay and Accounts Office.***

  (Paragraph 2.3.8.2 (i) to (iv))

- ***Targets for conducting inspections by Legal Metrology Officers were not fixed leading to inadequate inspection of Weighbridges and Fair Price Shops.***

  (Paragraph 2.3.9.2 (b), 2.3.9.2 (c) and 2.3.9.2(d)(ii))

- ***Department had not framed any policy or guidelines for awareness campaigns for stakeholders and no consumer satisfaction surveys had been conducted. Adequate steps were not taken to make general public more participative.***

  (Paragraph 2.3.9.4 (a) and 2.3.9.4 (b))

- ***Internal control mechanism was weak and ineffective.***

  (Paragraph 2.3.10)

2.3.1 Introduction

Accuracy and precision in weights and measures of goods and services purchased by the consumers is paramount for consumer protection. The terms "Weights and Measures" generally mean an object/instrument/apparatus or device which is used for the purpose of making weighment or measurement while selling any goods or service to a consumer.

Photograph 1: Various types of weights and measurement instruments

The Government of India (GoI) enacted the Legal Metrology Act 2009 (Act) to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The Government of NCT of Delhi (GNCTD) also framed the Delhi Legal Metrology (Enforcement) Rules 2011 which provides necessary powers to the State functionaries to enforce the provisions of the aforesaid Act and Rules made thereunder. The Act and the Rules came into force with effect from 1 March 2011 and 1 April 2011 respectively repealing the Standards of Weights and Measures (Enforcement) Act 1985.

The main functions of the Department are to ensure that:

(i) Only stamped and verified electronic/mechanical weighing machines, weighbridges, taxi and auto fare meters are used in transactions;

(ii) All packaged/pre-packaged commodities offered for sale by commercial establishments have mandatory declaration as prescribed under the Act/Rules;

(iii) Issue/renewal of licenses for manufacturing, repairing and dealing of weights and measures instruments used in commercial transactions;

(iv) Registration of packers and importers of packaged commodities;

(v) Verification certificate of weighing instrument is displayed/exhibited at a prominent place by the dealer/retailers;

(vi) Net contents in packaged commodities is in accordance with the declared weight on each package;

(vii) Commercial establishments do not indulge in overcharging/under-weighing/short-measuring of any item;

(viii) Calibration of petrol/diesel tankers/lorries of petrol pump owners/other contractors and verification of flow meter, proving tanks of Oil companies and issuance of verification certificates.

2.3.2 Organizational set up

The Commissioner Food Supplies and Consumer Affairs is the overall in-charge of the Department and has been designated as Secretary (Legal Metrology). The Controller (Legal Metrology) is the Head of the Department and is responsible for the monitoring and enforcement of the Legal Metrology Act and Rules and is assisted by the Assistant Controllers (at Hqrs. level), Zonal officers/Inspectors (Legal Metrology Officers) (all responsible for enforcement through verification and inspections at nine Zonal Offices, one Calibration Unit and one Taxi Meter Unit in Delhi).

2.3.3 Audit objectives

The main audit objectives were to assess:

1. **Institutional Strengths/weaknesses:**

(i) whether efficient and effective periodical surveys were conducted to build up the data base necessary for preparing rolling perspective and annual plans, and

(ii) whether the Department was endowed with required institutional wherewithal in terms of human, financial and physical resources to carry out its mandate of licensing, calibration, verification, stamping and enforcement.

2. **Financial Management:** whether the financial management within the Department was efficient, economic and effective and also in consonance with the extant financial laws, rules, regulations, orders, etc.

3. **Enforcement Services and Compliance of Act/Rules:**

(i) whether the provisions of the Act and Rules were efficiently and effectively implemented and the targets fixed for enforcement services were achieved, and

(ii) whether effective public awareness campaigns for protection of consumer rights and effective public grievance redressal mechanism for protection (underweighing/overcharging) under the ambit of Act/Rules was in place.

4. **Internal Control, Monitoring and Evaluation:** whether efficient and effective internal controls were in place and periodical monitoring and evaluations were being undertaken.

2.3.4 Scope and Methodology of Audit

The performance audit on the working of Weights and Measures Department was conducted from May 2017 to August 2017 covering the period of five years from 2012-13 to 2016-17 by examining the records at the Head office of the Department and four zonal offices[18] out of nine zonal offices[19], Taxi Meter Unit, Calibration unit and Standard Laboratories of the Department located at four selected zonal offices.

An entry conference to discuss audit methodology, scope, objectives and criteria was held with the Secretary (Legal Metrology) on 3 May 2017. The report was issued to the Government on 15 September 2017 to elicit their response on the audit observations. An exit conference was held on 28 September 2017 with the Department. The views expressed by the Department in the exit conference and replies received have been incorporated in the report. The Department in its subsequent reply (November 2017) confirmed the facts and figures reflected in the Performance Audit Report.

2.3.5 Audit criteria

The audit findings were evaluated against criteria sourced from the following:

(i) Legal Metrology Act, 2009;

(ii) The Delhi Legal Metrology (Enforcement) Rules, 2011;

(iii) The Legal Metrology (Packaged Commodities) Rules, 2011;

(iv) The Legal Metrology (General) Rules, 2011;

(v) The Legal Metrology (Approval of Models) Rules, 2011;

(vi) The Indian Institute of Legal Metrology Rules, 2011; and

(vii) Government orders/instructions/guidelines issued from time to time.

2.3.6 Previous Performance Audit

A Performance Audit (PA) on 'Implementation of Acts and Rules relating to consumer protection in Delhi' was printed in the Comptroller and Auditor General's Report of 2006 on GNCTD. In paragraph 1.8.2 of the PA, the audit findings of Department of Weights and Measures were also featured. The report has not been discussed (August 2017) by the Public Accounts Committee of the Legislative Assembly. The Department also did not initiate any action as appropriate on the audit findings which highlighted inadequacy of inspections and fixation of targets for inspections/verifications and maintenance of data base of the users of weights and measures as discussed in this report at appropriate places.

Audit findings

2.3.7 Institutional Strengths/weaknesses

Sound infrastructure, adequate manpower and funds are the institutional strengths of any organisation to achieve its mandate in an economical and

[18] East, North West, South and West zonal offices.

[19] East, West, North, South, North West, South West, North East, Central and New Delhi Zones.

efficient manner. Audit findings relating to risk based planning, inadequacy of manpower and infrastructure resources as well as shortcomings in utilisation of available infrastructure facilities are discussed in the succeeding paragraphs.

2.3.7.1 Planning- Absence of comprehensive database of users

Identification and database of commercial establishments/users of weights and measures provides vital support to the Department to prepare a risk based perspective and annual plans so that a sensible approach for conducting inspections may be applied.

Audit observed that the zonal offices of the Department did not maintain a database of commercial establishments/users of weights and measures. Survey was also not conducted by the headquarters and zonal offices to prepare the database of users to determine different type of users of weights and measures (i.e. Jewellers, Shopping malls, Fair Price Shops (FPS), Sweet Shops and other commercial establishments under its jurisdiction) even though the number of manufactures, dealers and repairers of weights and measures instruments had gradually increased from 561 as on 1 April 2012 to 721 as on 31 March 2017.

Further, test check of selected zonal offices showed that out of 842 inspections, quantum of inspections of FPS, Weighbridges, Jewellers, Petrol Pumps and LPG agencies was insignificant despite substantial malpractices incidence ranging between 4 *per cent* and 60 *per cent* were reported in these establishments as shown in **Table 2.3.1.**

Table 2.3.1: Inspection/Prosecution of various establishments by four Zonal offices

Name of zone	Total Inspections	Fair Price Shops	Cinema Halls/ Shopping Malls	Weigh bridges	Jewe-llers	Sweet shops	LPG Outlet	Petrol Pumps	Others
South	250	0	0	2	16	15	5	2	210
North West	243	5	4	4	20	32	10	2	166
East	199	5	9	2	0	26	23	0	134
West	150	0	2	4	8	6	0	21	109
Inspections	**842**	**10**	**15**	**12**	**44**	**79**	**38**	**25**	**619**
Prosecution	**316**	**6**	**6**	**4**	**12**	**20**	**7**	**1**	**260**
Percentage of prosecution to inspections		**60**	**40**	**33**	**27**	**25**	**18**	**4**	**42**

Thus, in the absence of a database of users and commercial establishments, a risk based approach to inspections was not available to ensure compliance with the provisions of Legal Metrology Act and Rules.

The Department while accepting the observation stated (October 2017) that a comprehensive database of all users and risk based action plan would be prepared. It further stated that additional manpower would be required for that purpose as Department is facing shortage of manpower.

2.3.7.2 Human Resources

The Shortage of manpower in the Department was about 30 *per cent* during 2012-13 which had gradually increased to 50 *per cent* in 2015-17. The details of sanctioned strength, persons-in-position and shortage during 2012-17 are shown in **Table 2.3.2**.

Table 2.3.2: Year wise manpower position during 2012-17

Year	Sanctioned Post	Person-in-position	Shortage	Percentage of shortage of manpower to the sanctioned post
2012-13	149	105	44	29.53
2013-14	149	98	51	34.23
2014-15	149	87	62	41.61
2015-16	149	74	75	50.34
2016-17	149	75	74	49.66

Source : Information provided by the Department

The Department did not assess cadre wise requirement for each zone keeping in view the work involved in a zone. Audit analyzed the zone and cadre wise manpower position and found inadequacy of manpower at enforcement as well as supervision level as discussed below:

(a) Inadequate Manpower for enforcement activities in Zonal offices/units.

As per Section 15 of Legal Metrology Act, 2009, Director, Controller or a Legal Metrology Officer (LMO) conducts the inspection of the premises of users of weights and measures.

Inspectors (Grade-I, II and III) in the Department are posted by the Service Department, GNCTD from Delhi Administrative Subordinate Service (DASS) cadre who are further designated/notified as "Legal Metrology Officer" with the approval of Lieutenant Governor, Delhi. The details of the staff position during 2012-17 is given in **Table 2.3.3.**

Table 2.3.3: Cadre wise manpower position of Enforcement Staff during 2012-17

	Sanctioned Posts	Person-in-Position				
		2012-13	2013-14	2014-15	2015-16	2016-17
Grade I (DASS) Inspector	11	10	8	8	8	8
Grade II (DASS) Inspector	12	12	11	6	4	8
Grade III (DASS) Inspector	34	29	30	28	22	16
Manual Assistant/Junior Manual Assistant	31	18	18	18	18	17
Total	**88**	**69**	**67**	**60**	**52**	**49**
Percentage to Sanctioned post		78.41%	76.14%	68.18%	59.09%	55.68%

Source : Information provided by the Department

It is observed that filled posts of inspectors/Manual Assistants declined from 69 in 2012-13 to 49 in 2016-17 and the shortage adversely affected enforcement activities like verification, inspection, prosecution and calibration etc. The inspections conducted declined from 11,650 in 2012-13 to 6,732 in 2016-17. Further, against sanctioned strength of 19 clerical staff, the shortage of staff ranged between 8 and 17 clerks during 2012-17 which was 42 *per cent* to 89 *per cent*. This shortage was met through hiring of 8 to 13 Data Entry Operators during 2013-17, but the inspectors posted at Zonal offices continued to be assigned administrative duties affecting the core enforcement duties.

(b) Shortage of Manpower at Supervisory Level

The post of one Deputy Director remained vacant during last five years ending March 2017 while one post of Assistant Controller was also vacant since February 2017. Audit found that vacancy in Deputy Director/Assistant Controller level resulted in inadequate monitoring of Zonal Offices/Laboratories/Units. Moreover, there were no visits/inspections to zonal offices/units by Controller/Assistant Controller during 2012-16 as discussed at Paragraph No. 2.3.10.1(i).

The Department while confirming the facts stated (October 2017) that shortage of manpower hampers the work of Department and for filling of various vacant posts several letters have been sent to Services Department by Secretary/Controller (LM)/Assistant Controller (LM) from time to time. Since the Department is mandated to protect the interests of consumers by ensuring accuracy of weights and measures, adequate manpower should be positioned to perform mandated duties.

2.3.7.3 Inadequate infrastructure facilities

(i) Disproportionate distribution of population amongst Laboratories

The Working Standard Laboratories (WSLs) are the spine of the Department where stamping and verification of weights and measures are carried out. WSL is established for zonal office and Secondary Standard Laboratory (SSL) is a state level laboratory. Equipment kept at WSL are required to be periodically verified at SSL or at Reference Standard Laboratory (national level laboratory) whereas equipment kept at SSL are required to be periodically verified at Reference Standard Laboratory. The Department has not fixed any norms for establishing Secondary Standard Laboratory (SSL) and WSLs to bring uniformity in area and population under its jurisdiction.

There are nine WSLs and one SSL under the supervision of nine Zonal officers. The Department had not established any new Secondary/Working Standard laboratory in Delhi during the period 2012-17. There were extensive variations in size of population served by these Laboratories in nine zonal offices. The North West Zonal office laboratory covering 29.87 *per cent* area of NCT of Delhi was serving population of 36.56 lakh whereas laboratory at New Delhi Zonal office covering 2.36 *per cent* area was serving population of 1.42 lakh **(Appendix 2.3.1)**. The Department while accepting the audit observation stated (October 2017) that due to shortage of staff, it could not be possible to deploy staff strength and extend the services according to the population in Delhi.

(ii) Further, there was only one Taxi Meter Unit (TMU) established at North West Zone for verification and stamping of taxi and auto rickshaw fare meters for serving 1.07 lakh[20] taxies and auto rickshaws in Delhi but possibility of creation of additional TMUs in Delhi was not explored. The Department noted (October 2017) the audit suggestion for creation of an additional Taxi Meter Unit.

(iii) Non-obtaining of periodical verification certificates for laboratory equipment

The Laboratories are equipped with various types of equipment for stamping and verification of weights and measures brought by the users. As per Section 9 (2) and 9 (3) of the Legal Metrology Act 2009, every reference standard, secondary standard and working standard balance shall be verified and stamped in such a manner and after payment of such fee as may be prescribed and weighing balances which are not verified and stamped shall not be deemed to be a valid standard. Further, Rule 6 and 7 of Delhi Legal Metrology (Enforcement) Rules 2011 also stipulates that every secondary/working standard balance kept at laboratory is required to be verified at least once within a period of 12 months.

Test check of records of one SSL and four WSLs under four selected zonal offices showed that:

(a) Equipment and balances kept in SSL and WSLs had not been got verified by the Department periodically. The five laboratories (SSL/WSLs) could provide only partial details of verification certificates obtained from Reference Standard/Secondary Standard laboratories for the period 2012-17. Audit observed that for 49 sets of equipment available with the five laboratories, verification certificates for 2012-15 were not available with Laboratories while verification certificates for 25 sets and 38 sets were not available for the year 2015-16 and 2016-17 respectively. Besides the SSL and WSLs were not maintaining any register/records of verifications of equipment, in the absence of which audit could not analyse the performance/verifications done by these laboratories.

(b) Further, Taxi Meter Unit was using 22 pulse generating machines for verification of taxi and auto rickshaw fare meters in Delhi. Audit found that out of 22 machines, 10 machines were installed and tested between February

[20] As per information provided by the Department .

2002 and September 2006 while 12 machines were installed and tested between September 2012 and July 2015. No further periodical verification certificates of these machines were obtained thereafter from the designated Test Lab (Electronic Regional Test Laboratory).

The Department while confirming the facts stated (October 2017) that the Secretary (Legal Metrology) has directed/warned the officers strictly to obtain periodical verification certificate timely for equipment kept in Laboratories/TMU.

(iv) Non-development of Land for laboratories

A plot of land (770 sq. mts. in Vishwas Nagar Delhi) was allotted to Department in 1989 for setting up of Zonal office and Taxi Meter Laboratory. Physical possession of land was handed over to Department in October 1993. The construction work of building was assigned to DSIIDC in 1993, but only boundary wall and portable huts were constructed.

The Ministry of Consumer Affairs, Food and Public Distribution, GoI had provided (July 2009) an opportunity to release funds for construction of Working Standard Laboratories/Secondary Standard Laboratory under a scheme for strengthening weights and measures infrastructure of States and Union Territories on first come first served basis. Audit found that Department did not avail the opportunity to create infrastructure on the vacant land till 2013. The GoI again (February 2013) asked the Department to send proposal to construct laboratories on available land. Thereafter, the Department initiated (May 2013) a proposal to construct an office building for which functional requirements[21] were assessed. The DTTDC submitted (March 2014) drawings for construction of building at an estimated cost of ₹ 9.99 crore. The Department sent the proposal[22] to GoI (18 March 2014) and requested to release ₹ 4.75 crore under Centrally Sponsored Scheme. The GoI desired (July 2014) that expenditure over and above ₹ 4.75 crore would be borne by GNCTD. GoI released ₹ 0.75 crore to the Department during 2014-15 (₹ 0.25 crore in March 2014 and ₹ 0.50 crore in September 2014).

Meanwhile, on the directions (June 2014) of Planning and Finance Department, GNCTD, the work was proposed to be done through PWD to save the departmental charges. The work was allotted to PWD in October 2014 for which Administrative Approval and Expenditure Sanction (AA/ES) was accorded on 31 January 2017 for ₹ 5.92 crore. The work was to be completed in 730 days from date of AA/ES.

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[21] One Secondary Standard Lab, three Working Standard Labs, three Zonal officers/Inspectors room, Ministerial staff room, record room, conference hall and basic civic amenities on each floor.

[22] Six working standard laboratory one secondary standard laboratory and taxi meter unit laboratory and office of the Controller (Legal Metrology).

Audit observed that Department did not take initiative to construct the building from 1993 to 2013. Further, there was delay at every stage during 2013 to 2017. Despite release of ₹ 0.75 crore by GoI in 2014-15, the construction work has not been started so far (July 2017). GoI was also forced to revalidate the funds time and again for utilisation in next year. Thus, due to lackadaisical approach of Department, adequate infrastructure could not be created though there was only one Taxi Meter Unit for entire Delhi in North West Zone and a Zonal Office (East) was operating through portable huts in Vishwas Nagar for its Working Standard Laboratory (Photograph-2).

Photograph-2: Working Standard Laboratory at Zonal Office (East)

The Department stated (October 2017) that the construction of building at Vishwas Nagar is a big project involving a number of agencies like DDA, DSIIDC, MCD, DFC, PWD etc. from whom approvals are required before commencement of project and all out efforts are being made at highest level in this regard. The reply is not tenable as despite availability of land since 1993 no action was taken by department to construct the required infrastructure. Further the fact remains that construction work has not been started till date.

(v) Underutilization of Mobile Weighbridge Verification Cranes.

The GoI[23] provided three Weighbridge Verification Kits (Mobile Hydraulic Foldable Crane) to the Department for verification of weighbridges (WBs) in December 2007 (one crane) and March 2010 (two cranes) valuing ₹ 1.77 crore[24] under Centrally Sponsored Scheme (CSS) for strengthening the Legal Metrology Department. Audit noted that the cranes remained under-utilised due to non-availability of drivers and even after hiring of three drivers w.e.f. 14 February 2014 at hiring charges of ₹ 14,365 per month per driver. The details of registration and utilisation of cranes since their receipt are shown in **Table 2.3.4**.

[23] Ministry of Consumer Affairs and Food and Public Distribution, Government of India.
[24] One crane costing ₹ 0.53 crore and other two cranes costing ₹ 0.62 crore each.

Table 2.3.4: Utilisation of Mobile Hydraulic Cranes for verification of weighbridges

Crane No. and name of handling Zone	Date of receipt/ Date of Registration	First time utilisation of crane	Crane runs in KMs since its receipt	Audit findings
DL 1GB 6593 **South Zone**	December 2007/07.11.2008	First time operated in February 2013 but not utilized for verification of WBs till August 2017.	**523 km operated** From (13.2.2013 to 27.11.2015)	The crane was not utilized for verification of any weighbridge till August 2017 due to non-availability of driver. It ran 523 Kms upto November 2015 towards obtaining fitness certificates and periodical repairs to crane while ₹ 2.54 lakh were incurred on its maintenance/fuel. Crane had been parked in South Zone in open area without boundary wall and shed from November 2015.
DL 1GB 7046 **North West Zone**	March 2010 / 30.4.2010	First time utilized for verification of WB in August 2012.	**4226 km operated** (8.8.2012 to 11.8.2016)	Due to non-availability of heavy vehicles driver, crane was first utilised in August 2012 for verification and was last used for verification of WBs in March 2016. During this period the crane was utilized 137 times for verification purpose. After March 2016 crane was operated only for repairs/obtaining fitness upto August 2016. It had been parked in North West Zone.
DL 1GB 7047 **East Zone**	March 2010/ 30.04.2010	First time utilized for verification of WB on October 2012.	**1148 km operated** (8.8.2012 to 1.11.2016)	Due to non-availability of heavy vehicle driver, crane was first utilised in October 2012 for verification. The crane deployed in East Zone was last used for verification on 27 June 2016. During this period crane was utilized for 36 times for verification purpose and after June 2016 crane was kept parked in open area. Further, since January 2017 the crane was lying idle requiring repairs.

Photograph-3 : Cranes for verification of Weighbridges lying unused at South, East and North West Zones

(DL1GB – 6593)

(DL1GB – 7047)

(DL1GB – 7046)

Audit also found that the Department approached (27 July 2016) the GoI for surrendering two cranes and to send these elsewhere for better utilization as cranes were under-utilised in Department. Accordingly, the services of two hired drivers were also discontinued w.e.f. 7 September 2016. Despite advice by GoI (January/February 2017) to transfer one crane to Rajasthan and one to Tripura, both the cranes were still lying with the North West Zone and South Zone (August 2017).

Rule 27 of Legal Metrology (General) Rules, 2011, stipulates annual verification of weigh bridges, however, the log books of these cranes for the years 2012-17 showed that out of 2,857 WBs (543 to 597 WBs in a year), only 173 WBs (4 WBs to 74 WBs in a year) were verified by Department using cranes, reflecting Department's failure to utilize the testing facilities (cranes) provided by GoI at a cost of ₹ 1.77 crore despite incurring expenditure of ₹ 21.83 lakh on operation and maintenance of cranes during 2012-17.

It was further observed that Department did not take any initiative for charging additional fee from users (i.e. from WBs) to meet additional expenditure to use cranes, despite GoI advise citing example of Kerala Government to collect additional ₹ 2,000 on using cranes. Department could have optimally utilized three cranes by generating additional revenue to meet additional expenditure on operations of cranes.

The Department while confirming the facts stated (October 2017) that repair of Crane No. DL-1GB-7047 could not be carried out since January 2017, as no bidders came forward in tendering. It also stated that there is no covered parking available in Zonal offices.

The Reply is not acceptable as the cranes provided by the GoI remained underutilized since their receipt and Department failed to utilise high end machines/cranes due to poor planning. Further, despite decision to surrender two cranes in July 2016, both cranes are still lying unutilized in zonal offices and third crane remained unutilized since its receipt and lying unrepaired.

As regards charging additional fee, Department stated (October 2017) that no such proposal was initiated as mobile cranes could not be used in effective manner in Delhi and Department has requested GoI to surrender two mobile cranes. The reply is not acceptable as the GoI had suggested for charging of additional fee in October 2008 immediately after providing first crane, but Department did not take any initiative on the same.

(vi) Modernization of Departmental computerized applications for providing online services

The Department approached (November 2014) Delhi e-Governance Society (DeGS)[25] through Department of Information Technology (DIT), GNCTD to develop a software module for providing online services alongwith online payment facility to business establishments. The work was to be completed by 31 August 2015 in two phases[26]. The Department released (January 2016) ₹ 3.93 lakh and the software was launched on 16 April 2016. Audit found the following deficiencies in providing online services by Zones:

a) Software made for online renewal of licenses could not be started due to technical problems and zones could not receive/process applications online for renewal of licenses.

b) Out of 149 online applications received by seven zonal offices, 128 applications were processed online while 21 applications were processed manually. Even when online portal was launched, nine zonal offices received 52 applications manually between April 2016 and March 2017 and processed them manually.

Test check at selected zonal offices revealed that Zonal offices were facing problems of network failure and low speed of internet. Secretary (LM) directed (July 2016) to make amendments in the software through DeGS to rectify the problems but it was not done. Thus, despite assigning work to DeGS for modernization of departmental computerized applications by incurring ₹ 3.93 lakh, the intended benefits could not be achieved. Moreover,

[25] On panel with Department of Information Technology, GNCTD.

[26] In first phase, migration of existing data base to new server, registration of the domain name, development of search module for existing license services, creation of a new back up and maintenance of site. In second phase, the online portal for providing licenses and e-payment gateway to be developed, acknowledgement via e-mail/SMS and renewal process of license.

computers and printers available in zonal offices were of old configuration and inadequate in numbers affecting operations.

The Department confirmed (November 2017) the facts and figures.

2.3.8 Financial Management

2.3.8.1 Budget Allotment and Utilisation

The Department performed its activities through funds allocated by GNCTD and grants-in-aid given by GoI under Centrally Sponsored Scheme. Year wise details of budget allotted and actual expenditure incurred during 2012-17 is shown in **Table 2.3.5**.

Table 2.3.5: Year wise Budget allocation and actual expenditure during 2012-17

(₹ in crore)

Financial Year	Budget Provisions		Actual Expenditure		Savings/excesses	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
	(1)	(2)	(3)	(4)	5=(1-3)	6=(2-4)
2012-13	0.06	4.60	0.005	4.38	0.055	0.22
2013-14	0.00	4.50	0.002	4.67	(-)0.002	(-)0.17
2014-15	0.00	5.93	0.030	5.17	(-)0.03	0.76
2015-16	1.00	6.94	0.053	4.97	0.947	1.97
2016-17	1.00	10.12	0.032	5.58	0.968	4.54

Audit analysed the budget allotment and actual expenditure for the period 2012-17 as indicated in table 2.3.1 above and observed that the annual savings during 2012-17 ranged between ₹ 0.22 crore and ₹ 4.54 crore under non plan head whereas for plan funds it ranged between ₹ 0.055 crore and ₹ 0.968 crore during the period 2012-13 to 2016-17. Audit noted that there were significant savings in total expenditure (plan and non-plan) during 2015-17 ranging between 36.74 *per cent* and 49.53 *per cent.* Audit also compared actual expenditure with revised budget allotted and found that savings ranged between ₹ 0.09 crore and ₹ 1.71 crore during 2012-17. It was observed that Department did not assess the actual requirement of funds and schemes were not implemented efficiently as illustrated below:

(i) Demand of Budget in respect of Vacant Posts

The budget estimates for 2012-17 were prepared after considering posts lying vacant for more than one year which was in contravention of directions[27] made by Finance Department. There was a saving of ₹ 1.02 crore in salary head. The Department assured (October 2017) that every aspect of vacant posts will be taken into consideration while framing budget demand in future.

[27] Vide OM dated 16.09.2014, 12.08.2015 and 3.10.2016- No provisions should be kept for posts lying vacant for over one year.

(ii) Non-procurement of computers

The Department received ₹ 37.36 lakh from GNCTD under the head "Office Expenses (Information Technology)" against the demand of ₹ 171.00 lakh during 2012-17. The Department could utilise only ₹ 11.06 lakh upto March 2017 including ₹ 3.93 lakh incurred towards modernization of Departmental computerized applications during 2015-16. Against the requirement (February 2014) of 22 desktops/laptops and 22 printers, Department procured only 11 desktops and 11 printers during 2012-17. The Department stated (October 2017) that for setting up of modernized computerization, all Zonal officers have been asked to work out their assessment for new computers/printers immediately.

(iii) Non-utilization of budget allotted for Strengthening of Legal Metrology Wing.

GNCTD allotted ₹ 206.00 lakh to Department under the plan head "Strengthening of Legal Metrology Wing" from CSS during 2012-17 against which only ₹ 12.18 lakh was utilised including ₹ 11.49 lakh on salary to drivers of three mobile cranes between 2014 and 2017 which was against GoI directions as operation and maintenance of cranes provided by GoI under CSS was the responsibility of State Government.

The Department stated (October 2017) that PWD had been given the work of construction of building of Department at Vishwas Nagar Delhi and the AA and ES was issued in favour of PWD on 31 January 2017. It also stated that payment of salary of crane drivers was not in violation of GoI directions and services of two hired drivers was discontinued from 7 September 2016.

The reply is not acceptable as funds provided for strengthening of Department were not utilized till date. The construction of building has not started so far despite AA and ES having been accorded in January 2017. The utilisation of plan funds on driver's salary was not permitted by GoI, therefore, from August 2016, Department started charging it to non-plan funds.

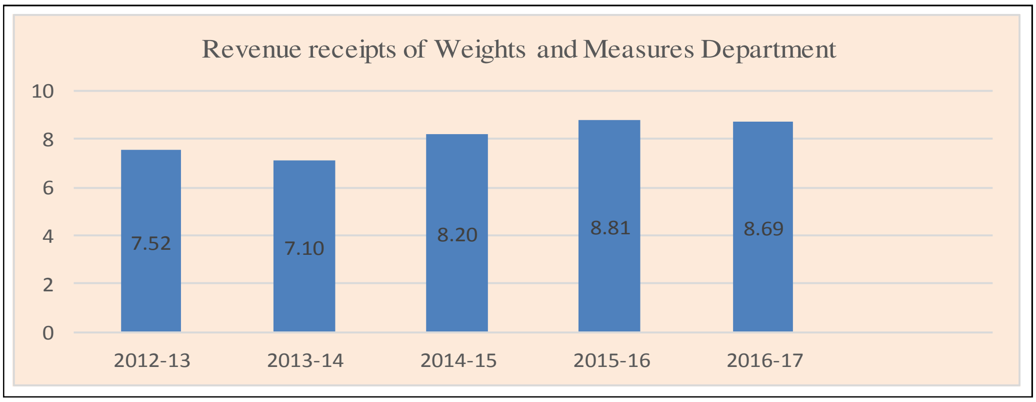
2.3.8.2 Non-tax revenue receipts

The Department collects non-tax revenue receipts in the form of fees for verification and stamping of weights/measures, calibration of equipment/weights, compounding fees, licenses fee from manufactures/repairers/dealers and registration of packers/importers of packaged commodity, penalties etc., which are required to be deposited in the Treasury. The overall revenue receipts of ₹ 40.32[28] crore collected by Department during 2012-17 is depicted in the **Chart 1.**

[28] ₹ 33.41 crore by Zones/units for various fees/levies and ₹ 6.91 crore as compounding fee by Headquarter.

Chart 1: Revenue receipts during the period 2012-17

(₹ in crore)



Source: Information provided by the Department

Each Zonal Office and Unit of the Department collects various fee from clients in cash or through demand drafts, however, from January 2017 the fee is also collected through POS machine (Point of Sale-electronic mode). Thereafter, the receipts are deposited in bank account (State Bank of India, IP Estate Branch) managed and operated by Pay and Account Office, GNCTD. Audit findings are as under:

(i) Non-reconciliation of revenue receipts with Pay and Accounts Office and mismatch in revenue collection with actual deposits in bank

Audit observed that Department did not reconcile such deposits with records of the PAO in the absence of which it could not be ascertained whether the entire revenue receipts collected were deposited or not. Audit test-checked the records of North West Zone, West zone and Calibration unit and found that there was short deposit of ₹ 6.51 lakh into bank as compared to revenue received during 2012-17 (**Appendix 2.3.2**). The Department needs to investigate the matter as the possibility of fraud could not be ruled out and recover the short deposits from the defaulting zonal offices and units.

The Department stated (October 2017) that a serious view has been taken of this matter and the Zonal offices and Assistant Accounts officer have been instructed to reconcile their fee and deposits with Pay and Accounts Office and Bank immediately.

(ii) Delay in deposit of revenue receipts

Receipt and Payment Rule 6 stipulates that all money received by or tendered to government officers on account of revenues or receipts or dues of the Government shall, without undue delay, be paid in full into the accredited bank for inclusion in government account. Further, the cash collected by Zonal offices and units will be deposited in bank within three days.

Test check of cash books and other records of six selected zonal offices and units showed that cash and demand drafts collected during 2012-17 had not been deposited into the bank within the stipulated time. Out of 1,995 cases during 2012-17, only in 163 cases (constituting 8.17 *per cent* of total cases), cash/DDs were deposited within three days while in 1,832 cases the deposits were made in bank with delay ranging upto 77 days (**Appendix 2.3.3**). The unwarranted delay of remittances of government receipts into the bank was not only a violation of government rules but also possibility of personal use of cash could not be ruled out.

Further, in the selected zonal offices and units, delay in depositing receipts into bank had resulted into accumulation of receipts ranging between ₹ 1.51 lakh and ₹ 15.06 lakh at a point of time during 2012-17 due to non-fixation of any maximum limit of accumulation of receipts in zonal offices and units.

The Department assured (October 2017) to set up a healthy mechanism for timely submission of government receipts in banks. It, however, attributed (October 2017) the delay in depositing cash/demand draft in bank to shortage of staff and to the concerned SBI bank branch at Vikas Bhawan complex at ITO, being far away from the zonal offices.

(iii) Non-furnishing of security bond: Department did not obtain the security bonds from the cashiers in the zonal offices and units during the period 2012-17 as per GFR 275, though substantial cash receipts remained under their custody prior to deposit it into the bank. The Department assured (October 2017) to take suitable action in the matter.

(iv) Improper Maintenance of Cash Books and other allied records: Zonal Offices West and East neither closed their cash books/demand draft registers at the month end nor at year end thereby violating Rule 13 of Receipt and Payment Rules, 1983. Further, there were deficiencies in maintaining records for collection and deposit of cash/DDs into bank **(Appendix 2.3.4)**.

The Department assured (October 2017) that necessary steps would be taken to avoid such discrepancies in future and such discrepancies took place probably inadvertently as the LMOs were also assigned duty of cashier as additional work and some LMOs were working without any previous experience of cashier's duty.

2.3.9 Enforcement Services- Compliance of provisions of Act and Rules

The main activities of the Department are to enforce various provisions of Legal Metrology Act 2009 and Rules made thereunder which *inter alia* include periodical verification of weights and measures, issuance of licenses to manufacturers, dealers, repairers of weights and measures, conduct of inspections of premises of weights and measures users, prosecutions of violators of Legal Metrology Act/Rules and compounding of offences.

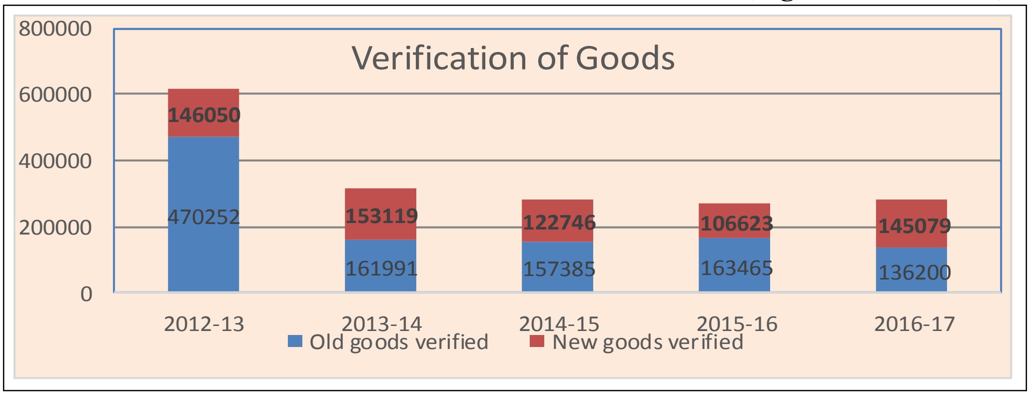
2.3.9.1 Verification of weights and measures

Rule 14 of Delhi Legal Metrology (Enforcement) Rule 2011 stipulates that every person using any weight or measure in any transaction shall present such weight or measure for verification/re-verification, at the office of legal metrology officer or at such other place as the legal metrology officer may specify in this behalf on or before the date on which the verification falls due. Rule 27 of Legal Metrology (General) Rules 2011 further stipulates verification of weights or measures at periodical intervals[29].

The details of old goods [30] verified and new goods verified by the Department during the period 2012-13 to 2016-17 are shown in **Chart 2**.

Chart 2: Year wise Verification of Goods by Department during 2012-17

(Figures in numbers)



Source: Annual reports of the department for 2012-13 to 2016-17

It can be seen that number of verifications of new and old goods declined drastically from 6.16 lakh in 2012-13 to 2.70 lakh in 2015-16. It, however, marginally increased to 2.81 lakh in 2016-17. Audit observed the following:

(i) The Department did not have any mechanism to ascertain number of weights and measures against which verification was due during a certain period. Due to this, the objective of protecting the interest of the consumers could not be ensured and the chances of use of manipulated weights and measures cannot be ruled out.

(ii) The Taxi Meter Unit (TMU) of Department is responsible for annual verification and stamping of taxi and auto rickshaw electronic fare meters.

Audit noted that TMU was verifying and stamping only taxies and auto-rickshaws brought voluntarily for verification and there was no mechanism to coordinate with the Department of Transport, GNCTD to ensure that all taxies and auto rickshaws plying on roads came up for verification and stamping. As a result, 60,863 number of taxi and auto rickshaw fare meters remained

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[29] (a) twenty four months for all weights, capacity measures, length measures, tape, beam scales and counter machines (b) sixty months for storage tanks and (c) twelve months for all weight or measure including tank lorries other than mentioned in (a) and (b).

[30] Goods means weights and measures instruments.

unverified during 2012-17, thereby, defeating the objective of protecting the interest of consumers. The TMU informed that there is no provision in the server to check whether taxi and auto rickshaw fare meters were issued verification certificates timely.

The Department in reply (October 2017) confirmed the facts that it was verifying the weights and measures of users brought voluntarily and further stated that the field officers regularly inform the shopkeepers to get their weights and measures verified and also prosecute them if unverified weights and measures are found in the market. It also stated that there is no mandate to check the non-verified auto/taxi fare meter by the Weights and Measures Department. The reply is not acceptable as there is no provision in Act and Rules for exemption to inspect any type of measurement instrument under the ambit of the Department. Since the autos/taxies ply on roads, it can be inspected on roads only. Further, Department did not coordinate with Transport Department to ensure action against defaulters to restrict use of faulty fare meters.

(a) Verification of CNG/LPG dispensing units

For verification and stamping of CNG/LPG dispensers, the GoI provided four CNG/LPG flow meter kits (two CNG kits and two LPG kits) to the Department during 2012-13 which were kept in SSL in West Zone **(Photograph 4)**. In July 2014, SSL imparted one day practical training to its staff to use CNG and LPG flow meters for verification and stamping of CNG and LPG dispensers and after a lapse of six months (February 2015) these verification kits were made operational.

Photograph 4: CNG/LPG dispensers verification kits

During the test check of records at four zonal offices audit observed that:

(i) the verification kits provided by GoI in 2012-13 remained idle till January 2015 and also CNG and LPG dispensing units remained unverified, thereby affecting the safeguards of consumer's interests.

(ii) the inspection of CNG and LPG dispensing units was not conducted by the Department during 2012-17 to ensure that these were dispensing accurate quantity of CNG and LPG, in the absence of which malpractices in dispensing CNG/LPG to consumers cannot be ruled out.

(iii) though each weight and measure instrument require periodic verification from a standard laboratory, no verification of CNG and LPG flow meter kits was got done by the Department since its receipt in 2012-13. Department informed that these kits were received first time and it would now take up verification matter with Department of Consumer Affairs, GoI.

(iv) there were constraints of zonal offices to carry these heavy CNG/LPG kits to the CNG/LPG pump stations and trained manpower for conducting CNG/LPG verifications.

The Department while confirming the facts stated (October 2017) that these kits are heavy in weight and due to shortage of technical staff and non-availability of vehicles, these kits are rarely used. However, the fact remains that the high-tech/valuable machines have remained underutilized for more than five years since their receipt.

(b) Inadequate verification by Calibration unit.

Calibration Unit carries out calibration of petrol and diesel tankers/lorries of petrol pumps owners/other contractors and issues verification certificates to them. Besides, verification of Flow Meters and Proving Tanks of oil companies is also done by Calibration Unit. The calibration unit calibrated and verified 4,065 tankers/lorries and generated revenue of ₹ 1.24 crore during 2012-17.

Audit found that number of verification of tank/lorries ranged between 847 and 895 during 2012-16, which decreased to 596 in 2016-17, thereby decreasing the revenue from ₹ 29.91 lakh in 2015-16 to ₹ 24.79 lakh in 2016-17. The Unit had no mechanism to ascertain whether all the tankers/lorries were verified on due dates.

The Department while confirming the facts stated (October 2017) that due to shortage of manpower no survey was conducted. The decrease in calibration/verification of tankers/lorries and revenue in 2016-17 was due to banning of vehicles older than 10 years to ply in Delhi by Honorable National Green Tribunal. Department also accepted that there was no mechanism to ascertain that all the tankers/lorries in Delhi were verified on due dates. The details of vehicles calibrated are noted in a register and possible efforts are made to call them for next calibration on due dates.

(c) Enforcement services through less qualified Legal Metrology Officers (LMOs) and without specialized training

Services Department, GNCTD transfers DASS cadre officials in the Department of Weights and Measures and after joining in the Department, the officer/official is appointed as LMO for NCT of Delhi by issuing a Notification under Section 14(1) of Legal Metrology Act 2009 duly approved by the Lieutenant Governor, Delhi. In this regard following was observed in audit:

(i) Qualification of LMOs: Rule 28 sub rule (1) of the Legal Metrology (General) Rules 2011 stipulates that no person shall be appointed as LMO unless he is a graduate of a recognized university in science, technology or engineering or holds a recognized diploma in engineering with three year professional experience. Audit found (May 2017) that out of total 33 LMOs in the Department, only 3 LMOs met the prescribed educational criteria. The Department had not sought any relaxation from Central Government as required in Rule 28 (4) for their qualification. Audit also noted delays ranging between 19 to 128 days in issuance of notification for appointment for officials as LMOs.

The Department while confirming the facts stated (October 2017) that the matter would be brought to the notice of the Services Department to adhere to the compliance of the audit observations. It is up to the Services Department either to send a qualified officer who possess the essential qualification or get a relaxation from the Central Government regarding qualification of LMOs as stipulated under Rule 28(4). Department also assured to take due care in future for issuance of notification in time. Reply is not acceptable as the Department was responsible for intimating the provisions of Legal Metrology Act and Rules to the Services Department for deployment of staff and obtaining relaxation from Central Government.

(ii) No Specialized Training to LMOs: Sub rule (3) of Rule 28 of Legal Metrology (General Rules), 2011 stipulates that the LMOs shall have to successfully complete the basic training course at the Indian Institute of Legal Metrology (IILM), Ranchi before their postings. Audit observed that no LMO appointed during 2012-17 was sent for training at Ranchi and LMOs were performing enforcement activities in field without any specialization in Legal Metrology.

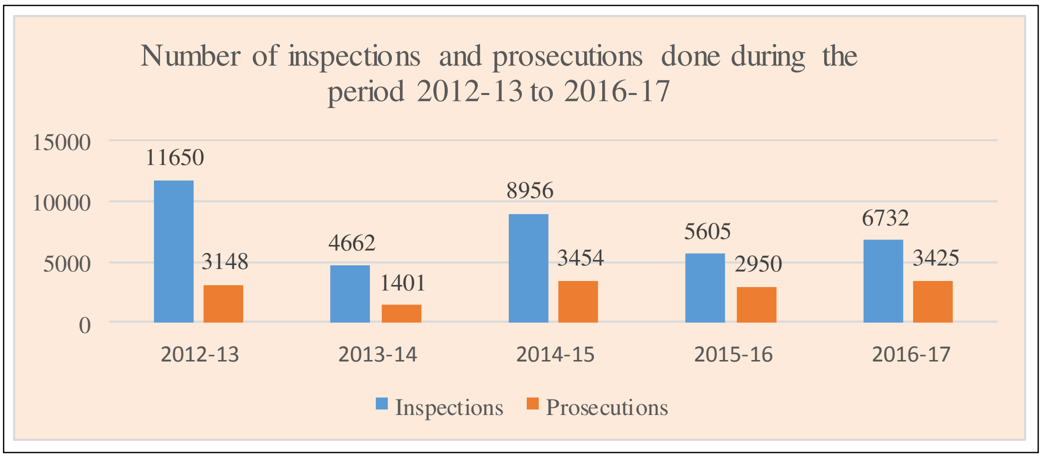
The Department stated (October 2017) that it will request the IILM, Ranchi to prepare a short term capsule training programme for LMOs keeping in view the shortage of manpower in the department.

2.3.9.2 Inspection and Prosecution

Section 15 of Legal Metrology Act, 2009 empowers the State Government to appoint LMOs and to inspect the premises of users of weights and measures to enforce the provisions of Legal Metrology Act and Rules. Rule 14 (6) of Delhi Legal Metrology (Enforcement) Rules, 2011 also stipulates that a Legal Metrology Officer may visit as frequently as possible every premises to inspect and test any weights and measures which is being used or is intended or likely to be used in any transaction.

The cases where any violations to established standards of Legal Metrology Act, 2009 and rules made thereunder were found during inspections were required to be booked for prosecution and liable for compounding. The year wise position of overall inspections conducted and number of malpractices cases booked for prosecution during 2012-17 by Department are depicted in the **Chart 3.**

Chart 3: Year wise number of inspections and prosecutions during 2012-17



Source: Information provided by Department

It is observed that number of inspections declined from 11,650 in 2012-13 to 6,732 during 2016-17. The malpractices (prosecution) cases increased from 3,148 in 2012-13 to 3,425 in 2016-17. Adequacy of inspections builds the confidence among general public that their interests have been safeguarded, however, declining trend of inspections and increase of 23.86 *per cent* in prosecution during 2012-17 reflects failure of the mechanism and violations of Rules and provisions of Act respectively.

The Department confirmed the facts (October 2017) and attributed the decline in number of inspections to the shortage of manpower and assignment of various duties to LMOs and deployment of staff for election duties in Delhi during 2014-2017.

Test check of records of four zonal offices showed the following:-

(a) Inadequate Inspection of Petrol Pumps and LPG outlets

Inspection of Petrol pumps is conducted by the Weights and Measures Department Delhi to ensure that the petrol/diesel dispensers dispense accurate quantity of petrol/diesel to the consumers and pulsar unit of the dispensing units were not faulty. Test check of records at selected zonal offices showed that only 128 to 296 petrol pumps were inspected out of 241 to 245 and only 56 to 173 LPG outlets were inspected out of 188 to 191 during 2012-17. It is further observed that of the total inspections, 2.75 *per cent* petrol pumps and 23 *per cent* LPG outlets were prosecuted during 2012-17.

Audit also observed that Department did not conduct any special drive for inspection of petrol pumps and LPG outlets during 2012-17 and thus objective of protecting interest of consumers was not fully achieved.

The Department stated (October 2017) that LPG outlets are checked by the Zonal Officers only and Headquarter also issues directions for inspection of LPG outlets from time to time and special drives are also carried out as per market intelligence. The reply is not acceptable as details for special drives undertaken for inspections of Petrol Pumps and LPG outlets during 2012-17 were not found on record. Only in May 2017 on the directions of GoI, a special drive for inspection of petrol pumps was conducted by the department.

(b) Inadequate coverage of Weighbridges during inspections

Test check of records of selected zonal offices showed that only 1 to 30 weighbridges were inspected out of 431 to 475 weighbridges during 2012-17, out of which 37 *per cent* WBs were prosecuted during 2012-17. Further, inspections of WBs were not conducted by West Zone (2012-14), North West Zone (2012-13 and 2014-15), East Zone (2012-13 and 2015-16) and by South Zone (2013-14). In the absence of the adequate number of inspections of Weighbridges the possibility of risk of using faulty and manipulated WBs could not be ruled out.

The Department while assuring (October 2017) that audit suggestion would be taken care of in future, attributed the reasons for low inspection of WBs to the shortage of manpower and time consuming process of inspection of WBs.

(c) Inadequate inspections of Fair Price Shops

Fair Price Shops (FPS) are distribution channels to distribute essential commodities like rice, wheat, sugar to the general public at controlled prices and use weighing machines for distribution of these items, therefore, come under the purview of this Department.

Test check of records of selected zonal offices revealed that only 16 to 143 FPS were inspected out of 1,111 to 1,125 FPS during 2014-17. Audit also noted that no inspections of FPS were conducted during 2012-14 by these zonal offices except one FPS by East Zone. The West Zone and North West Zone did not conduct inspection of any FPS during 2015-16 despite the fact that there were 279 and 321 number of FPS respectively in the area under their jurisdiction. Further, eight Public Distribution (PDS) godowns (2 State godowns and 6 FCI godowns), which distribute food grains to FPS and had weighing machines installed in their premises, were not inspected by the Department during 2012-17.

The Department stated (October 2017) that it did not maintain information of FPS, however it assured to take action in future to check the WBs in 8 PDS godowns. It further stated that the timing of opening and closing of FPS also causes hardship for inspection and there is shortage of staff. The reply is not acceptable as the Department should maintain proper data base of FPS under its jurisdiction and inspect them regularly to prevent any malpractice.

(d) Shortcomings in maintenance of records for Inspections and prosecution.

The Department provides a printed Inspection Report Book (IRB) to the LMOs for recording results of Inspections. Test check of 17 inspection books of selected Zonal Offices showed that:

(i) The Inspection Reports (IRs) prepared by LMOs requires two witnesses and also recording of the time of Inspection. Audit found that out of total 842 IRs, 353 IRs did not have any witness, 419 IRs contained only one witness while only 70 IRs contained two witnesses. Further, in 463 IRs, officials of the Department had signed as witness. Out of total 842 IRs, in 762 IRs the LMOs had not recorded the time of inspection.

Audit also observed that despite specific directions issued by Assistant Controller (July 2014) for filling complete information in IRs, the zonal offices did not adhere to the directions. Non-filling the prescribed information in the IRs may weaken the prosecution cases in the Court.

The Department while accepting the facts stated (October 2017) that the inspection teams do not find independent witness in the field as no person in market is willing to become witness to avoid legal complication. As regards to not mentioning the time in the inspection book, it further added that probably due to precedence, timing was not recorded in the inspection memos. The reply is not acceptable as Department needs to find a way out to take a witness alongwith inspection team from any other government department to make the inspection meaningful.

(ii) Non-fixation of targets for inspections for LMOs

The para no. 1.8.2 relating to non-fixation of targets for inspections was printed in the CAG Report, GNCTD of 2006. Audit observed that Department still had not fixed targets for conducting inspections per LMO/per day/month/year. No mechanism was established in zonal offices for periodicity of inspection, based on risk analysis in an area. Test check of 17 inspection books in selected zonal offices showed that there was no uniformity in number of inspections conducted by LMOs in a zone as shown in **Table 2.3.6.**

Table 2.3.6: Inspections conducted by LMOs per day for selected Zonal offices

Name of Zone	Number of Inspections conducted	Total number of days taken to inspect	Range of Average Inspections per Day
South	250	480	0.27 to 1.85
West	150	405	0.19 to 1.11
North West	243	428	0.23 to 1.79
East	199	492	0.23 to 1.32
Total	**842**		

The Zonal offices attributed the cause to multiple charges held by LMOs, besides other factors like leave, specific duties, market conditions etc.

The Department stated (October 2017) that targets for inspection to be conducted by LMOs could not be fixed due to shortage of staff, the LMOs also attend other duties like court duty, cash collection/deposit in bank, administrative duties, submission of periodical reports and leave period. But Zonal officers/LMOs were directed to increase the number of Inspection and prosecution in public interest. The reply is not acceptable as considering above conditions, targets for inspections were not fixed for effective enforcement and building the confidence in the general public.

(iii) Improper maintenance of Prosecution Register

Maintenance of records relating to prosecutions is essential at the time of compounding and forwarding these cases to courts. In test check of prosecution registers maintained at four zonal offices for 17 inspection books covering 842 inspections, following points were observed:

a) Out of 842 inspections, the Zonal Offices booked 322 cases for prosecutions but status of 40 cases was not recorded in Prosecution Register; in the absence of which the results of compounding could not be ascertained.

b) In 17 cases no entries were recorded in the Register, in the absence of which audit could not ascertain whether these were actually compounded, forwarded to court or withdrawn.

c) Out of 102 cases which were forwarded to court, in 76 cases, only the word "COURT" was mentioned while court case number, name of court, date of filing of case in court, next date of hearing and final outcome of case was missing; despite specific guidelines issued by Department in August 2013. In the remaining 26 cases, only date of forwarding the case to the court was recorded in register.

The Department accepted the observations and stated (October 2017) that necessary directions will be issued to all zonal offices for correcting/updating the prosecution registers and Zonal officer will be assigned to periodically check the prosecution registers.

2.3.9.3 Court cases

During inspection of premises of weights and measures user, if LMO found any violation of Act and Rules, the offender was to be compounded with fine and where the offender did not respond to the notice of the Department within the stipulated time, the case would be filed in Court of law. There were 2,250 prosecution cases pending in courts as on 1 April 2013 and Department filed 2,110 fresh cases in the court during 2013-17[31] as detailed in **Table 2.3.7.**

Table 2.3.7: Year wise position of number of cases filed and settled during 2012-17

Year	Opening Balance of court cases as on 1st April	Cases filed in Courts during the year	Court Cases settled during the year	Balance court cases at the end of the year
2012-13	Complete information not provided by zonal offices*.			
2013-14	2,250	374	381	2,243
2014-15	2,243	696	364	2,575
2015-16	2,575	396	652	2,319
2016-17	2,319	644	376	2,587
Total		**2,110**	**1,773**	

**Data of South zone not included as Zone did not provide details of court cases for 2012-15.*

It can be seen from the table that out of 4,360 cases (2,250 opening balance plus 2,110 cases filed during 2013-17), only 1,773 cases were settled (40.66 *per cent*) during the period 2013-17. The pending cases increased from 2,250 in April 2013 to 2,587 cases in March 2017 requiring effective monitoring and control mechanism in handling court cases by Department.

The Department stated (October 2017) that the evening courts which hear the cases of Department also hear the cases of banking fraud and traffic challan etc. and Department cannot direct the court to decide the cases in a time bound manner. It further added that necessary directions are being issued from time to time to zonal officers to attend the court cases and also to Home Department to direct public prosecutors to attend hearing regularly and track each court case regularly. The Department needs to establish effective monitoring mechanism for each court case and make vigorous efforts to clear the pending cases.

Audit also observed the following:

(i) **Improper Maintenance of records of Court Cases-**Audit observed that no separate court cases registers were maintained by zonal offices. The cases forwarded to court were also not recorded in the prosecution registers with sufficient details, in the absence of which the period of pendency of court cases could not be ascertained in audit. The Department stated (October 2017) that necessary guidelines will be issued

[31] excluding south zone as it could not provide complete details of court cases pending and settled for 2012-15.

to all zonal officers to update their court case/prosecution register regularly and insert all necessary entries as highlighted by audit.

(ii) **Non-formation of Separate Legal Cell-**There was no Separate Legal Cell within the Department to handle the court cases, thus the cases were handled by concerned zonal offices and LMOs, thereby, affecting their enforcement duties. Evidently, inspections decreased from 11,650 in 2012-13 to 6,732 in 2016-17. The Department stated (October 2017) that separate legal cell will be formed on deployment of adequate staff.

2.3.9.4 Consumer Awareness and Grievance redressal

(a) Awareness Campaigns and advertisements

Awareness Campaigns and advertisements in newspapers help to educate public about their rights specified in Legal Metrology Act 2009 and Rules and provide information about working of Weights and Measures Department. Audit found the following shortcomings in the awareness campaigns by the Department among various stakeholders:

(i) Department had not framed any policy and guidelines for initiating campaigns for awareness in Consumers.

(ii) During the last five years, three zonal offices[32] conducted only one meeting, four zonal offices[33] conducted two meetings and remaining two zonal offices[34] conducted four meetings with market associations in April 2016. Audit observed that apart from this, headquarters office or zonal offices did not initiate any other campaign/programme to educate consumers about their rights though in May 2016, the Assistant Controller (LM) advised Zonal Officers to make efforts in contacting market associations for creating more awareness about provisions of Legal Metrology Act 2009/Legal Metrology (Packaged Commodities) Rules 2011. The Department accepted (October 2017) that no policy/guidelines have been framed for awareness campaigns and stated that zonal officers have been directed to conduct meetings with market association as and when required to spread awareness. It further attributed it to huge shortage of staff but assured to take positive action in future to spread awareness in public.

(iii) Inadequate advertisements in newspapers: Department incurred an expenditure of ₹ 11.18 lakh in 2012-13 and ₹ 20.63 lakh in 2014-15 on advertisements for spreading awareness from the head "Office Expenses" but no expenditure was incurred during 2013-14 and 2015-17, despite availability of enough funds under the same head. Further, Minister of Food and Civil Supplies and Consumer Affairs (MoFCS),

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[32] Central, North East and North Zones.
[33] East, South, West and New Delhi Zones.
[34] South West and North West Zones.

GNCTD directed (September 2016) to advertise DO's and DON'Ts for manufactures, repairers, shop-keepers, establishments and also consumers informing about their rights through hoarding/pamphlets/advertisements in leading newspapers but no advertisements were published in the newspapers till date (July 2017).

The Department stated (October 2017) that it will take positive action in future for advertisements in newspapers to spread awareness among the people and non-advertising during 2013-14 was attributed to the "Model code of conduct" for Delhi Legislative Assembly elections. The reply is not acceptable as model code of conduct in 2013 was for a period of two months from 4 October 2013 to 4 December 2013 but Department did not make efforts to publish the advertisements for spreading consumer awareness during the remaining months.

(iv) The Department also did not frame policy and guidelines for consumer participation in Department's activities. It was not associated with District Consumer Welfare Organizations, Consumer Protection Associations and any Non-Government Organisation (NGO) to make the Department more participative and approachable to General Public. Further, information provided on website was not updated[35] periodically. The Department while accepting the facts stated (October 2017) that the Assistant Programmer deployed in Department has been directed to update information on Department website from time to time.

(b) Complaints and Grievance redressal mechanism

Citizen Charter of the Department stipulates a time frame of seven days to acknowledge a complaint, 15 days for providing interim reply and 45 days for final disposal of Grievances. Further, the performance of disposal system was to be evaluated by inserting the actual disposal of Grievances within stipulated time frame. Audit observed that: -

(i) The Department had not made any periodical evaluations as stipulated in citizen charter as no such records were available with the Department.

(ii) No data for complaints/grievances received from general public and disposed off by headquarter office during 2012-17 was being maintained. However, complaints received through PGMS portal[36] was being maintained and monitored. In the absence of data, audit could not comment on total number of complaints received and their timely disposal by the Department. The Department stated (August 2017) that

[35] As on 21 August 2017, all items on official website under the head 'Statistics' were prior to August 2016 and figures were last updated on 16 February 2017; court cases were updated upto 2015-16; List of LPG gas agencies was updated upto 08 March 2016; List of dealers/manufacturers/ Repairers were last updated on 03 January 2014.

[36] Public Grievances Monitoring System (PGMS) portal owned and maintained by PGMS, Chief Minister's office GNCTD.

no record was available from where exact figure of complaints can be provided to audit, but relevant files were available.

(iii) Test check of selected zonal offices revealed that except West Zone, complaint registers were not maintained by other three zonal offices to record the receipt and disposal of complaints. West Zone though prepared a complaint register but action taken on complaints was not recorded against the entries made from September 2016 onwards. Thus, maintenance of proper complaint register was lacking at zonal offices for recording complaints/grievances forwarded by headquarters office for action.

(iv) Audit observed that Department did not establish any mechanism to ascertain from complainants for satisfactory disposal of their grievances and no consumer satisfaction surveys were conducted during 2012-17 to assess satisfaction level of the consumers. Audit noted that an LMO (Inspector) from North West Zone was deputed as part time dealing hand for attending the complaints at headquarters office on first half of alternate days.

The Department stated (October 2017) that all complaints received through PGMS have been dealt individually since 2014 and reply is updated by Department in PGMS portal which is monitored by Office of the Chief Minister. Other complaints which are received through mail and through telephone are also dealt immediately. The reply is not acceptable as the zonal offices had not maintained any complaint registers for recording grievances and action taken there-against. Further except PGMS portal, no detail of complaints was being maintained by the Department.

2.3.10 Internal Control Mechanism

2.3.10.1 Internal control is an integral element of an organizational management processes for providing reasonable assurance of efficiency of operation, reliability of financial reporting and compliance with applicable laws and statutes so as to minimize the risk of errors and achieve the organizational objectives. To ensure achievement of such objectives, establishment of an effective internal control mechanism is a necessity. Audit observed ineffectiveness of internal control mechanism in the Department and zonal offices as discussed below:

(i) Minister of Food Supplies and Consumer Affairs directed (May 2016) Assistant Controllers for regular visits in zones, however, after September 2016, Assistant Controllers did not visit any Zonal office/unit till March 2017 reflecting inadequate monitoring by Headquarters. Between April 2012 and March 2016, the Controller and Assistant Controller did not inspect/visit any Zone/laboratory of Department to ascertain whether compliance of instructions/office orders issued by head office was complied or not. However, Assistant Controller inspected six zonal offices and units[37] on seven occasions while the Controller visited only one zonal office[38] between June and September 2016. The Department stated (October 2017) that though Controller/Assistant Controller visited zonal offices but it was not recorded on papers. It, however, assured to take positive action in future.

(ii) Test check of a register maintained by the headquarters of the Department for issuance of Inspection Report Books to LMOs for the period August 2015 to March 2017 revealed that Inspection Report Books were issued on random basis without maintaining a sequence number leading to improper monitoring of books issued and leaving scope for misuse of book. The Department assured (October 2017) to streamline the system as advised by audit.

(iii) Department did not have its own Internal Audit Wing, in the absence of which there was no control over maintenance of registers for seized goods, complaint register, reconciliations for deposits in banks, maintenance of court cases register etc. by Zonal offices and units. The Department stated (October 2017) that dedicated internal audit wing was not there due to acute shortage of staff, it however, assured to take positive action in future.

(iv) Department did not constitute any flying squad during the period 2012-17 to take corrective action on the grievances received from the consumers. The Department while accepting the facts stated (October 2017) that enforcement was done by LMOs under the supervision of Zonal officers and sometimes at Headquarters level through daily/weekly/monthly reports. Audit is of the view that formation of flying squads enables secondary checks in implementation of Acts and Rules.

(v) Non-maintenance of proper records of minutes of meetings at zonal offices: Audit found that records relating to minutes of meetings held with higher authorities were not maintained by North West, South, Calibration Unit and TMU for the period 2012-2017. The zonal offices and units intimated that circulars and office orders issued by headquarter are being conveyed on Whatsapp group and hard copies are available only at headquarters office. Since LMOs posted in Department from DASS cadre get transferred to other departments within two to three years, in the absence of proper records, no guidance/acquaintance for past activities in the Department can be made available to newly posted LMOs in zonal offices to perform their duties efficiently. The Department while accepting the audit observation for future compliance

[37] North , North East, North West,TMU, Calibration and South Zones.
[38] South Zone.

stated (October 2017) that all the Zonal officers have been directed to maintain all necessary records of meetings/circulars/office orders in zonal offices.

(vi) Non–updation of computerized database: Department has a software to issue computerized verification certificates of weights and measures to the users. Audit found that data of manufacturers, dealers and repairers of all zones was not updated, unique ID (license no., machine serial number/meter number) and fee collected were not available in the database. In the absence of complete database, correlation of data of any user for one year with other years and analysis of fee collected was not possible. The Department while accepting the audit observation for future compliance stated (October 2017) that all out efforts will be made to resolve the shortcomings pointed out in audit and will try to prepare a strong data base available in one platform which can easily accessed by the public.

2.3.10.2 Impact Evaluation of Department's activities

Audit observed that no evaluation study was carried out during 2012-17 to evaluate the performance, effectiveness and efficiency of implementation mechanism and impact of the provisions of the Acts and Rules periodically and to suggest measures to improve its effectiveness in the interest of consumers.

The Department accepted (October 2017) that no formal evaluation has been conducted by an independent agency and noted the suggestion for future compliance.

2.3.11 Conclusion

The mandated enforcement activities of the Department were conducted on ad-hoc basis, neither any survey to prepare a data base of users was conducted nor any risk based perspective and annual plans to conduct inspections with balanced approach was prepared. There was shortage of manpower under key functionaries mainly responsible for enforcement of Act and Rules; besides, enforcement staff deployed did not have requisite minimum qualification as per the Act and Rules and specialized trainings in Legal Metrology. Despite providing central assistance by GoI for strengthening of infrastructure, creation of adequate infrastructure was lacking thereby leaving central assistance unutilized. Verification equipment provided by GoI were not optimally utilised. Control mechanism over revenue receipts was weak leading to mismatch in receipts and deposits in bank, and non-reconciliation of revenue receipts with Pay and Accounts Office. The mandated verification of weights and measures and inspections of premises of various users declined, coupled with deficiencies in inspections, thereby objective of providing assurance for safeguard of consumer interests remained to be achieved. No targets for conducting inspections by Legal Metrology Officers were fixed, no established mechanism was in place to ensure that users of weights and measures were complying with the provisions of Act and Rules. No separate legal cell was formed and large number of cases of malpractices were pending in the court for decision. Absence of policy and guidelines for awareness campaigns for stakeholders led to inadequate public awareness through advertisements/public meetings. Grievances redressal mechanism was weak as no proper records for complaints were maintained and no consumer satisfaction surveys were conducted. Adequate steps were lacking to make general public more participative. Non-compliance with key provisions of Legal Metrology Act and Rules and Financial Rules coupled with inadequate monitoring by Headquarter indicated weak and ineffective internal control system.

2.3.12 Recommendations

To protect the interests of the consumers, the Department should:

(i) *evolve a mechanism to maintain database of all the weights and measures users by way of outsourcing the survey activity to facilitate perspective/annual action plan for enforcement activities.*

(ii) *strengthen legal metrology infrastructure and utilize the central assistance efficiently.*

(iii) *reassess sanctioned strength of the Department at present scenario and make efforts for filling up of vacancies, appointment of qualified LMOs and organize specialized trainings for LMOs.*

(iv) *initiate adequate public awareness campaigns to educate general public.*

(v) *strengthen internal control and monitoring mechanism for strict enforcement of Act and Rules.*

Chapter-III
Compliance Audit

Chapter-III

Compliance Audit

Rural Development Department

3.1 Non-recovery of land cost and ground rent of ₹ 66.98 crore

Laxity on the part of the Rural Development Department, GNCTD to take timely and effective action in administration of terms and conditions of land lease allotment to the MCD resulted in non-recovery of ₹ 66.98 crore consisting of down payment of ₹ 51.03 crore[1] towards cost of land and annual ground rent of ₹ 15.95 crore[2] (May 2005 to October 2017) which remain in arrears for eight years from North Delhi Municipal Corporation.

Delhi High Court directed (December 2002) Municipal Corporation of Delhi (MCD) and the Government of National Capital Territory of Delhi (GNCTD) to take all possible steps to relocate dairies operating in the municipal zones of Delhi to the outskirts of Delhi. Towards this end GNCTD decided (May 2004) to hand over 188.99 acres of land at Ghoga Bawana and Sannoth (called Ghoga Growth Centre) owned by the Rural Development Department, GNCTD to the MCD. Project Director, Rural Development Department (Department) confirmed (May 2004) his readiness to the MCD to execute a MoU to transfer this land. Audit observed the following:

1. After agreeing to transfer land to the MCD, the Department failed to track this issue for next five years. In the meantime, the MCD started development works on this land on its own from April 2005 onwards. In October 2008, the Department asked the MCD to show the evidence of allotment of this land, and finally issued (21 January 2009) ex-post facto approval of the GNCTD for allotment of this land in favour of MCD for developing Ghoga Dairy Centre.

2. As per the terms and conditions of allotment (January 2009), the land was transferred at the rate of ₹ 27 lakh per acre on lease basis for 99 years and annual ground rent was to be recovered at the rate of 2.5 *per cent* of the premium with effect from May 2005. Besides, a lease deed was to be executed according to the provisions of the Transfer of Property Act. The Department however again lost track of this matter for next five years and did not follow up with the MCD to ensure implementation of terms and conditions of land allotment. It was only on 30 October 2013 that it wrote to North Delhi

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1 @ ₹ 27 lakh per acre for 188.99 acres = ₹ 51.03 crore.

2 @ 2.5 per cent of the premium of land from May 2005 to October 2017 i.e. for 12 years 6 months (188.99 x 27 x 2.5/100 x 150/12) = ₹ 15.95 crore.

Municipal Corporation (NDMC, a successor of MCD for North Delhi area) to pay arrears of down payment of ₹ 51.03 crore and annual ground rent.

3. The Department paused again for 16 months and after audit raised this matter, it issued a second reminder in March 2015 to NDMC for recovery of cost of land and annual ground rent. It actively followed up for a month and again did nothing until May 2016 and last reminder was issued a year later in June 2017. Thus after issuing allotment letter in January 2009, the Department did not ask the MCD to execute the lease deed which was to be done immediately as per the Clause 7 of the allotment letter.

Department replied (February 2016 and June 2017) that the overall expenditure incurred on development and maintenance of the basic infrastructure by NDMC on Ghoga Dairy Centre has been more than the amount recovered from the allottees and it is under financial crisis and has requested the Urban Development Department, GNCTD to allocate the requisite funds for making payments for the land.

Department's reply is not tenable as it failed to take timely action for allotment of land to the MCD and then did not raise the demand for cost of land and ground rent for over five years after issuing the allotment letter.

Thus, laxity on the part of the Rural Development Department, GNCTD to take timely and effective action in administration of terms and conditions of land lease allotment to the MCD resulted in non-recovery of ₹ 66.98 crore (down payment of ₹ 51.03 crore and annual ground rent ₹ 15.95 crore (May 2005 to October 2017)) which remain in arrears for eight years from North Delhi Municipal Corporation.

The matter was referred in July 2017 to the Government; their reply was awaited as of January 2018.

Department of Education

3.2 Development, Up-keep and Utilization of Sports Facilities and support to Sports Persons in National Capital Territory of Delhi.

Directorate of Education could not finalize Delhi Sports Policy as a follow up of National Sports Policy 2001. DoE accorded low priority towards development of sports facilities/activities in NCT of Delhi. Out of 13 districts, three districts did not have a single sports facility under DoE whereas six districts with 7.69 lakh students did not have any sports facility other than swimming pools. Delhi School of Sports had not been set up as of June 2017 despite acquiring land for the purpose in 2003. Plan schemes were not implemented effectively as there were delays in releasing funds, non-conducting of activities and shortage of sports coaches.

3.2.1 Introduction

Directorate of Education (DoE), Government of National Capital Territory of Delhi (GNCTD) organizes sports talent search meets; co-ordinate sports activities in schools; and provides opportunities and facilities such as stadia, swimming pools, playgrounds etc. to young and talented players to learn, train and improve their standards in sports through plan schemes under the sector "Sports and Youth Services". The Secretary (Education) is responsible for implementing various schemes relating to promotion of sports activities and is assisted by the Director of Education (Sports), one Officer on Special Duty and two Deputy Directors of Education. Our audit findings on "Sports and Youth Services", Department of Education, GNCTD were earlier included in the Report of the Comptroller and Auditor General of India on GNCTD of the year 2004.

3.2.2 Audit objectives

Main audit objectives were to assess whether:

(i) The Policies, Plans and Schemes for promotion of sports have been implemented effectively and efficiently with due consideration of adequacy of funds and its efficient utilization;

(ii) Requirement of Sports Stadia/Venues were properly assessed, constructed, maintained and utilized;

(iii) Oversight and monitoring mechanism was in place at all levels and was effective.

3.2.3 Audit coverage

Audit was conducted during April-June 2017 covering the period from April 2014 to March 2017 by examining the records of Sports Branch, Planning Branch, three[3] out of 13 district offices, five stadia/sports complexes[4] and five swimming pools[5] under the jurisdiction of the DoE.

Audit Findings

3.2.4 Non-formulation of Sports Policy

With the objectives of "Broad basing" of Sports and "Achieving Excellence" in Sports at National and International levels, the Central Government in conjunction with the State Governments and the Olympic Association and the National Sports Federation, prepared the National Sports Policy 2001. The broad basing of sports was primarily the responsibility of State Governments and the Central Government was to supplement their efforts in this direction. As a follow up to the National Sports Policy 2001, DoE prepared the draft Delhi Sports Policy in December 2004 which underwent a number of changes at the various levels of the GNCTD. The draft Sports Policy was approved by the Minister of Education in September 2008 and submitted to the Chief Minister for his approval. However, Special Secretary to CM suggested some amendments in draft Sports Policy in January 2009. Accordingly, revised draft of Sports Policy was prepared by the Sports Branch and submitted to the Director in February 2011 and again in July 2011 to the Directorate, but the file was not moved to higher authority for approval of draft of Sports Policy. Thus due to delay on the part of the Directorate, Sports Policy has not been approved as of July 2017 for implementation.

The Government stated (October 2017) that though there may not be a document titled 'Delhi Sports Policy', it has framed policy guidelines and schemes for broad basing sports and achieving excellence in sports. The reply is not tenable as a well thought out Sports Policy cannot be replaced by a collection of schemes and guidelines. The Government also stated that it is in the process of finalizing the Sports Policy under the title 'Mission 100' in consultation with various stakeholders and eminent sports persons.

3.2.5 Financial Outlay

GNCTD provides funds to the DoE for implementation of various programmes/ schemes under Sports and Youth Services. Year-wise budget provision and expenditure on Plan and Non Plan schemes for the period 2014-17 is shown in **Table 3.2.1**.

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[3] South, West-A and East.

[4] Chattarsal Stadium, Thyagraj Stadium, Ludlow Castle Sports Complex, Rajiv Gandhi Stadium Bawana and Rajiv Gandhi Sports Complex Singhu.

[5] GBSSS, A Block Defence Colony, SBV No. 2 West Patel Nagar, SKV No. 2 C Block, Janakpuri, Government Co-ed. Secondary School, Dichaon Kalan and GBSSS No. 1 Rajouri Garden.

Table 3.2.1: Budget provision and actual expenditure

(₹ in crore)

Financial Year	Budget Provision		Actual Expenditure		Savings	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
2014-15	38.25	15.55	35.42	15.38	2.83	0.17
2015-16	47.65	22.90	43.24	22.26	4.41	0.64
2016-17	50.49	20.92	44.51	20.13	5.98	0.79
Total	**136.39**	**59.37**	**123.17**	**57.77**	**13.22**	**1.60**

Source: Figures provided by the DoE

It is observed from the table that ₹13.22 crore of plan budget during 2014-17 remained unspent. DoE also did not surrender the unspent budget to Finance Department, GNCTD which lapsed at the end of the year.

Government stated (October 2017) that projects for development of sports infrastructure were not completed in time by the implementing agency i.e. Public Works Department due to various reasons and special emphasis is being laid on completion of the projects in a time bound manner and instructions are being issued to the schools to fully utilize the allocated funds from 2017-18.

3.2.6 Sports infrastructure

3.2.6.1 Geographic distribution of sports infrastructure

As of March 2017, the DoE had four Sports Stadia, 12 Sports Complexes, two Cricket complexes, one Hockey Sports Complex and 15 swimming pools in its 13 Districts. District-wise availability of sports facilities *vis-a-vis* number of students in the DoE schools is depicted in the **Table 3.2.2**.

Table 3.2.2: District wise availability of Sports facilities vis-à-vis number of students

Name of the Districts of DoE	Number of DoE Schools	Number of students	No. of Stadia	Sports Complexes	Cricket Complexes	Hockey Sports Complex	Swimming Pools
North	107	64,795		1			1
South	90	97,984					3
East	129	1,61,411		1			2
West-A	72	78,877		2	1	1	4
Central	101	24,181					1
South West-B	91	96,425	1	1			1
North West-B	129	1,93,379		4			3
North-West-A	118	1,54,464	2	2	1		-
West-B	88	1,50,797		1			-
North-East	136	2,56,530					-
South West-A	57	47,858					-
New Delhi	24	2,738					-
South-East	93	1,56,522	1				-
Total	**1,235**	**14,85,961**	**4**	**12**	**2**	**1**	**15**

An analysis of the above data reveals that

i) the sports facilities were not evenly distributed in all districts. Three districts (North East, South West-A and New Delhi) were not having a single sports facility constructed by DoE. West-A District was having four swimming pools and South and North West-B Districts were having three each whereas six Districts with 7.69 lakh students were not having a single swimming pool under DoE.

ii) North West-B District have four sports complexes whereas South and Central Districts with 1.22 lakh students had no sports facilities under DoE except swimming pools.

Government stated (October 2017) that earlier DoE had taken steps to develop at least one District Sports Centre in each district, but could not succeed due to scarcity of land in those area and now it intends to develop the sports facilities in schools where land is available. Reply is not tenable as the Government did not make any efforts to provide sports facilities uniformly across NCT of Delhi.

3.2.6.2 Non-establishment of Delhi School of Sports

It was pointed out in 2004 report of CAG that DoE acquired 90 acres of land at Ghevra More during November 1997 to March 2003 at a cost of ₹ 11.70 crore for setting up Delhi School of Sports with facilities for 22 sports disciplines/games. But the School was not established as of June 2003 resulting in blockade of the amount spent on acquisition of land. In the Action Taken Note (ATN) of August 2005, DoE stated that since the Hon'ble High Court of Delhi has ordered to maintain status quo of the land, the School could not be set up. It was also stated that the court order was for only a piece of land of 19.50 acres out of the total land of 89.37 acres and they are in the process of setting up the school in the remaining portion of land. In spite of assurance given in the ATN, the school is yet to be established as of June 2017.

It was further observed that expenditure of ₹ 2.24 crore has been incurred on watch and ward of the land during 2011-17 by deploying 30 security guards (10 guards for each shift) without any actual assessment of manpower required for protection of land from encroachment. Had the Directorate established the sports schools in time, the expenditure incurred on watch and ward could have been saved. The DoE stated that Sports School could not be established despite vigorous efforts.

Government stated (October 2017) that in January 2016 Hon'ble Supreme Court has allowed to the Government to utilize the land (except portion of land under litigation) and the Government is in the process of getting the draft project report prepared for creation of Delhi Sports University on this land. Reply is not tenable as no progress has been made in this regard despite being allowed by the Hon'ble Supreme Court. It was further stated that security guards have been reduced from 30 to 18 with effect from 1 August 2017.

3.2.7 Implementation of schemes

DoE implements various plan schemes *viz.* Development of Playgrounds, Sports Stadia/ Complexes, Swimming Pools and Gymnasium Halls, Promotion of Sports and Games Activities, Youth Welfare Programme, National Service Scheme (NSS), Scouts and Guides Activities in Schools etc. Scrutiny of the records of various plan schemes revealed as under:

3.2.7.1 Development of Sports Complexes, Playgrounds and Swimming Pools

It is essential to create and maintain high quality sports infrastructure and ensure their optimal utilization to achieve excellence in sports. The Public Works Department (PWD) of GNCTD constructs, renovates, and maintains Sports Stadia/complexes/swimming pools etc. on the basis of Administrative Approval and Expenditure Sanctions (AA&ES) issued by DoE from time to time. During 2014-17, the DoE issued 133 AA&ES of ₹ 65.95 crore for constructions, renovations and maintenance works. Nine works of strengthening/construction of Stadia/Sports Complexes/Venues and Swimming pools (including one prior to April 2014) for which AA&ES of ₹ 23.29 crore issued, were either not taken up or in progress/not started as of May 2017. Details of two major works not completed are as follows:

(a) Sports Complex at Anand Vas: DDA allotted two plots measuring 2 acres and 1.35 acres at Anand Vas to DoE during March and December 2001 at a cost of ₹ 11 lakh for construction of a Sports Complex with a specialty school of sports. Though DoE took possession of the plots in June 2003, it took more than four years (October 2007) in issuing AA&ES of ₹ 91.11 lakh to PWD for construction of Sports complex. As the progress of the work by PWD was not found satisfactory, the work was later awarded to Delhi State Industrial and Infrastructure Development Corporation (DSIIDC) and DoE sanctioned ₹ 91.11 lakh to DSIIDC in September 2008. After incurring an expenditure of ₹ 28.13 lakh on the foundation stone laying ceremony, graphical survey and earth filling etc. DSIIDC after modifications/alternations submitted (July 2011) a revised estimate of ₹ 5.63 crore for the work which was amended to ₹ 4.48 crore by the Planning Department. While approving additional cost of ₹ 3.57 crore for the work (November 2011), Finance Department, GNCTD urged that the work may again be awarded to PWD so that staff of PWD can be utilised. PWD had submitted the drawings in April 2012 which was approved by DoE. However, no progress has been made in the project as of June 2017. Thus, after lapse of 16 years from the date of allotment of land, even preliminary estimates have not been finalised for the work. Consequently, residents living in the surrounding area of Anand Vas were deprived of the benefits of sports facilities. Further, the expenditure of

₹ 39.13 lakh incurred on cost of land (₹ 11 lakh) and foundation stone laying ceremony, graphical survey of the plot and earth filling of the plot (₹ 28.13 lakh) remained unfruitful.

The DoE stated that the matter was pursued with the PWD many times, but to no avail. Reply is not tenable as audit noted that the matter was not pursued by DoE with PWD after January 2013. DoE and two executive agencies viz. PWD and DSIIDC under the same Government failed to construct the sports facility despite availability of funds.

In its reply, Government stated (October 2017) that need of the project is being assessed in present scenario and matter would be taken up with the PWD very shortly for early execution of the work. Reply is not tenable as no progress has been made despite lapse of about 14 years from taking possession of the land.

(b) Delayed completion of construction of Synthetic Athletics Track at East Vinod Nagar: DoE decided to construct this facility in May 2013 and took 31 months for finalizing the work details and for issuing AA&ES in December 2015. PWD took 11 months in awarding (November 2016) the work. Thus, due to delay on the part of DoE and PWD, synthetic athletic track conceived in May 2013 could not be completed as of June 2017 thereby depriving the athletes/players/students/residents living near East Vinod Nagar the benefits of Synthetic Athletic Track. DoE accepted the delay in conveying AA&ES and stated that 50 *per cent* physical work has been completed and an amount of ₹ 1.90 crore has been incurred up to March 2017.

In its reply, Government stated (October 2017) that the project has been completed and track would be put to use from this month.

3.2.7.2 Grant–in-aid to Sports Associations

DoE releases grants-in-aid to Delhi State Sports Associations for organizing coaching camps, expenditure on participation and organizing official National and State Championships and purchase of sports equipment/material. As per norms

(i) fresh grant will be released only after submission of Utilization Certificate (UC) by the organization in respect of the earlier grants;

(ii) maximum amount of grant will be ₹ 25 lakh per annum, and

(iii) the accounts of Association shall be audited by Directorate of Internal Audit of GNCTD. Audit observed that:

(a) DoE did not release any grants-in-aid in 2016-17 as it could not finalize the procedure to be followed for selection of sports associations for releasing grant and the entire budget provision of Rupees one crore remained unspent.

Government stated (October 2017) that the proposal for obtaining Administrative Approval for releasing of grant-in-aid to the Sports Associations could not be accorded and therefore, grants was not released. Reply is not tenable as DoE should have taken timely action to obtain Administrative Approval.

(b) Grants-in-aid of ₹ 63.73 lakh was released to 18 Sports Associations on 30 and 31 March 2015 and ₹ 90 lakh to 16 Associations on 30 and 31 March 2016. Since funds were released on the last day of financial year, these associations were not in a position to utilize the funds for conducting sports activities. The DoE stated that the activities of the Associations continued in February end or March beginning and the Associations meet their requirement at their own level. The reply is not tenable because this means that Sports Associations were forced to spend their own funds due to delay in release of funds from DoE and there could be a risk where some Associations may not conduct the sports events due to uncertainties over release of government funds.

In its reply, Government stated (October 2017) that as per approved norms, the Sports Branch releases first installment (25 *per cent*) of grant-in-aid towards immediate needs like rail reservation, bus fare etc and releases second installment (75 *per cent*) based on the actual expenditure incurred by the associations on purchase of sports kits and material etc through credit payments. Reply is not tenable as Sports Branch did not adhere to the approved norms during 2015-16 as list of eligible sports association was finalized by DoE on 11 March 2016 and only first instalment was released to Sports Associations and that too on 30 or 31 March 2016.

(c) Delhi Olympic Association organized Delhi Olympic Games involving 23 games/disciplines for the first time in October 2015. Directorate released ₹ 1.65 crore on 31 March 2016 (₹ 90 lakh for prize money and ₹ 75 lakh for sports kits) to the Association after conducting the games. As a result, payments of cash award to medal winners were delayed for more than one year as the cheques of cash award to winners of medals were prepared during 15 November 2016 to 9 June 2017. Further, funds released were more than six times the prescribed limit of ₹ 25 lakh.

(d) Internal audit of Sports Associations that received the funds was not conducted by GNCTD, which rendered grants-in-aid susceptible to irregularities. Government stated (October 2017) that immediately after release of grant, DoE pursued with the Directorate of Audit, GNCTD for conducting internal audit of these sports associations, however, Directorate could undertake audit of only a couple of associations.

3.2.7.3 Cash Incentives to outstanding players

Under the scheme "Cash incentives to outstanding players/sportspersons", DoE pays cash incentives to sports persons who have participated in various sports competitions and brought laurels for their State at International and National level as per approved norms. DoE distributed incentives through cheques to the outstanding sportspersons of the previous financial year in felicitation ceremony till 2015-16 and through ECS/RTGS mode thereafter. As of June 2017, 39 cheques amounting to ₹ 9.66 lakh for the year 2013-14 and 53 cheques of ₹ 18.27 lakh for the year 2014-15 were lying with the DoE as unclaimed by the sports persons. Inability to deliver the cash awards to the selected outstanding players shows scant regards on the part of DoE towards outstanding players/sports persons as well as the cash incentive scheme itself.

In its reply, Government stated (October 2017) that efforts were made to deliver these cheques by contacting the concerned sportspersons telephonically on their given numbers, but no response was received from them. Reply is not tenable as the cheques should have been given to them at the time of felicitation ceremony.

3.2.7.4 National Service Scheme

Under the National Service Scheme (NSS), the students undertake various programmes in adopted villages, colleges/schools campuses and urban slums, and organize Special Camping Programmes involving local communities. The Scheme envisages Central and State expenditure in the ratio 7:5 up to 2015-16. From the year 2016-17, the Scheme is fully funded by the Government of India. However, the funds could not be released during 2016-17 as DoE could not open a separate bank account in time, which was a prerequisite for release of central assistance. However, DoE intimated that some NSS activities were undertaken in 460 Government schools of DoE during 2016-17 from their own resources which would be reimbursed on receipt of funds from GOI.

Budget allocation and actual expenditure under the scheme during 2014-16 is depicted in **Table 3.2.3.**

Table 3.2.3: Budget allocation and actual expenditure during 2014-16

(₹ in lakh)

Year	Funds allocated			Funds released to the Schools and Institutions	Total expenditure	Expenditure as a %age of allocation
	Centre	State	Total			
2014-15	83.87	60.00	143.87	127.00	89.97	62.53
2015-16	53.71	45.00	98.71	83.36	54.30	55.01
Total	**137.58**	**105.00**	**242.58**	**210.36**	**144.27**	**59.47**

It is observed from the table that against the budget allocation of ₹ 242.58 lakh, DoE released only ₹ 210.36 lakh to the schools/institutions and the actual expenditure by schools/ institutions was only ₹ 144.27 lakh indicating that more than 40 *per cent* of the allocation remained unspent. Main reason for underutilization was delayed release of funds by the DoE to schools/institutions. DoE disbursed funds for 2014-15 in February 2015 and for 2015-16 in 30 March 2016.

DoE stated that the delay was due to time taken for obtaining approval from Finance Department and finalization of schools and institutions for distribution. The reply is not tenable as this is an annual feature and the DoE should have taken timely action in this regard.

In its reply, Government stated (October 2017) that from 2017-18, the grants-in-aid would be released directly to the schools through PFMS Portal so that schools could utilize the amount on NSS activities.

3.2.7.5 Involvement of private sports academies/individual trainers for training

The GNCTD approved (December 2015) a scheme for involving private sports academies/clubs/individual trainers in training and coaching of Students/Players of Government and Non-Government Schools on 50:50 ratio. Government Schools were to be venues for such training/coaching. The trainers would charge a reasonable amount from students from Non-Government Schools whereas training to students from the Government Schools was to be free. DoE is implementing this scheme since June 2016. Audit noticed the following inadequacies in implementation of the scheme:

(a) DoE allotted (June 2016) 120 schools to 29 academies/clubs/individual trainers in 11 games/disciplines. However, training and coaching was being provided only in 31 schools by 18 academies/clubs/individual trainers. DoE allotted (June 2016) 54 schools to the Taekwon-Do Federation of Delhi but coaching did not start in any of the allotted schools.

(b) As per the Scheme, desirous academies/clubs/individuals would have to provide training and coaching to 50 *per cent* student players of that particular school or nearby government schools free of cost and 50 *per cent* of non-government students on reasonable charges respectively. However, DoE did not verify the number of students benefited from this scheme and whether the norms of providing free of cost coaching to 50 *per cent* students of Government Schools were followed by the academies. It also did not examine whether the fee charged by the academies from non-government students was reasonable.

(c) As per the Scheme, academies were required to submit its performance report on quarterly basis to DoE for reviewing the performance from time to time. However, no such performance reports were found in the records.

DoE stated that due to non-response from the academies/nearby students and non-availability of space/play-grounds in allocated schools, coaching could not be conducted and performance reports have been received from time to time. Reply is not tenable as non-response of the Scheme could mean that there were inadequacies in selection of the academies and the stream of sports. Audit also did not find relevant performance reports/documents as replied. The DoE did not assess the reasons for lack of response to this scheme for modification. As a result, the intended objective of providing free of cost training and coaching to students/players of Government schools could not be achieved.

Government stated (October 2017) that show cause notice has been issued to Taekwon-Do Federation of Delhi in September 2017 and action would be taken against the Federation after receipt of reply. It was also added that the inspections have been got conducted at all allotted private sports academies/individual to obtain actual report of the activities and after going through the reports, it was noticed that norms of providing free of cost coaching to 50 *per cent* students were being followed. However, reply was not supported by documents relating to inspections and proper adherence to provisions of the scheme. Further government stated that performance reports of all the academies have been collected and show cause notices have been issued to the non-functioning academies based on performance report of the academies.

3.2.7.6 Scouts and Guides Activities in Schools

DoE promotes Scouts and Guides activities through Bharat Scouts and Guides and Hindustan Scouts and Guides and provides funds to schools for this purpose. Budget provisions and actual expenditure during 2014-17 under the scheme are depicted in **Table 3.2.4**.

Table 3.2.4: Budget provision and Actual expenditure during 2014-17

(₹ in lakh)

Year	Budget outlay	Actual Expenditure	Savings (%)
2014-15	Nil	Nil	Nil
2015-16	40	16.75	23.25 (58)
2016-17	50	43.94	6.06 (12)
Total	**90**	**60.69**	**29.31 (33)**

The above table shows that 33 *per cent* of the budget allocation remained unspent during 2014-17. Audit however observed that:

(a) During 2014-15 no Scouts and Guides activity was conducted as Directorate could not obtain clarification (sought in May 2014) regarding recognition of Bharat Scouts and Guides and Hindustan Scouts and Guides from Ministry of Youth affairs and Sports, GOI. Though Ministry clarified (December 2014) that both the organizations are recognized, the Directorate did not implement the scheme on the ground that 10 months of the academic year 2014-15 were over and no time was left to carry out scout and guides activities.

(b) During 2015-16, budget allocation was modified from ₹ 17.00 lakh to ₹ 40.00 lakh without any assessment of requirement of funds leading to underutilization of funds. Government stated (October 2017) that modified/Revised Estimates were approved in February 2016 and there was no time left for conducting these activities due to annual examinations of students.

(c) The DoE circulated (April 2015) the calendar of activities for 2015-16 and 2016-17 submitted by both the organizations to all districts and schools for implementation. However, Hindustan Scouts and Guides and Bharat Scouts and Guides (**Appendices 3.2.1 and 3.2.2**) did not conduct 23 out of 50 approved activities during 2015-16 and 10 out of 58 in 2016-17. The reasons attributed by the organizations for non-conducing the approved activities were, non-response from schools for participation in the activities, home/annual examinations, delay in allocation of budget to schools etc. DoE stated (September 2017) that necessary directions would be issued to both the organizations to organize the activities strictly as per circulated calendar.

(d) During 2015-16, Delhi State Bharat Scouts and Guides conducted activities only in 48 schools instead of covering all the 544 schools of seven Districts. Similarly, Hindustan Scouts and Guides conducted activities in 80 schools only out of 691 schools of six districts. Information pertaining to 2016-17 was not available in records. Audit noticed that number of activities conducted in schools through Delhi State Bharat Scouts and Guides ranged between one and six in 48 schools and there were no criteria/norms on record as to how schools and activities were selected. In response, DoE stated (September 2017) that efforts would be made to increase the number of schools.

(e) DoE did not obtain feedback from the participants in respect of activities undertaken during the years 2015-17. In the absence of feedback, DoE was not in a position to assess whether activities were satisfactorily conducted and the outcomes were useful and beneficial to the participants**.** DoE stated (September 2017) that at the close of the event, feedback was obtained verbally by the organizations; however, proper records of feedback would be maintained in due course.

3.2.7.7 Non-conducting of activities under Plan schemes

Scrutiny of annual plan of DoE revealed that some activities under three plan schemes were not conducted as detailed below:

(a) Under the scheme "Promotion of Sports and Games activities", Summer Athletics, Monthly Cross-country Race, and Seminar/Refresher Course for Physical Education Teachers/Lecturers/Yoga teachers and supervisors were not organized during 2015-17 and Delhi State Woman Sports Competition was not conducted during 2016-17. DoE stated that the Summer Athletics tournament and Monthly Cross-country race could not be conducted due to delay in obtaining consolidated expenditure sanctions from the Finance Department of the GNCTD. State Council of Educational Research and Training had planned to undertake Refresher Courses for Physical Education Teachers/Lecturers/Yoga teachers and supervisors but the same were not conducted.

(b) Under the scheme "Cash Incentives to Outstanding Players/Sportsmen and Rajiv Gandhi Sports State Award", the activity 'Conferment of Rajiv Gandhi State Sports Awards' was not conducted during 2016-17. DoE stated that the activity was not conducted as changes proposed in the rules for the awards could not be finalized.

(c) During 2014-17, DoE did not conduct three[6]out of six activities of the scheme "Youth Welfare Programme". Due to non-conducting of these activities, an amount of ₹ 30.16 lakh out of ₹ 107.00 lakh provided under the scheme remained unutilized. DoE accepted that the activities were not conducted and long trekking programme has not been undertaken for last nine years.

Government stated (October 2017) that activities like Summer Athletics meets, short trekking programme etc. are being undertaken during 2017.

3.2.7.8 Schemes for mass participation for common persons

DoE issued (January 2011) an Office Memorandum stating that sports infrastructure created for Commonwealth Games 2010 at three venues[7] be allowed to common persons by charging a membership fee whereas the student players can avail the facilities free of cost. Audit however noted that DoE decided access to such facilities only to students at two of these facilities namely, Thygaraj Stadium and Chattarsal Stadium, and at the Ludlow Castle Sport Complex, only two out of seven games/disciplines i.e. Badminton and Gym/Fitness, were opened for public. This means that common people were deprived of such facilities.

Government stated (October 2017) that common man was not deprived as it was decided in 2015 that only selected facilities may be opened to the public where possibility of utilization was maximum. Reply is not tenable as after failure of this scheme, a new scheme "Pay & Play" introduced in June 2015 was partially implemented.

3.2.8 Operation and maintenance of Swimming Pools

DoE provides swimming facilities at 15 swimming pools located in its schools. Audit noted the following inadequacies:

(a) During 2014-17, three swimming facilities in 2014-15, two in 2015-16 and two in 2016-17 could open in April. Opening of all other swimming

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[6] Long trekking Programme, Youth Exchange Programme and National Integration Programme.

[7] 13 games/disciplines at Chattarsal Stadium, 14 games/disciplines at Thyagraj Stadium and 7 indoor games/disciplines at Ludlow Caste Sports Complex.

facilities were delayed for a period from 1 to 5 months. Non-operation of swimming pools in time were attributed to avoidable reasons like, non-appointment of coaches and life-guards and in one case (Sarvodaya Co-Ed Vidayalaya, Hari Nagar), delay in awarding of tender for maintenance of swimming pool by PWD.

(b) The responsibility of obtaining license from Delhi Police for operating the pool rests with the Head of the School. As per conditions of License issuing authority for operation of swimming pools, i.e. the Additional Commissioner of Police (License), Lifesaving equipment, firefighting appliances, proper lighting arrangement and water test report should be available to ensure good water quality. During 2016-17, four swimming pools[8] got renewed their licenses between August to November 2016 and one swimming pool (GBSSS, Bharat Nagar) applied for renewal of license in July 2016, but the same was not renewed. However, these swimming pools were running without valid license since June onwards against the guidelines of DoE. DoE stated that delay was procedural and more precautions would be taken in future for timely renewal of license. Thus, in the absence of License, swimming pools were operating without ensuring the safety of its users.

3.2.9 Non-availability of Sports Coaches

Regular and effective coaching plays a very important role in scientific and overall development of sport person. Further, life guard is responsible for the safety and rescue of the trainees while using the swimming pool. DoE sent a proposal to Administrative Reforms Department (ARD) in October 2011 for creation of 210 posts of Coach for various sport disciplines. It took 18 months for ARD to finalize (May 2013) 108 posts of coach that remain under approval process since then. Against a requirement of 161 posts (101 Sports Coaches, 30 Swimming coaches and 30 Life Guards), the DoE deployed only 94 officials (49 Sports Coaches, 17 swimming coaches and 28 life guards) on contractual basis as of 31 March 2017. Due to shortage of sports coaches, 21 out of 58 games/disciplines available in five test-checked stadia/complexes were not conducted. Further, in the absence of adequate coaches and life guards, overall development of sports persons and safety of swimmers could not be ensured. DoE stated that the matter regarding filling of the posts of coach would be taken up at the highest level.

Government stated (October 2017) that process has been initiated to fill the posts of Sports Coaches and a proposal for creation of 109 posts of Sports coaches and 400 posts of assistant coaches has been sent to the Administrative Reforms Department.

[8] (i) Sarvodaya (Co-ed) SSV, C-Block Mangolpuri (ii) SBV No. 2, West Patel Nagar (iii) SKV No. 2, C Block, Janakpuri, and (iv) Government Co-ed. Secondary School, Dichaon Kalan.

3.2.10 Monitoring and Evaluation

Monitoring and Evaluation is a process that helps improve performance and achieve the intended results. Audit noted the following inadequacies in monitoring and evaluation:

3.2.10.1 Lack of mechanism to ensure timely completion of capital/maintenance works.

DoE issues AA&ES to PWD for Capital/maintenance works relating to sports infrastructure. One of the conditions of AA&ES was that PWD would provide periodic progress reports/work completion report on regular basis. DoE however did not have a mechanism for receipt and examination of such progress reports so as to ensure timely completion of works. As a result, DoE was not in a position to keep track of either progress of works done or the expenditure incurred against sanctions. Though nine works including one work taken up before April 2014 were incomplete as of May 2017, DoE was not aware of the physical or financial progress of these works. DoE stated that no progress report and actual expenditure incurred against the sanctions issued for works/projects was provided by PWD. Reply is not tenable as it is for DoE to obtain the progress reports and conduct spot inspections to monitor the progress of work assigned to the executing agency.

In its reply, Government stated (October 2017) that spot inspections are being conducted during academic year 2017-18 and physical progress is being assessed.

3.2.10.2 Non-formulation of norms/policy for inspections of the Stadia/Sports Complexes/Centers

In order to ensure that Stadiums/Sports Complexes/Centers are maintained properly, regular inspections of the sports facilities need to be conducted to identify and overcome shortcomings. Audit noticed that DoE had not fixed any norms/target for inspections of the venues. DoE confirmed that no norms/policy has been formulated for inspections of the stadium/venues. It further added that the Senior Officers of the Sports Branch, Supervisors of the Zones as well as Inspection Cell of the headquarters undertake inspections of the venues from time to time. However, no records/reports in this regard were made available to audit.

In its reply, Government stated (October 2017) that inspections were (2017-18) being undertaken at regular intervals and corrective measures were being taken with the implementing agency.

3.2.11 Conclusion

DoE could not finalize Delhi Sports Policy as a follow up of National Sports Policy 2001.This indicates the low priority accorded by GNCTD towards development of sports facilities/activities in NCT of Delhi. There were delays in release of funds for various sports activities. Sports infrastructure such as sports stadia, complexes, playgrounds and swimming pools were not evenly distributed across the 13 districts of DoE. Consequently, three districts were without a single sports facility. There were delays in creation of infrastructure. Plan schemes *viz.* Grant-in-aid to Sports Associations, National Service Scheme, promotion of Scout and Guide Activities, involvement of private sports academies/individual trainers into training and cash incentives to outstanding players etc. were not effectively implemented. DoE did not provide adequate number of Sports Coaches and life-guards for swimming pools. The monitoring mechanism in DoE was deficient with regard to inspection of capital/maintenance works, upkeep of sports facilities, and support to students who excelled in sports.

Department of Food, Supplies and Consumer Affairs

3.3 Deficiencies in implementation of registration and digitization of beneficiaries under National Food Security Act, 2013

There were deficiencies in implementation of registration and digitization of beneficiaries under National Food Security Act, 2013. Department did not independently verify eligibility of NFS card applicants and relied on their declaration that none of their family members belong to non-eligible categories. Applicants having Aadhaar card issued by other States became NFS beneficiary in Delhi without due verification of their status as NFS beneficiary in their Home State. Fair Price Shop License Holders and families who had financial capacity to employ servants were allowed NFS benefits. Vehicles used for transportation of SFAs included those registered as buses, scooters/motor cycle and three wheelers which raises doubts on the authenticity of the reported transportation.

The National Food Security Act (NFSA) was enacted by the GOI and implemented in the National Capital Territory of Delhi in September 2013 with the objective of providing food and nutrition security by ensuring access to adequate quantity of quality food at affordable prices. Reforms in Targeted Public Distribution Scheme (TPDS) under the National Food Security Act, 2013 (NFSA) include application of information and communication technology and leveraging Aadhaar with biometric information of the entitled beneficiaries to ensure proper targeting of benefits, and to prevent diversion. The Department of Food, Supplies, and Consumer Affairs (Department), Government of National Capital Territory of Delhi (GNCTD) manages TPDS in Delhi. The Department implemented Component–I of the Scheme comprising digitization of beneficiaries, computerisation of supply-chain, setting up of transparency portal[9], and grievance redressal mechanism. As of March 2017, the Department had issued 19,40,159 National Food Security (NFS) Cards covering 72,48,385 beneficiaries.

The records for the period from April 2013 to March 2017 covering 3,10,493 Ration Cards of seven[10] out of 70 circles were test-checked. Two circles each were selected on the basis of maximum number of beneficiaries in the three categories[11] and one additional circle viz. Matiala was selected based on total number of beneficiaries, irrespective of category. Audit observed that data input control and validation checks over issue of NFS cards were inadequate. Discrepancies in digitization of data of beneficiaries could be mere data entry

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[9] The transparency portal can be accessed by public to view information relating to NFS cards, allocation and transportation of SFAs and details of FPS and circle offices etc.

[10] Adarsh Nagar, Badarpur ,Badli, Bawana, Kirari, Wazirpur and Matiala.

[11] (i) Antyodaya Anna Yojna, (ii) Priority Households entitled for wheat and rice only (Fresh NFS cards, erstwhile Jhuggi Ration Cards and Resettlement Colonies Ration Cards) and, (iii) Priority Households-S entitled for sugar, wheat and rice (erstwhile Below Poverty Line Ration Cards).

mistakes or could be deliberate to circumvent the system. Main audit findings are as under:

1. A household is not eligible for NFS beneficiary card if any of its members (i) owns a light (Four Wheeler) or heavy vehicle (except one commercial vehicle for earning livelihood) (ii) owns a building/land in any of the A to E category[12] colonies of Delhi (iii) is receiving ration/food subsidy under any other scheme (iv) is an income tax payee (v) is an employee of Central/State Government (vi) has electricity connection above 2KW. Department did not independently verify eligibility of applicants and relied on their declaration that none of their family members fall in these six non-eligibility categories. Department also did not verify whether the NFS cardholders continue to meet the NFS criteria or they have moved to any of six non-eligibility criteria since issue of NFS card. Thus there are risks that non-entitled families could have been registered for NFS benefits.

Department replied that Food Supply Inspectors (FSIs) visited their addresses for verification of information furnished by the applicants but 100 *per cent* authentic verification was not possible. Reply is not tenable as the Department did not develop any mechanism to periodically obtain and verify details of beneficiaries from other Government departments viz. income details from Income Tax Department, vehicle ownership details from Transport Department, electricity connection and load details from DISCOMS, building/land ownership details from Revenue Department etc.

2. Section 12 (2) (c) of NFS Act 2013 envisages leveraging Aadhaar with unique identification and biometric information of the beneficiaries for proper targeting of benefits. Department allowed persons having Aadhaar issued by other States to become NFS beneficiary in Delhi without verifying their NFS status in their Home State. There are risks that more than one NFS card could be issued on the same Aadhaar Card. Consequently, the same beneficiaries could enjoy NFS benefits in two States. This could also result in Specified Food Articles (SFAs) being diverted by Fair Price Shop (FPS) License Holders where SFAs are not drawn. Department replied that till the PDS beneficiary data is integrated at National Level, it is difficult to verify the status of beneficiaries in other States.

3. In 1,009 NFS cards, the beneficiaries included servants. Total such beneficiaries were 1,051. Department did not examine how a family who has financial capacity to employ a servant can be allowed NFS benefits. Out of 1,051 such beneficiaries, 161 were of less than 14 years of age thus violating

[12] Categorization of colonies (A to H) for valuation of property done by MCD on the basis of land prices, settlement pattern, availability of civic and social infrastructure and access to roads etc. Owners of building/land in A to E category colonies of Delhi were considered as economically prosperous.

legal age for employability. Department replied that process of verification of these cases has been initiated in the light of audit observation.

4. Only persons with sound financial position and in possession of business premises are eligible for award of FPS licenses. Total 792 FPS License Holders were also NFS beneficiaries and were getting SFAs. Department did not examine how FPS License Holders supposedly having sound financial position could be registered as NFS beneficiaries. Department replied that Zonal Offices would verify the eligibility of these NFS cards and take necessary steps.

5. As a measure of women empowerment, Section 13 of NFSA stipulated that the eldest female member who is not less than 18 years of age, in every eligible household, shall be head of the household for the purpose of issue of ration cards. Where a household does not have a woman of eighteen years of age or above, the eldest male member of the household shall be the head of the household (HOFs) for issue of NFS card and the female member on attaining the age of eighteen years shall become the HOF for such ration cards in place of male member. In contravention of this rule, male members were found to be HOFs in 12,852 NFS cards despite the presence of adult female member(s) among beneficiaries. Department replied that Zonal staff would verify these cases and take remedial measures.

6. Test-check of 207 vehicles used for transportation of SFAs from godowns of Food Corporation of India (FCI) to FPSs showed that ten vehicles were registered with other Government departments; 42 vehicles were found not registered with Transport Department; eight vehicles which ferried 1589.92 quintals of SFAs to FPSs had registration numbers of buses, two wheelers (Scooter, Motor Cycle), and three wheelers. This gives rise to doubt whether the reported transportation of SFAs had actually taken place and possibility of pilferage could not be ruled out. Department stated that this could be due to typographical data entry errors. Reply is not tenable as possibility of entering wrong vehicle numbers that exactly match with other vehicles are remote and Department should have investigated the matter.

7. Department is able to generate standardised MIS reports on NFS portal but is dependent on NIC (a Technical Partner) for customized reports. Further, the Department maintains e-PDS for allocation of SFAs to FPSs, and NFS platform for beneficiary data, but functionalities and database of e-PDS and NFS platform were not integrated through an interface. As a result, meaningful data analysis is not possible for oversight and monitoring purpose, for example, status of commencement or termination of functioning of FPS, short delivery of SFAs at FPS by transporters and wastage of SFAs due to pests or rotting at FPS (being manually collected from FPSs). Department while accepting audit observation has replied that these issues would be addressed after FPS automation.

8. SMS alerts are sent to the cardholders when SFAs are dispatched from FCI godown. In 2,453 cases, the mobile numbers of the beneficiaries actually pertained to FPS License Holders and who were not beneficiaries of NFS scheme indicating that SMSs were not always being sent to real beneficiaries. Further, Department maintains a Portal (nfs.delhi.gov.in) for dissemination of information on FPSs, allocation/delivery of SFAs to FPSs, etc. Allocation of SFAs however was not accurately depicted on website portal e.g. SFAs were shown as delivered against 'nil' allocation for the month, mismatch between quantity allocated and delivered etc.

9. NFSA also provides a grievances redressal mechanism including toll free call centres. During the period from August 2013 to March 2017, total calls received were 15,81,542 and only 6,61,523 calls were answered (41.8 *per cent*). This was due to shortage of manpower to attend to the calls.

10. As per Clause 11 (1) of the TPDS (Control) Order, 2015, dated 20 March 2015, the State Governments shall ensure regular inspections of FPSs not less than once in three months by the designated authority. Department accordingly instructed in June 2015 that Area Inspector, FSO, Assistant Commissioner, and Joint Commissioner would conduct 10, 7, 5 and 2 inspections per month respectively. Though Department claimed to have carried out the inspections periodically, Audit did not find evidence of such inspections in the form of records. There is no provision in the e-PDS/NFS to record the inspection details.

11. There were deficiencies in the data of beneficiaries and SFAs. Columns for names of mother and father were blank or invalid names like ABCD were written; invalid mobile numbers were written; details of dispatch/receipt of SFAs were inaccurate; and in 412 NFS cards name of a beneficiary was repeated. Department replied that accuracy of data would be verified.

Thus, implementation of registration and digitization of beneficiaries under National Food Security Act, 2013 was inadequate. Department did not independently verify eligibility of NFS card applicants and relied on their declaration that none of their family members fall in six non-eligible categories. Applicants having Aadhaar issued by other States became NFS beneficiary in Delhi without due verification of their status as NFS beneficiary in their Home State. FPS License Holders were also NFS beneficiaries. Families who had financial capacity to employ servants were allowed NFS benefits. Vehicles used for transportation of SFAs included those registered as buses, Scooters/Motor Cycle and three wheelers which raises doubts on the authenticity of the reported transportation.

Department of Forest and Wildlife

3.4 Green Delhi Initiative by Department of Forest and Wildlife, GNCTD

Forest Department and other Greening Agencies planted 28.12 lakh trees during 2014-17 against their target of planting 36.57 lakh trees leaving a shortfall of 23 *per cent* (8.45 lakh) in tree planting. The reported tree plantation of 28.12 lakh during 2014-17 could not lead to commensurate increase in area under tree and forest cover putting a question mark on the efficacy and performance of GNCTD's tree plantation programme. The GNCTD did not have its own Delhi Forest Policy and road map or perspective plan indicating strategy to improve forest cover. The Greening Delhi Action Plan has not been prepared after 2007-08. Tree Authority constituted under the Delhi Preservation of Trees Act, 1994 met only once during 2014-17 against mandated 12 meetings. In violation of permit conditions, lops and tops arising out of pruning/felling of trees were not supplied free of cost to the public crematoria.

3.4.1 Introduction

Department of Forests and Wildlife (Forest Department), Government of National Capital Territory of Delhi (GNCTD) is responsible for improving and managing notified forests and protecting trees outside forests through reforestation and restoration. It grants permission for felling and pruning of trees in accordance with the provisions of the Delhi Preservation of Trees Act, 1994 (DPTA). The Secretary (Environment and Forest) is assisted by Additional Principal Chief Conservator of Forests (APCCF), Chief Conservator of Forests (CCF), and Conservator of Forests (CoF). Deputy Conservators of Forests (DCF) are in charge of the field divisions and are assisted by Deputy Range Officers (DRO).

Total geographical area of Delhi is 1,483 sq km and total forest and tree cover was 305.41 sq km (20.59 *per cent*) in 2017 which included 192.41 sq km (63 *per cent*) of forest cover mainly concentrated in South and South-West Delhi and patches of trees covering an area of 113 sq km. National Forest Policy, 1988 provides that a minimum of one third of the total land area of the country should be under forest or tree cover. Immediate plan of GNCTD has been to raise the green cover to twenty-five *per cent* for which the existing forests are to be nurtured and maintained. The forest and tree cover during the years 2009-2017 is given in **Table 3.4.1**.

Table 3.4.1: Changes in Forest and Tree cover between 2009 and 2017

India State of Forest Report by	Forest and tree cover in Delhi			
	Sq. Km.			As percentage to total geographic area
	Forest	Tree	Total	
2009	176.58	123.00	299.58	20.20
2011	176.20	120.00	296.20	19.97
2013	179.81	118.00	297.81	20.08
2015	188.77	111.00	299.77	20.22
2017	192.41	113.00	305.41	20.59

Source: Forest Research Institute, Dehradun

This thematic audit was conducted during April to August 2017 covering the period from 2014-15 to 2016-17 to assess whether adequate and effective steps were taken to improve and manage green cover in Delhi through reforestation and restoration.

In pursuance of Delhi High Court Order no.7798-W/DHC/writ/D-3/2017 dated 1 April 2017, Audit also examined the records of the Forest Department and 13[13] major institutional agencies for 2014-15 to 2016-17 in respect of felling of trees and corresponding compensatory tree plantation and utilization of timber arising from felling trees. Out of 750 permission orders issued by the Forest Department, Audit selected 42 permission orders for cutting total 9,178 trees **(Appendix 3.4.1)** covering 70.51 *per cent* of total 13,018 tree felled during 2014-17. An entry conference was held (August 2017) with the Secretary (Environment and Forest), Engineer-in-Chief (PWD), Additional Principal Chief Conservator of Forest, and senior officers of the Institutional Agencies. The replies of the Forest Department dated 15 November 2017 have been suitably included in this report.

Audit findings

3.4.2 Deficient Planning

3.4.2.1 Greening Delhi Action Plan was not formulated

First Greening Delhi Action Plan (GDAP) came into effect in the year 1997-98 to bring different agencies together for a coordinated approach to augment the pace of greening activities in Delhi. The main components of GDAP include strategy to improve forest cover, annual plantation by major civic and infrastructure development agencies, publicity and extension activities, and reclamation of mining areas. The GNCTD however did not prepare GDAP after 2007-08. It did not prepare Delhi Forest Policy and road map or perspective plan indicating strategy to improve forest cover to achieve 25 *per cent* green cover as immediate State goal or 33 *per cent* green cover as provided in the National Forest Policy, 1988. Absence of any policy document or strategy could have hindered increase in green cover as the forest and tree cover during 2009-17 had remained almost static as could be seen in **Table 3.4.1**.

While confirming absence of GDAP since 2008-09, the Forest Department replied (November 2017) that the preparation of GDAP shall be resumed. The annual targets were allotted each year to the Greening Agencies. Their replies should be seen in the light of the fact that the Forest Department and Greening

[13] Public Works Department (PWD),Delhi Development Authority (DDA), Central Public Works Department (CPWD), National Highway Authority of India (NHAI), Delhi State Industrial and Infrastructure Development Corporation (DSIIDC), East, North and South Delhi Municipal Corporations (MCsD), Northern Railways, National Building Construction Corporation (NBCC), Delhi Police (DP), Delhi Metro Rail Corporation (DMRC) and Delhi Cantonment Board.

Agencies could not achieve their own tree planting targets during 2014-17 and shortfall was 26.61 and 20.98 *per cent* in case of Forest Department and others agencies respectively as commented at **Paragraphs 3.4.3** and **Table 3.4.2.**

3.4.2.2 Inadequacy in functioning of Tree Authority

Tree Authority constituted under the Delhi Preservation of Trees Act, 1994 with Secretary, Forest Department as Chairman is responsible for preservation of all trees, carrying out census of the existing trees, development and maintenance of nurseries, and undertaking critical study of the proposals of various government departments and private bodies for construction of buildings, roads, factories, irrigation works with regard to protection of existing trees and planting of more trees, wherever possible. As per Section 4 of the Act, the Authority was to meet at least once in three months but after its meeting in July 2013, the Tree Authority met again only in December 2016. Against mandated 12 meetings, only one meeting was held during 2014-17, period covered in audit. Absence of regular meetings indicate lack of seriousness in its approach towards preservation of trees and afforestation. Forest Department attributed administrative reasons for not conducting meetings of the Tree Authority and stated that it would now meet regularly.

3.4.3 Annual tree planting targets under 20 Points Programme not achieved

Under Twenty Points Programme, Government of India (GoI) fixes the annual target for tree planting of different States/UTs. Delhi Forest Department fixes annual target for itself and other civic and infrastructure agencies (Greening Agencies) after holding consultative meetings with them. Targets and achievements for the last three years compiled by the Forest Department are given in **Table 3.4.2**.

Table 3.4.2: Annual Targets and Achievements for tree planting in Delhi

(In lakh)

Year Ended March	Target for tree planting					Actual tree planting			Shortfall		
	GoI*		GNCTD		Total	Forest Dept.	Others	Total	Forest Dept.	Others	Total
	Sq.Km area	Tree	Forest	Others							
2015	13.80	8.97	5.75	7.09	12.84	3.65	6.01	9.66	2.10	1.08	3.18
2016	8.50	5.53	4.33	8.84	13.17	3.54	6.2	9.74	0.79	2.64	3.43
2017	8.48	5.51	3.75	6.81	10.56	2.96	5.76	8.72	0.79	1.05	1.84
Total	**30.78**	**20.01**	**13.83**	**22.74**	**36.57**	**10.15**	**17.97**	**28.12**	**3.68**	**4.77**	**8.45**

Source: Forest Department, GNTCD.

** Target given by Ministry of Environment and Forest, GoI under the Twenty Points Programme. Target in terms of increase in green in forest & tree cover works out to be 65,000 tree planting to increase one square Km forest and tree cover.*

Above Table shows that the Forest Department together with other Greening Agencies could not achieve their own tree planting targets during 2014-17. They planted 28.12 lakh of tree during 2014-17 against target of 36.57 lakh tree leaving a shortfall 8.45 lakh of tree planting. Forest Department reduced its target from 5.75 lakh tree planting in 2014-15 to 4.33 lakh in 2015-16 to 3.75 lakh in 2016-17 but they even failed to achieve significantly reduced target. Tree Planting target fixed by GoI were achieved in all three years covered in audit.

However, there were inadequate internal records/evidence on files of the offices of the Forest Department for physical verification or counting of planted trees to determine the numbers of trees actually planted and/or survived. For example, the Progress Reports furnished by DRO (South) to DCF states that 90,000 and 60,000 trees were planted in August 2015 and August 2016 respectively by an Institution, but DRO records did not show the name of institution, area of plantation, expenditure, and maintenance details. One DRO in South Division in its progress report to DCF (South) stated planting of 51,680 trees in August 2014 at Asola and Tughlakabad area whereas the progress report forwarded to Forest Department showed planting of 80,075 trees during the same period. Discrepancies in numbers of tree plantation were also reported in the 'Report of Third Party Monitoring and Evaluation of the Plantation raised by three DCFs' during 2009-10 to 2015-16. They also reported that in randomly selected 24 sites for field survey covering 1,35,315 tree planted, quality of plantation as poor or average for 37,915 trees (28 *per cent*) in six sites, including 14,450 trees as completely damaged.

Department replied that they fixed ambitious targets. Mass tree plantation during the rainy season are done on *shramdaan* by local people under the supervision of regular staff and later maintained by regular departmental staff and labourers and proof of such mass plantation is kept in the form of photographs and video recordings.

Reply of the Department should be seen in the light of the following facts:

(a) Table 3.4.2 shows that planting of 65,000 trees should generally result in an increase of one square Km of forest and tree cover. On an average, about 9 lakh trees are annually planted in NCT of Delhi and therefore, annual increase in forest and tree cover should be about 13.84 Sq. Km. However, planting of these many trees annually has not been resulting in commensurate increase in forest and tree cover in NCT of Delhi. As per the State of Forest Report (see Table 3.4.1), NCT of Delhi could increase 5.83 Sq. Km of the forest and tree cover in eight years between 2009 and 2017 Report, i.e. from 299.58 Sq. Km (20.20 *per cent* of its total geographical area) in 2009 Report to 299.77 Sq. Km (20.22 *per cent* of its total geographical area) in 2015

Report to 305.41 Sq. Km (20.59 *per cent* of its total geographical area) in 2017 Report.

(b) Though forest cover increased from 176.58 square Km in 2009 to 192.41 square Km, there has been significant decrease in tree cover from 123 square Km in 2009 to 113 square Km in 2017.

(c) The reported tree plantation without commensurate increase in area under forest and tree cover thus put question mark on the efficacy and performance of GNCTD's tree plantation programme. The GNCTD should examine as to why their annual tree plantation efforts have not been resulting in commensurate increase in forest and tree cover.

3.4.4 Compensatory planting of trees

Section 10 of DPTA and Government instructions (February 2010) states that the compensatory tree plantation will be ten times of every tree felled. For every tree felled, the Department of Forest will plant five tree saplings on the land available with/made available to the Department on behalf of the individual/user agency and remaining five tree saplings will be planted by the permit-holders on certain terms and conditions. In some cases, obligation for compensatory planting can be fully assumed by the Forest Department/the permit holder as indicated in the permission order. Each permit-holder was to deposit a security deposit which has two components. Non-refundable component was to be used by the Forest Department for fulfilling its obligation of compensatory tree plantation whereas refundable component would be released if the permit-holder carries out their obligation of compensatory plantation in the stipulated period and successfully maintains the plantations for 5 or 7 years. In case of failure of the permit-holder to plant the trees, Tree Officer shall himself plant the trees and recover the cost from the refundable security deposit. Audit findings are as under:

3.4.4.1 Adequate records were not maintained

The three DCF Offices collectively realized ₹ 81.78 crore as security deposit against 750 permissions granted during the period 2014-17 but there was no refund of security deposit during this period. In order to ensure meaningful utilization of the funds, effective monitoring, and verification of the compensatory plantation etc., the Council of Ministers approved (24 February 2010) certain guidelines which included maintenance of a separate register titled 'Security Deposit under DPTA' to record permit-wise entries of compensatory tree planting obligations of the department and the permit-holders and their actual fulfillments; realization of security deposits (refundable and non-refundable), component-wise expenditure on creation and maintenance of saplings, and refund therefrom. The DCFs were required to certify the receipt/release of security amount in the Register under his seal and signature with date.

Audit observed that the said registers were not maintained in all three DCFs offices. These guidelines also require the DCFs to prepare an action plan for raising and maintenance of saplings in the land identified in the Division which they did not maintain. The prescribed quarterly reporting showing the amount of Security Deposits received and the component-wise amount spent with opening and closing balance to be sent by DCFs to CF for onward transmission to the Secretary (E&F) were also not being adhered to.

While accepting non-maintenance of the required registers and records due to staff constraints, the Forest Department replied that the same would henceforth be maintained. The replies should be seen in the light of the fact that in absence of the prescribed records and management information reporting, effective monitoring over utilization of the funds and verification of the compensatory plantation was deficient. Accumulation and/or non-refund of security deposits and absence of adequate evidence for the corresponding compensatory plantation means the permit-holders and Forest Department may not have fulfilled their obligations for compensatory tree planting as commented in the **Paragraph 3.4.4.2**.

3.4.4.2 Shortfall in Compensatory Plantation

During 2014-15 to 2016-17, all three DCFs together gave 750 permissions (North-89, West-346, and South-315) for felling 13,018 trees. There was failure of the Forest Department and permit holders to fulfill compensatory plantation obligation as commented below:

(a) Forest Department

Details of obligation to compensate for felled trees and trees actually planted are in **Table 3.4.3**.

Table 3.4.3: Compensatory plantation done by Forest Department

Year Ended March	No. of trees felled N-North, S-South and W-West				Planting of compensatory trees by Forest Department							
					Obligation				Trees actually planted			
	N	W	S	Total	N	W	S	Total	N	W	S	Total
2015	1,035	2,486	940	4,461	5,175	12,430	4,700	22,305	2,905	13,813	0	16,718
2016	712	2,237	984	3,933	3,560	11,185	4,920	19,665	30	1,750	0	1,780
2017	2,248	576	1,800	4,624	11,240	2,880	9,000	23,120	0	2,550	0	2,550
Total	**3,995**	**5,299**	**3,724**	**13,018**	**19,975**	**26,495**	**18,620**	**65,090**	**2,935**	**18,113**	**0**	**21,048**

As could be seen in the **Table 3.4.3**, against obligation of 65,090 (13,018x5) compensatory tree planting during 2014-17, the Forest Department planted only 21,048 saplings leaving a shortfall of 44,042 tree (67 *per cent*). DCF South was to plant 18,620 trees which they did not.

Forest Department replied that securing land for compensatory plantation is an ongoing process and they undertake plantation accordingly. The reply is not acceptable as the Department itself states that it asks the institutional agencies to provide 100 *per cent* compensatory plantation land in case forest land is not available and therefore, availability of land should have been ensured prior to giving permission for cutting trees.

(b) Institutional agencies

Audit test-checked the fulfillment of compensatory tree planting by 11 major institutional agencies which were granted permission to fell trees under DPTA during 2014-17. Details of compensatory tree planting by nine institutional permit holders are given in **Table 3.4.4**.

Table 3.4.4: Details of compensatory tree planting by institutional permit-holders

(in Nos.)

Permit-holders	Tree felled in 2014-17		Tree planting obligation		Actual tree Planting	
			Forest Deptt.	Permit holders	Forest Deptt.	Permit holders[$]
NHAI		3,261	0	40,000	*	2,000
DMRC		1,162	11,620	0	*	0
NBCC		1,123	5,835	8,165	*	1,354
DSIIDC		457	2,220	2,910	*	0
CPWD		337	1,385	1,985	*	877
DDA		145	25	1,425	*	375
DP		388	1,940	1,940	*	50
PWD		3,978	13,918	24,758	*	33,222
	Test-checked	2,220	8,828	15,688	*	158
MCsD		1,119	5,110	6,120	*	3,160
	Test-checked	409	2,915	4,335	*	1,760

**Sufficient information not available in the concerned DCF Offices as they do not maintain records to make entry for the same.*

$ As per records of permit-holders.

Table 3.4.4 shows that the Forest Department did not maintain sufficient information in respect of their tree planting obligations. Institutional permit-holders failed to compensate for felling of trees as per their permit obligations. As a result, the Department failed to enforce the provision of Delhi Preservation of Trees Act which requires compensatory planting of trees in the area where they are felled. Audit specifically test-checked 42 case files of the three DCFs and did not find sufficient evidence to show whether they have fulfilled their part of obligation as permit-wise details of compensatory tree planting done by them was not maintained. The Forest Department and institutional permit-holders, both were contented with receiving/paying security deposits without monitoring/ensuring whether their obligation to compensate for trees felled have been fulfilled or not. Based on records of permit holders and the Forest Department, Audit observed that:

- NHAI deposited ₹ 22.80 crore as security deposit to cut 3,261 trees for widening of NH-24, Delhi Meerut Highway. Besides, NHAI paid ₹ 24.83 crore to DDA for plantation of 40,000 trees on DDA land at Tughlakabad Biodiversity Park which planted only 2,000 trees

(5 *per cent*) within stipulated period of nine months i.e. upto August 2017. After passing on obligation of tree plantation to DDA, NHAI failed to adequately monitor to ensure whether the required compensatory tree planting was completed by the DDA or not. Forest Department replied that compensatory plantation and monitoring are ongoing activities. The reply is not acceptable as this should have been completed by August 2017.

- The Forest Department granted to DMRC permissions for felling/transplanting 1,162 trees and assumed full obligation of planting ten times the number of felled trees to plant 11,620 saplings (DCF South-2,950, North-7,040, and West-1,630) in forest land and/or land allotted by the DMRC. DCF South has not done compensatory planting during 2014-17 after receiving the security deposits. DMRC too after paying the security deposit did not monitor whether the Forest Department has actually planted the compensatory trees on its behalf. Forest Department replied that they have planted five lakh saplings and this status was also submitted to the High Court, Delhi on affidavit. The reply is not acceptable. As per the said affidavit, Forest Department had planted five lakh saplings during the period 2000-2015 including 21,000 saplings during 2014-15. However, as per details furnished to audit by the three DCFs, only 16,718 trees were planted in 2014-15 which included compensatory plantation in respect of permissions granted to agencies other than DMRC also. Further, as permit-wise details of compensatory tree planting done was not maintained by the Forest Department, Audit could not ascertain the actual number of trees planted against permissions granted to DMRC.
- NBCC obtained permission to fell 1,123 trees during 2014-17 for East Kidwai Nagar Project on security deposit of ₹ 4.51 crore. DCF (South) had issued this permission but the division did not do any compensatory tree plantation during 2014-17 whereas NBCC planted 1,354 trees against a requirement of 8,165 trees. There was no evidence in the files of the Forest Department to show whether it ensured tree plantation by NBCC.

Forest Department replied that due to staff constraints, records in sufficient details to monitor compensatory tree planting could not be maintained. In case the institutional permit-holders are not able to demonstrate established trees at the end of 7 year period, the said agency stands to forfeit the entire security amount and the required plantation would then be done by the Forest Department.

The reply is not acceptable. Compensatory tree planting by permit-holders were to be completed within nine months from the issue of permit or by end of next planting season. Forest Department has supervisory responsibilities to ensure this. Waiting for the permit-holders to demonstrate planting of tree and their survival at the time of seeking refund means delaying compensatory tree planting by 7 years in case the permit-holders failed to fulfill their obligation. Moreover, non-fulfillment of compensatory planting may go undetected in case the permit-holders choose not to seek refund due to non-compliance of permit conditions as commented by Audit at **Paragraph 3.4.4.1** that the Forest Department has not made refund of security deposit during 2014-17.

3.4.5 Removal and disposal of timber from felled trees

Permission order inter alia states that (a) the permit holders were to intimate the DCFs three days in advance before commencing cutting of trees for monitoring; (b) material produced from felled trees should not be removed or disposed-off by the permit-holders without permission of the Tree Officer of DCF Office; (c) the permit-holders should transport the forest produce/wood arising out of felling and lops and tops arising out of pruning/lopping/pollarding of trees at their expense to the nearest public crematorium managed by MCD/NDMC to give them free of cost and under proper receipt from such crematorium and submit a copy of such receipt to the Forest Department; (d) Permit-holders were to submit the progress report of felling and transportation to DCFs through Range Officer concerned; and (e) wood other than lops and tops like trunks and stumps of trees generated from felled tree were to be sold/auctioned and sale proceeds were to be deposited with the Government through the Offices of DCF. Audit findings are as under:

(1) Records of the Forest Department in respect of 42 permission orders issued to the institutional permit-holders were test-checked to verify adherence to the terms and conditions of permission granted by the Forest Department for removal and disposal of timber from felled trees. There was no evidence in any of the test-checked 42 case files of the Forest Department to show that the Tree Officers/the Range Officers monitored the removal or disposal of material produced from the felled trees with their permission. There was no record of receipts for quantum of wood sent to crematoria in respect of 8,832 trees out of 9,178 felled trees covered in audit.

(2) Records of thirteen user agencies were examined to see whether woods including lops and tops obtained from felling trees were properly accounted for in respect of receipt and disposal. Except Delhi Cantonment Board, none of the user agencies were maintaining stock registers or any other records to show the quantum of wood/timber generated as a result of cutting the trees, and disposal thereof through auction and/or supplies to crematoria. Audit further noticed that:

(a) Records of utilization of wood obtained on felling of 3,261 trees and 1,162 trees and disposal thereof was not available in files of NHAI and DMRC respectively.

(b) In two cases, DDA reported sending 10.25 quintals (SD-2) of timber free of cost to Shri Hanuman Seva Sangh, Crematorium under North MCD in May 2015 and 19.10 quintals of wood (MPR Division) to Punjabi Bagh Crematorium under South MCD whereas information received from both these MCsD shows that these two Crematorium did not receive timber free of cost during this period from any government agency. Information in respect of other cases were not available with DDA. Permission of tree officer was not obtained prior to removal or disposal of timber.

(c) NBCC assigned the work of cutting trees to the contractors who executed their work without adequate supervision of the NBCC and/or Forest Department with regards to accounting of timber obtained, auctioned, and supplied to the crematoria. Review of gate passes issued at Nigambodh Ghat Crematorium against weight taken at site by the contractor revealed that there was a short supply of 5,155 Kg of wood at the crematorium against felling of 281 trees. Moreover, this wood was not supplied to crematorium free of cost as the Nigambodh Ghat Crematorium stated that they did not receive any timber from any government agency free of cost during 2014-17.

(d) DSIIDC was given permission for cutting 457 trees during 2014-17. They engaged a contractor for cutting 13 trees on no profit-no loss basis in violation of permission order. From cutting of remaining 444 trees, 250 quintal wood was auctioned and 147.30 quintal was sent to crematoria. However, in the absence of receipt from the crematoria, audit could not verify whether the wood was actually sent to crematoria and whether it was free of cost.

(e) CPWD obtained 2,045 quintal of wood from cutting of 337 trees and same was sold. No wood was supplied to the Crematoria which was in violation of permission order of Forest Department. In one case, the conditions of permission stipulated that the stumps of trees (1.2 meter from ground level) shall be delivered to ITO Nursery/Asola Bhatti Sanctuary, New Delhi which was not done.

(f) Delhi Police sent 49.40 quintal of wood to a Crematorium in July 2014. However, when the receipt of wood was cross checked with the records of the Crematorium, it was found that the wood was not supplied free of cost but was shown as purchased by the crematorium. For cutting of eight trees, Delhi Police stated that the vendor deployed by Forest Department had taken away wood after cutting whereas Forest Department stated that they did not deploy any vendor.

(g) Out of 70 permissions received during 2014-15 to 2016-17 by PWD for cutting 3,978 trees, 14 permissions accounting for 2,220 trees were test-checked. PWD did not have record for disposal of wood obtained from felling of 780 trees and they also did not send any wood to crematoria free of cost. In two permissions for cutting of 207 trees granted to PWD, the stumps of the trees (1.2 meters from ground level) were to be transported/delivered by the PWD to Asola Bhatti Sanctuary at its own cost. However, evidence showing such transportation/delivery of stumps to Asola Bhatti Sanctuary and acknowledgement receipt was not available in the file.

(h) Five permissions granted to MCsD for cutting 409 trees were test checked. As per the work order awarded by MCsD, the lops and tops arising out of pruning/felling were to be sent to the nearest public crematorium managed by the MCsD by the contractor at his own expense and copies of the receipts from crematorium were to be furnished to MCsD which were not found in their files. Moreover, Crematoria informed audit that no wood was received free of cost by any of the crematoria in MCsD during the period 2014-15 to 2016-17 except those at Sat Nagar, Subhash Nagar and Punchkuian Road where a total of 794.45 quintal of wood was received free of cost.

The Forest Department replied that due procedure could not be followed due to shortage of staff; and it was institutional permit-holders' responsibility to comply with the stipulated conditions. Reply is not tenable and should be seen in the light of the following facts.

(i) The Forest Department was responsible to oversee compliance of its own terms and conditions of permission orders which they failed in all the selected cases. They should not assume that the permitted agencies would comply with the terms and conditions of permission. As noted above, the institutional permit-holders did not adhere to terms and conditions of the permit for cutting the trees.

(ii) Audit cross checked the free supplies of lops and tops to MCsD's public crematoria and all three MCsD have replied that out of 18 public crematoria of MCsD, 15 crematoria did not receive any timber free of cost during 2014-17 from any government agencies and their requirement was met by purchases (North MCD- ₹ 16.15 crore, South MCD ₹ 6.05 crore and East MCD-₹ 0.93 crore). Three public crematoria namely, Sat Nagar, Subhash Nagar and Punchkuian Road received a total of 794.45 quintal of wood free of cost during 2014-17. This means that the lops and tops arising out of pruning/felling of trees permitted by the Forest Department were not supplied free of cost to the public crematoria and/or supplied at cost. In the absence of sufficient records maintained by the permit-holders and Forest Department, possibility of under accounting and misappropriation of quantity of wood generated from tree cutting, and their disposal by way of auction and/or supply to public crematoria free cost could not be ruled out.

3.4.6 Non-recovery of penalty of ₹ 4.60 lakh due to illegal cutting of trees

In terms of Delhi Preservation of Trees Act 1994, no tree shall be felled or pruned without permission from the tree officer (DCF). Failure to observe the above provisions of the Act attracts a maximum penalty of ₹ 10,000 per tree apart from compounding the value of timber and other produce. Offence register maintained for the period 2014-15 to 2016-17 shows that total 285 cases of violations were booked and penalty amounting to ₹ 4.60 lakh imposed in seven cases were yet to be recovered as of August 2017. Forest Department replied that necessary legal recourse will be resorted to for recovery of penalty. DCFs however have yet to take recovery action though it relates to 2014-16.

3.4.7 Conclusion

The GNCTD did not have its own Delhi Forest Policy and roadmap or perspective plan indicating strategy to improve forest cover. The Greening Delhi Action Plan has not been prepared after 2007-08. Tree Authority constituted under the Delhi Preservation of Trees Act, 1994 met only once during 2014-17 against mandated 12 meetings. Prescribed records were not maintained to monitor tree cutting; subsequent compensatory plantation and survival of saplings; and use of security deposits.

Forest Department and other Greening Agencies planted 28.12 lakh trees during 2014-17 against their target of planting 36.57 lakh trees leaving a shortfall of 23 *per cent* (8.45 lakh trees). The reported tree plantation of 28.12 lakh during 2014-17 however could not lead to commensurate increase in area under tree and forest cover putting a question mark on the efficacy and performance of GNCTD's tree plantation programme. NCT of Delhi could marginally increase the forest and tree cover during 2009-2017 from 299.58 Sq. Km (20.20 *per cent* of its total geographical area) in 2009 to 305.41 Sq. Km (20.59 *per cent* of its total geographical area) in 2017. With this pace, it seems the Department would nowhere be achieving the target of 25 *per cent* or 33 *per cent* in the foreseeable future.

There was failure on the part of the Forest Department and institutional permit-holders to adequately monitor and fulfill their respective obligation for compensatory tree plantation. In violation of permit conditions, lops and tops arising out of pruning/felling of trees were not supplied free of cost to the public crematoria.

Department of Health and Family Welfare

3.5 Functioning of Blood Banks

Thirty two out of 68 blood banks in the National Capital Territory of Delhi were functioning without valid licenses due to delay in processing applications for their renewal. There were several deficiencies in management of blood banks. Thirty two blood banks were not updating authentic information pertaining to blood/blood components in National Health Portal depriving the common people of the National Capital Territory of Delhi about information regarding availability of blood and blood components in the blood banks. Voluntary blood collection declined from 54.55 *per cent* during 2014-15 to 45.20 *per cent* during 2016-17. No blood bank of Government of National Capital Territory of Delhi and Municipal Corporations of Delhi were performing NAT screening affecting the quality of blood. Oversight and monitoring over the functioning of blood banks was inadequate.

3.5.1 Introduction

Government of India (GoI) had adopted the National Blood Policy (NBP) in April 2002 to ensure easy access and adequate supply of safe and quality blood and blood components. National Blood Transfusion Council (NBTC) is the policy formulating apex body in relation to all matters pertaining to operation of Blood Banks. State Blood Transfusion Council (SBTC) is responsible for implementation of Blood Programme at the State level as per the recommendations of NBTC. SBTC organizes blood transfusion service through a network of blood banks run by the Government, Indian Red Cross Society, and Non-Governmental Organisations (NGOs).

As of March 2017, availability of blood in Delhi is ensured through a network of 68 Blood Banks of which 11 are managed by the Government of National Capital Territory of Delhi (GNCTD), nine by the GoI, three by Delhi Municipal Corporations (MCD), six by voluntary organizations, 39 by private blood banks including 35 blood banks run by private hospitals. Out of these 68 blood banks, twenty[14] get support from National Aids Control Organization (NACO), Ministry of Health and Family Welfare, GoI in the form of additional manpower and financial assistance for organizing blood donation camps.

Audit of functioning of blood banks covering the period 2014-15 to 2016-17 was conducted from April to June 2017. Main audit objectives were to assess the adequacy and effectiveness of:

[14] Six under GoI, nine under GNCTD, three under MCD and two under voluntary organizations.

(i) The system of licensing, renewal, inspection and monitoring of Blood Banks;

(ii) Mechanism of extraction, testing, and storage of blood in hygienic conditions to ensure optimal availability and use of quality blood; and

(iii) Manpower and infrastructure to deliver Blood Bank services.

Audit test-checked the records of Drugs Control Department (DCD), State Blood Transfusion Council, Delhi State AIDS Control Society (DSACS)[15] and five[16] blood banks selected through Simple Random Sampling Without Replacement out of 14 blood banks (eleven of Government of NCT of Delhi and three of MCD).

Audit findings

3.5.2 Non-issue/renewal of license

Blood banks are regulated under the "Drugs and Cosmetics Act, 1940" and Rules made thereunder and require license from the State and Central License Approving Authorities for functioning. The license is issued after ensuring availability of prescribed infrastructure and manpower and requires renewal after five years based on fresh inspection when applied by the licensee.

Audit of records of Drugs Control Department (DCD) relating to issue/renewal of license to 68 blood banks revealed that 32 out of 68 blood banks (10 Government blood banks, 16 of Private Hospitals, three Private and three of Voluntary organizations) were functioning without renewing their licenses as of March 2017. Of these, two[17] blood banks had been functioning without renewing license for more than four years, three[18] for periods ranging from six months to one year and the remaining 27 for 25 days to six months. It was further seen that license of two[19] blood banks were renewed after six years and one[20] blood bank after ten years of expiry.

Reasons for non-renewal/delay in renewal of licenses were non-compliance of deficiencies by the blood banks, delays in conducting inspection/re-inspection and delays in issuing renewal after satisfactory inspections. In the absence of

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[15] DSACS is an autonomous body under Department of Health and Family Welfare responsible for implementing National Aids Control Programme including blood safety programme ensuring uninterrupted supply of safe blood in the state through voluntary blood donations and rational use of blood.

[16] (i) Guru Teg Bahadur Hospital (GTBH), Lok Nayak Hospital (LNH), Sanjay Gandhi Memorial Hospital (SGMH), Deen Dayal Upadhaya Hospital (DDUH) and Swami Dayanand Hospital (SDNH).

[17] 1. Central Polyclinic 2. Sushruta Trauma Centre; validity of licence of these two Blood Banks were 05.11.2011 and 31.12.2012 respectively.

[18] 1. Bhagat Chandra Hospital, 2. Lions Blood Bank, Shalimar Bagh, and 3. Fortis Hospital, Shalimar Bagh.

[19] Hindu Rao Hospital and Blood Bank Organisation.

[20] Swami Dayanand Hospital.

valid licenses, Audit could not derive assurance that these blood banks were having the required manpower and infrastructure for their functioning.

DCD stated (June 2017) that all the blood banks had applied for renewal of license within the stipulated period and the blood banks are permitted to continue to operate till orders on their application were communicated to them as provided under Rule 122-F of Drugs and Cosmetics Rules, 1945. The reply is not tenable since the purpose of licensing is to ensure availability of adequate infrastructure and manpower for supply of quality blood, and delay in conducting inspections and compliance of deficiencies by blood banks may compromise the quality of blood. Provisions of Rule 122-F are only to facilitate uninterrupted supply of blood and DCD should have established a timeline for completing inspections and renewal of licenses after receipt of application from the blood banks.

3.5.3 Non-establishment of Metro Blood Bank

National Aids Control Organization (NACO) envisaged (December 2010) setting up of four Metro Blood Banks-Centre of Excellence (MBB-COE) in Transfusion Medicine[21] in four Metro Cities including NCT of Delhi. The objective of setting up of MBB-COE inter alia included to cater to the demand for blood as well as promote 100 *per cent* collection through voluntary donation and automated screening of donated blood through state of art equipment and skilled manpower, to create state of art referral Blood Transfusion Centre for the region, and to prepare the State and the region for Transfusion Services during disasters. The MBB-COE was to be attached to one Medical College for starting academic course in transfusion medicine. The project was to be supported by GoI through provision of cost for building, manpower, equipment, consumables and annual recurring grant for five years. It was estimated that the construction of the facility would be completed in about two years and subsequently, the Central Government would operate the facilities for a period of five years.

In May 2013, NACO forwarded a concept note on the MBB-COE to the Delhi Health Secretary. The Cabinet, GNCTD approved setting up of Metro Blood Bank at Dwarka Hospital in July 2016. But no action was taken for signing the MoU with NACO till April 2017 when NACO decided to postpone the project to subsequent phase and shifted the project to Kolkata (10 April 2017) as GNCTD took four years for selection of site, cabinet approval, and approval of Lieutenant Governor. Thus, delay in decision making by GNCTD resulted in shifting of the project thereby depriving the people of NCT of Delhi from the benefits of MBB-COE. Besides GNCTD failed to

[21] Transfusion Medicine is the branch of medicine that is concerned with transfusion of blood and blood components. It includes issues of blood donation, immune-hematology and other laboratory testing, transfusion practices, therapeutic aphaeresis, stem cell collections, cellular therapy and coagulation.

avail Central assistance for setting up of MBB-COE along with operation and maintenance for a period of five years.

3.5.4 Human Resource Management

3.5.4.1 Shortage of staff in State Blood Transfusion Council

The National Aids Control Board approved (May 2009) 12 posts including one Director, two Deputy Assistant Directors, and one Section Officer/Superintendent for each of the 34 State Blood Transfusion Councils (SBTCs) and all these posts were to be created by the respective State Government. Further, SBTCs were authorized to recruit one Office Assistant and one Junior Assistant on contractual basis till regular posts were filled by the State Government. Audit observed that as of March 2017, SBTC, Delhi was looked after by the Senior Pathologist from GTB Hospital on officiating basis and only one Office Assistant and one Junior Assistant were posted on contractual basis to SBTC from May 2012 by Delhi State Aids Control Society (DSACS).

SBTC had submitted a proposal (March 2015) to DSACS for providing additional manpower which was turned down stating that a proposal for establishment of Delhi State Blood Services by merging of SBTC with Blood Safety Division of DSACS had already been moved for approval of Planning Department, GNCTD. The matter was still under process as of June 2017.

3.5.4.2 Shortage of staff in blood banks

Drugs and Cosmetics Act, 1940 and Rules made thereunder provide that operation of blood banks shall be conducted under the active direction and personal supervision of competent technical staff consisting of at least one full time Medical Officer, blood bank Technicians and Registered Nurses.

Audit noticed that selected GNCTD/MCDs run blood banks were functioning without adequate personnel as under:

(i) There was no full time Medical officer in Swami Dayanand Hospital (SDNH) and Lok Nayak Hospital (LNH) during 2014-17. The Medical Officer posted in blood bank of SDNH on regular basis was also looking after the administrative work of Pathology and Microbiology.

(ii) There was shortage of six Technicians in Deen Dayal Upadhyay Hospital (DDUH) and one in SDNH against sanctioned posts as of March 2017.

(iii) There was no sanctioned post of Staff Nurse in blood banks of SDNH and GTBH during 2014-17. However, one Staff Nurse in SDNH and nine Staff Nurses in Guru Teg Bahadur Hospital were posted in the blood bank. Further, information relating to sanctioned posts of Staff Nurse and Technician was not available in LNH.

3.5.5 Shortcomings in Blood collection and processing

The National Blood Policy (NBP) reiterates commitment of the GoI to provide safe and adequate quantity of blood, blood components and blood products to encourage appropriate clinical use of blood and blood products. Audit examined compliance to the conditions prescribed in the Drugs and Cosmetics Rules, 1945 and NBP regarding collection and processing of blood and noticed various cases of deviations as discussed in succeeding paragraphs.

3.5.5.1 Voluntary Blood Collection

Objective 1.2.1 of NBP provides that the practice of replacement donors[22] shall be gradually phased out in a time bound programme to achieve 100 *per cent* voluntary non-remunerated blood donation programme. Further, NACO fixed a target of 90 *per cent* for voluntary blood collection (VBC) for the years 2014-17 but the percentage of VBC collected by 68 blood banks of GNCTD were 54.55, 46.60 and 45.20 *per cent* during 2014-15, 2015-16 and 2016-17 respectively. Details of VBC collected by five selected blood banks are given in **Table 3.5.1**.

Table 3.5.1: Year wise blood collection

(in no. of units)

Name of Blood Banks	Blood collected during 2014-15			Blood collected during 2015-16			Blood collected during 2016-17		
	VBC*	TBC	VBC (*per cent*)	VBC	TBC	VBC (*per cent*)	VBC	TBC	VBC (*per cent*)
LNH	1,872	18,945	9.74	1,326	19,541	6.79	348	17,939	1.94
SGMH	675	4,166	16.20	452	4,268	10.59	643	3,840	16.75
SDNH	1,372	2,046	67.06	1,418	2,255	62.88	1,632	2,666	61.22
DDUH	11,626	19,582	59.37	10,347	20,044	51.62	9,887	18,079	54.69
GTBH	24,454	30,928	79.07	23,334	30,560	76.35	17,117	28,605	59.84
Total	**39,999**	**75,667**	**52.86**	**36,877**	**76,668**	**48.10**	**29,627**	**71,129**	**41.65**

VBC Voluntary Blood Collection, TBC- Total Blood Collection, LNH- Lok Nayak Hospital, SGMH- Sanjay Gandhi Memorial Hospital, SDNH- Swami Dayanand Hospital, DDUH- Deen Dayal Upadhyay Hospital, GTBH- Guru Teg Bahadur Hospital*

It can be seen that in none of the five selected blood banks, the target of 90 *per cent* VBC was achieved. Collection of VBC in blood bank of LNH and SGMH was insignificant and they mainly depended on replacement blood collection.

DDUH stated (June 2017) that shortfall in VBC was due to lack of education, awareness and religious/health issues among public. GTBH stated (June 2017) that shortfall in VBC was due to shortage of manpower, equipment, counselors and social workers. LNH stated (June 2017) that blood bank vehicle had been condemned one and half years ago and due to non-

[22] "Replacement donor" means a donor who is a family friend or a relative of the patient-recipient.

availability of any vehicle, blood donation camps could not be organized. Delhi State AIDS Control Society stated (November 2017) that the total Voluntary blood donation is one of the goals of National Blood Policy but is constrained by various factors such as awareness, episodic/ periodic requirement, availability of resources as well as number of patients coming to Delhi for their treatment from other states. Replies are not tenable as solutions to the issues pointed out, fall within the domain of hospital management and should have been progressively addressed. Instead, dependence on replacement blood collection had increased due to decline in collection of VBC from 52.86 *per cent* in 2014-15 to 48.10 *per cent* in 2015-16 and further to 41.65 *per cent* in 2016-17.

3.5.5.2 Screening of blood

The blood banks are screening blood for Syphilis, Malaria, HIV (I and II), Hepatitis B and Hepatitis C by using various methods. Out of these, screening for HIV and Hepatitis B and C is done through Nucleic Acid Amplification Test (NAT), Elisa-IV and Elisa-III, etc. All these tests have varying sensitivity to detect infections, some can detect infection within a shorter period of the donor getting infected (window period). NAT is the best method with least window period. Elisa-IV is better than Elisa-III as it effectively reduced the window period by average of 14 days and can be performed on a large number at one time.

(i) NAT screening: NAT is the best method as it enables identification of sero-reactive blood donors at an early stage and reduction in the risk of transfusion transmitted infections. In November 2009, GNCTD decided to introduce NAT screening of blood in blood banks of GNCTD initially by outsourcing in four major blood banks[23] through Public Private Partnership and by attaching other smaller blood banks to these four blood banks. It was however, not adequately followed up and none of blood banks under the GNCTD and MCD hospitals have NAT screening facility as of March 2017 whereas five out of nine blood banks under GoI and 17 out of 39 Private blood banks were using NAT for screening blood.

(ii) Elisa-IV kits: GNCTD issued instructions (April 2011) that all blood banks located within NCT of Delhi were required to carry out screening of blood for HIV (I and II), Hepatitis-B and Hepatitis-C by using either fourth generation ELISA kits or NAT screening with effect from 15 May 2011. All five blood banks selected for audit progressively implemented this during May 2011-June 2015, blood bank at Swami Dayanand Hospital however continues using Elisa-III generation test kits for screening blood for Hepatitis-C as of March 2017. Delay in adherence to instructions of GNCTD put the recipients of blood susceptible to infection.

[23] Guru Teg Bahadur Hospital, Lok Nayak Hospital, Deen Dayal Upadhyay Hospital and Institute of Liver and Biliary Sciences (ILBS).

3.5.5.3 Separation of Blood into its Components

Objective 5.6 of National Blood Policy states that the availability of blood components should be ensured through a network of blood banks by creating adequate number of Blood Component Separation Units (BCSU). Such facilities are required for separation of whole blood into its constituent components viz. Packed Red Blood Cells (PRBC), Platelets Concentrates and Plasma, for use in cases where only one of these components is required. Scrutiny of records of Delhi State Aids Control Society showed that 60 blood banks (17 NACO supported and 43 others) in Delhi had Blood Component Separation Units (BCSU). Three hospitals of NCT of Delhi and two MCD hospitals do not have BCS unit. Operations of BCSU has been analyzed below.

(i) Non-achievement of targets for separation: National Aids Control Organization (NACO) fixed a target of 80 *per cent* for separation of Whole Human Blood into components for NACO supported blood banks. Audit noticed that percentage of blood separated into components by these blood banks ranged from 64.12 *per cent* to 75.81 *per cent* during 2014-17. Performance of four selected blood banks of NCT of Delhi (Swami Dayanand Hospital did not have permission for operating BCSU) in separation of Whole Human Blood into components is given in **Table 3.5.2**.

Table 3.5.2: Separation of Whole Human Blood into blood components by Blood Banks

(in units)

Name of blood bank	2014-15			2015-16			2016-17		
	Blood collected	Blood separated	%age	Blood collected	Blood separated	%age	Blood collected	Blood separated	%age
LNH	18,945	9,098	48.10	19,541	10,043	51.40	17939	10,300	57.41
SGMH	4,166	3,259	78.23	4,268	3,869	90.65	3840	3,510	91.41
DDUH	19,582	17,226	87.97	20,044	17,607	87.84	18079	16,042	88.73
GTBH	30,928	13,198	42.67	30,560	17,880	58.51	28605	13,404	46.86

While performance of Deen Dayal Upadhyay Hospital (DDUH) and Sanjay Gandhi Memorial Hospital (SGMH) was appreciable, separation of blood into components by Lok Nayak Hospital (LNH) and Guru Teg Bahadur Hospital (GTBH) ranged between 42.67 and 58.51 *per cent* which was well below the target fixed by the NACO. LNH stated (June 2017) that target could not be achieved due to non-availability of well-trained, experienced, and dedicated staff in the blood bank for component separation work whereas GTBH stated (June 2017) that separation of Whole Human blood could not be increased to 80 *per cent* due to lack of storage of space, low demand, and no facility for plasma fractionation. Reply is not tenable as solution to the issues pointed out in their replies falls within the domain of hospital management and should have been addressed. These hospitals do not have any action plan to progressively achieve these targets.

(ii) Operation of BCSU without permission: As per provisions of Drugs and Cosmetics Rules, 1945, blood banks require permission from Drugs Control Department (DCD) for separation of blood components. It was observed that the blood bank at Swami Dayanand Hospital (SDNH) had a BCSU functioning w.e.f. September 2014 without permission from the DCD as it did not have trained staff at the time of inspection in October 2012. Though the blood bank got one technician trained for the purpose in January 2014, it did not apply for permission till December 2016 and permission was yet to be granted by DCD as of June 2017. Blood bank at SDNH stated (June 2017) that the process of separation of blood components was started in public interest. The Drugs Control Department stated (September 2017) that Central Licensing Authority inspected the blood bank at SDNH in February 2017 and pointed out deficiencies for which compliance had not still been made by the blood bank.

Reply of SDNH is not tenable as DCD grants approval to operate BCSU after ensuring the prescribed standards for procedures, equipment and manpower. Operating a BCSU without DCD approval is irregular and also there could be validity issues for outcomes obtained from separation of blood components.

3.5.5.4 Discard of blood and its components

During 2014-17, the five selected blood banks prepared 4,47,279[24] units of blood and its components out of which 66,368[25] units (14.84 *per cent*) were discarded. These were discarded on account of expiry of shelf life (19,882 units), sero-reactive cases (8,572 units), lack of storage facility (16,812 units), leakage (9,409 units) and other reasons like clotting, haemolysed, lip emic/split, microbiology, RTS etc. (11,693 units). Discarding of blood and its components entails avoidable expenditure on collection, screening, and separation of blood, except in case of sero-reactive cases as in this case Blood Banks were bound to discard the blood units being found positive. Audit noted that these hospitals did not establish quantitative norms for holding the blood and blood components so that excess blood and blood components over the norms could be timely transferred to other blood banks to minimize discard/wastage due to expiry of shelf life and inadequate storage facility.

3.5.5.5 Plateletpheresis

"Plateletpheresis" is the process in which the blood drawn from a donor is transfused back after taking out platelet concentrates. It was observed that Swami Dayanand Hospital procured equipment for Plateletpheresis at a cost of ₹ 27.82 lakhs in February 2015 and installed it in March 2015. The equipment was made operational from September 2015 and Plateletpheresis

[24] 4,47,279 (Whole Human Blood-78,451 units, Packed Red Blood Cells- 1,35,142 units, Plasma- 1,34,585 units and Platelets- 99,101 units).

[25] 66,368 (Whole Human Blood -7,169 units, Packed Red Blood Cells - 4,874 units, Plasma-32,750 units and Platelets- 21,575 units).

was performed on 39 blood donors till March 2017 without applying for permission to Drugs Control Department (DCD), till May 2017, as required under Drugs and Cosmetics Rules, 1945. Swami Dayanand Hospital while accepting the facts and figures stated (June 2017) that the blood bank would apply for permission of Plateletpheresis after permission for separation of blood component is granted by DCD. Operating equipment for Plateletpheresis without DCD approval is irregular and also there could be validity issues for outcomes obtained from Plateletpheresis process. The DCD stated (September 2017) that a memo had been issued to the blood bank to explain its position.

3.5.5.6 Inadequacies in maintenance of records:

The Drugs and Cosmetics Rules, 1945 (DCR) provides for maintenance of various records in blood banks relating to blood collection, separation etc. Audit noticed the following deficiencies in maintenance of records in the selected blood banks:

(a) DCR prescribed a Master Record for blood and blood components which should be maintained by blood banks. Master Record should indicate name and health profile of every donor; the results of serology tests to check the usability of blood collected and separated; and details of issue and discard, with reasons. Scrutiny of records of blood bank of Guru Teg Bahadur Hospital (GTBH) for 2014-17 revealed that master record was not maintained in complete form and vital information like name and health profile of every donor; and the results of serology tests to check the usability of blood collected and separated were not recorded in the Master Record Register. GTBH stated (October 2017) that Master Records was an additional register and every aspect of the donor was recorded on Donor Register form/Donor Record Register. Reply is not tenable because maintenance of Master Register was mandatory under the Drugs and Cosmetics Rules.

(b) In terms of DCR, each blood bank is required to maintain Blood Donor Record indicating donor particulars like age, weight, haemoglobin, blood pressure etc., duly authenticated by the Medical Officers, to ensure that blood is collected from only healthy donors within the age group of 18-65 years, weight not less than 45 kg, and haemoglobin not less than 12.5 gm/dl. Audit observed that weight, haemoglobin, blood pressure, signature of Medical Officer were not recorded in blood donor records in case of 17,933 donors who donated blood through 342 voluntary donation camps during 2014-17 in respect of two[26] selected blood banks. In the absence of complete information, Audit could not verify whether blood was collected from eligible donors.

[26] Guru Teg Bahadur Hospital (15,149 donors in 295 camps) and Lok Nayak Hospital (2,784 donors in 47 camps).

(c) In Swami Dayanand Hospital, age, weight, blood pressure and quantity of platelets of the donor was not shown in the donor register of plateletpheresis.

(d) In four[27] of five selected blood banks, time of preparation and finishing of blood components were not recorded in the blood component register. As this important information was not furnished in the relevant column, audit was unable to ascertain whether the component was being separated within the stipulated period of 6 hours of collection of blood and of requisite quality as required under DCR. Deen Dayal Upadhyay Hospital stated (June 2017) that there was no compromise by blood bank with respect to quality. However, due to shortage of staff and excessive work load at times, the documentation part had been overlooked.

Drugs and Cosmetics Act, 1940 provides a list of records to be maintained by Blood Banks and these records are inspected by Drug Inspectors during inspections. These records collectively are to provide assurance relating to the quality of blood and its components, promote transparency and also follow up in sero-reactive cases. Thus non-maintenance of such records would entail the risk of compromising with the quality of blood and its components and transparency in blood collection and processing.

3.5.5.7 Post donation counselling of the sero-reactive donors

To bring infected (HIV, Hepatitis B and Hepatitis C) but unaware blood donors under the ambit of treatment, National Blood Policy envisaged appointment of a Counsellor in each blood bank for pre and post donation counselling. Audit found that two[28] of five selected blood banks detected 2,031 sero-reactive cases during 2014-17. As no counselor was posted in these blood banks, none of the sero-reactive donors could have received the professional counselling. There was no indication of cases being referred for onward treatment. However, the blood banks claimed that they contacted almost all the sero-reactive donors, but this could not be verified in audit in the absence of any record in this regard.

3.5.5.8 Absence of Quality Assurance Manager

Objective 3.2.1 of the National Blood Policy provides that a Quality Assurance Manager (QAM) shall be designated at each regional blood center/ blood bank collecting more than 15,000 units per year to ensure quality control of Blood and its components in the region assigned. QAM shall be exclusively responsible for quality assurance only by preparing and regularly updating Quality Manual, internal audit of labs, reviewing documentation

[27] Deen Dayal Upadhyay Hospital, Lok Nayak Hospital, Swami Dayanand Hospital and Guru Teg Bahadur Hospital.

[28] Lok Nayak Hospital (1883 sero-reactive cases) and Swami Dayanand Hospital (148 sero-reactive cases).

periodically, ensuring calibration of equipment and taking corrective action, if required.

Audit observed that the annual collection of blood in three[29] of the five selected blood banks were more than 15,000 units every year during 2014-17. However, it was observed that the post of QAM was not sanctioned in two[30] of these blood banks and in one of these (Deen Dayal Upadhyay Hospital), the technical assistant designated as QAM was not exclusively responsible for Quality Assurance due to shortage of staff. Thus, there were risks that quality of blood was not ensured.

3.5.5.9 Inadequate maintenance of equipment

(i) Non-functional equipment: Drugs and Cosmetics Rules, 1945 (DCR) prescribe that the equipment used in the collection, processing, testing and storage of blood and its components shall be maintained in a clean and proper manner and so placed as to facilitate cleaning and maintenance. Audit noticed that in three of five selected blood banks, 17 equipment were lying out of order. Of these, five equipment were lying out of order for periods ranging from 17 days to six months as on 31 March 2017. Further, four equipment were lying out of order for six months to one year, seven equipment were lying out of order ranging from one to two years and one equipment was lying out of order for 38 months **(Appendix 3.5.1)**. These equipment were either under process of repair or were un-repairable.

The position was indicative of insufficient attention of the blood banks towards repair and maintenance of vital machinery and equipment in the blood banks, which has the potential to affect the performance level of the blood banks.

(ii) **Calibration of equipment:** The DCR inter alia require that equipment used in blood banks for collection, processing, testing, storage and sale/distribution and transfusion of blood and blood components are to be observed, standardized and calibrated on a regular and scheduled basis. Audit observed that 25 equipment **(Appendix 3.5.2)** of three[31] of the five selected blood banks which were to be calibrated annually were not calibrated during 2014-17. Deen Dayal Upadhyay Hospital stated (July 2017) that the equipment were calibrated in April 2017. Swami Dayanand Hospital stated (May 2017) that the equipment were calibrated in May 2017.

Non-calibration of equipment at prescribed intervals is fraught with the risk of inaccurate and unreliable results/reading which might result in unreliable quality of blood collection, storage and issue, ultimately putting patients at risk.

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[29] Deen Dayal Upadhaya Hospital, Lok Nayak Hospital and Guru Teg Bahadur Hospital.
[30] Deen Dayal Upadhaya Hospital and Lok Nayak Hospital.
[31] Swami Dayanand Hospital, Lok Nayak Hospital and Deen Dayal Upadhaya Hospital.

3.5.6 Non-availability of real time information to end users

The National Blood Policy envisaged development of computer based information and management systems for use by all blood banks regularly to facilitate networking. This was to provide public with information about the quantity of different groups of blood and blood components available in blood banks at any time without approaching the blood banks.

The National Blood Transfusion Council/National Aids Control Organization launched a mobile blood locator app in June 2015 in partnership with Centre for Health Informatics, Ministry of Health and Family Welfare. All licensed blood banks were enrolled on the National Health Portal (NHP) and were requested to provide authentic information pertaining to blood/blood component, stock status and the same were required to be updated regularly as this information was to be in public domain and had to be fruitful to the end user. A perusal of NHP revealed that although all the blood banks were enrolled, 32 blood banks had not been updating the relevant information on the NHP as on 31 March 2017. Out of these, five did not provide information on NHP whereas 22 did not update the information for 12 to 19 months prior to March 2017. These 22 included three[32] of five selected blood banks also which had not been updating the information due to lack of infrastructure. Non-updation of information by blood banks defeated the purpose of providing real time information to the end user.

Delhi State Aids Control Society stated (June 2017) that all the major blood banks were updating data on the NHP. Appropriate action would be taken to facilitate the remaining blood banks to enter the data on the NHP. SBTC stated (October 2017) that instruction had been issued to all blood banks to update information on NHP.

3.5.7 Non-adherence to National Blood Policy

State Blood Transfusion Council/ Delhi State Aids Control Society/Blood Banks did not adhere to the following objectives of National Blood Policy:

(a) Proficiency test (Objective 3.2.4) for all technical staff was not conducted in two[33] of five selected blood banks. Sanjay Gandhi Memorial Hospital stated (May 2017) that there was no guideline issued by competent authority to conduct proficiency test and the same was also not pointed out during inspection conducted by Drugs Control Department and Delhi State Aids Control Society.

(b) Department of Transfusion Medicine (Objective 6.1.1) has been established in only one[34] of the five[35] Government run Medical Colleges of

[32] Sanjay Gandhi Memorial Hospital, Swami Dayanand Hospital and Lok Nayak Hospital.
[33] Sanjay Gandhi Memorial Hospital and Swami Dayanand Hospital.
[34] All India Institute of Medical Sciences (AIIMS).

NCT of Delhi as of March 2017. DSACS stated (June 2017) that no direction had been received from National Aids Control Organization for creation of Department of Transfusion Medicine in Medical Colleges so far.

(c) Separate cadres for Medical and Para Medical staff (Objective 6.7) were not created for blood transfusion services. It was observed that in a meeting (July 2015) held under the chairmanship of Health Minister, GNCTD, it was decided that separate cadre for blood bank was not required as creation of parallel system is not practical.

(d) Corpus fund (Objective 7.1) to facilitate research in transfusion medicine and technology related to blood banking was not created. DSACS stated (June 2017) that funds for this purpose were not allocated to DSACS.

(e) Rules for registration of nursing homes for affiliation with a licensed blood bank for procurement of blood for their patients (Objective 8.6) were not enacted by GNCTD.

Thus, objectives of National Blood Policy (NBP) were not achieved even after fifteen years from the date of formulation of NBP.

3.5.8 Efficiency and Effectiveness in Inspection and Monitoring

3.5.8.1 Inadequate number of inspections of Blood Banks

(a) As per Rule 52 of the Drugs and Cosmetics Rules, 1945, Drugs Inspectors have to inspect all premises licensed for manufacture of drug not less than once a year, interalia to satisfy that all provisions of Drugs and Cosmetics Act and Rules framed there under are complied with. The Central License Approving Authority, while issuing license to blood banks, instructed that the blood bank may be inspected periodically at least once in a year from the date of renewal by a team of Drugs Inspectors of Central Drugs Standard Control Organization (CDSCO) and State Licensing Authority. Audit observed that besides joint inspection by Drugs Inspectors (DIs) at the time of issue/renewal of license, no periodic inspection was carried out by them during 2014-15 and 2015-16. Drug inspectors had accompanied the team of Delhi State Aids Control Society and inspected only eight out of 68 blood banks during 2016-17. In the absence of regular inspections, deficiencies in the blood banks such as non-availability of equipment, inadequate personnel etc. could not be brought to the notice of authorities concerned for corrective action.

Drugs Control Department (DCD) stated (June 2017) that the Department was making efforts to get the vacant posts of DIs filled by UPSC and the

[35] 1. All India Institute of Medical Sciences (AIIMS), 2. Vardhaman Mahavir Medical College, Safdarjung Hospital, 3. Lady Hardinge Medical College, 4. Maulana Azad Medical College, 5. University College of Medical Sciences and GTB hospital.

Department shall carry out routine inspections once it gets its full complement of DIs.

Audit also observed that

(b) As per National Blood Policy (Objective 3.1) Vigilance Cell was to be created under DCD to ensure minimum standards for testing, processing and storage of blood and its components. However, Vigilance Cell was not set up till March 2017. DCD stated (June 2017) that NBP does not provide the details of constitution, role of functioning of vigilance cell in furtherance of Drugs and Cosmetics Rules, 1945. It further stated that the department shall follow the guidelines if made available for uniform application in the country. Thus effective monitoring of blood banks as required under NBP was not ensured.

(c) A separate blood bank cell with trained officers and inspectors was not created in the NCT of Delhi for proper inspection of blood banks and enforcement of conditions mentioned in the license as requirement under objective 8.4 of NBP. DCD stated (June 2017) that a separate blood bank cell would be created after the vacant posts of DIs are filled by UPSC.

3.5.8.2 Blood Donation Camps not inspected

Guidelines for organizing Blood Donation Camps (BDCs) stipulates requirement of premises with sufficient hygienic area, trained personnel, equipment, other facilities, etc. for these camps. It was observed that 3.90 lakh units of blood was collected by 31 blood banks during 2014-17 through 7,428 BDCs, out of which 32,464 blood units were collected by the five selected blood banks through 652 BDCs. However, State Blood Transfusion Council did not inspect any of these 652 BDCs due to shortage of staff and thus, failed to ensure compliance of above stated guidelines for BDCs.

3.5.8.3 Incomplete information in Strategic Information Management System

As per instructions issued by Delhi State Aids Control Society (February 2008), all blood banks were to upload information relating to blood units collected during the month, status of testing, details of blood and blood components, stock position of test kits, stock of consumables, quantity of units supplied, number of blood units discarded and reasons thereof, staff and status of equipment on monthly basis to Strategic Information Management System (SIMS). Audit observed that many blood banks had not been uploading complete information such as number of blood units discarded and reasons thereof, stock position of test kits and bags, staff and status of equipment. SIMS was introduced by DSACS to ensure monitoring the blood banks and absence of complete data defeated the purpose of creating the same.

DSACS stated (June 2017) that most of the National Aids Control Organization supported blood banks as well as non-NACO supported blood banks were not receiving kits and consumables from DSACS and therefore, blood banks did not provide the above information but other information were regularly updated by blood banks. Reply of DSACS is not tenable as the instructions were to be adhered to by all the blood banks.

3.5.8.4 Shortfalls in meetings of Hospital Transfusion Committees in hospitals and Governing Body and Executive Committee of State Blood Transfusion Council

In pursuance to the objectives of National Blood Policy, Delhi State Aids Control Society (DSACS) issued instructions (January 2010) to all hospitals for constitution of Hospital Transfusion Committees (HTCs) to guide, monitor and audit clinical use of blood. HTC was to meet once a month. Audit of records of five selected blood banks showed that in Deen Dayal Upadhyay Hospital, no meeting of HTC was conducted. In the remaining four hospitals, only 11 meetings were conducted during 2014-17 against the target of 144 meetings. Hospitals attributed (June 2017) short/non conducting of meetings to heavy work load/busy schedule and assured to conduct meetings in future.

Similarly, as per Rules and Regulations of the State Blood Transfusion Council, Governing Body of SBTC was required to meet at least twice a year and the Executive Committee every month. However, the Governing Body met only three times and Executive Committee only two times during 2014-17. SBTC stated (June 2017) that meetings could not be held due to frequent changes in incumbents of Chairman, Governing Body and absence of agenda for discussion. Reply is not tenable as there were many issues like shortage of staff, inspection of blood banks, licences, voluntary donations, wastage of blood and its components etc. which required attention of the Governing Body and the Executive Council.

3.5.9 Conclusion

Audit observed that 32 out of 68 blood banks in Delhi were functioning without valid licenses. Metro Blood Banks - Centre of Excellence, a centrally funded project of GoI could not be setup in Delhi and was moved to other State due to delayed action from Government of NCT of Delhi. Adequate staff was not available in State Blood Transfusion Council and blood banks. There were several shortcomings in blood collection and its processing such as non-achievement of targets of voluntary blood collection and separation of blood into its components; delay in adoption/non-adoption of Nucleic Acid Amplification Test and Elisa-IV for screening of blood; deficiencies in maintenance of records etc. Maintenance of equipment by blood banks were also deficient as many of them were non-functional and those which were functional were not calibrated during 2014-17. End users could not be provided with complete information about availability of blood as 32 blood banks were not updating related information to National Health Portal. Adequate action to achieve several objectives of National Blood Policy such as establishment of Department of Transfusion Medicine in Medical Colleges, creation of separate cadres for medical and para-medical staff in blood banks, affiliation of nursing homes with licensed blood banks etc. was not taken. Oversight and monitoring over the functioning of blood banks was inadequate.

The matter was referred to the Government in August 2017 and their reply is awaited as of January 2018.

3.6 Irregular payment of Learning Resource Allowance and Academic Allowance by Institute of Human Behaviour and Allied Sciences

Institute of Human Behaviour and Allied Sciences made irregular payment of Learning Resource Allowance of ₹ 60,000 per annum amounting to ₹ 71.71 lakh and academic allowance of ₹ 60,000 per annum amounting to ₹ 1.73 crore to its faculty members as it was in violation of extant government instructions/rules governing the sanction of grants.

Institute of Human Behaviour and Allied Sciences (IHBAS) was established in July 1993 in Delhi under the Societies Registration Act 1860. IHBAS is funded jointly by Ministry of Health and Family Welfare, Government of India (GoI) and Government of National Capital of Delhi (GNCTD). The Executive Council (EC) of IHBAS approved (November 2008) the payment of Learning Resource Allowance (LRA) to its Faculty Members from 2008-09 at the rate of ₹ 20,000 per annum which was enhanced to ₹ 60,000 per annum from 2012-13 (October 2012). During the period from 2008-09 to 2015-16, IHBAS paid ₹ 71.71 lakh as LRA to its faculty members. With the approval of the EC, IHBAS also paid academic allowance (AA) of ₹ 30,000 per annum to its faculty members which was enhanced to ₹ 60,000 per annum with effect from September 2008. Further, enhancement of AA to ₹ 1,20,000 per annum with effect from July 2010 was referred to GNCTD which has not been granted but IHBAS continued to pay AA at the existing rate of ₹ 60,000 per annum. Total academic allowance paid to the faculty member from April 2008 to August 2017 was ₹ 1.73 crore. The payment of LRA and AA, however, was irregular due to the following reasons:

1. Payment of LRA and AA to the faculty was ab-initio irregular. More than 50 *per cent* of its recurring expenditure are met out of grants-in-aid from the GNCTD. GFR 209(6) (iv) (a) states-'all grantee institutions which receive more than fifty *per cent* of their recurring expenditure in the form of grants-in-aid should ordinarily formulate terms and conditions of service of their employees which are, by and large, not higher than those applicable to similar categories of employees in Central Government. In exceptional cases, relaxation may be made in consultation with the Ministry of Finance. Finance Department of the GNCTD reiterated these instructions vide Government Order dated 18 July 2011. Audit found that similarly placed GNCTD funded medical institutions namely, GB Pant Institute of Post Graduate Medical Education and Research, Dr. Baba Saheb Ambedkar Medical College and Hospital and Maulana Azad Institute of Dental Sciences do not pay LRA to its faculties.

2. Terms and conditions of sanction of grants required the IHBAS to observe all economy instructions and complete all other codal formalities. Standard patterns of assistance governing the grants states that the salary and

allowances would be decided by the grantee institute in consultation with the GNCTD, which was not done in this case.

3. GNCTD despite having their representatives in the EC failed to ensure adherence of government instructions governing the sanction of grant-in-aid by IHBAS which persisted with the violation of these instructions.

IHBAS replied (January, September and November 2017) that they are following pay scales and allowances as applicable in NIMHANS, Bangalore. IHBAS has paid LRA/AA with the approval of the EC which is competent to approve the same. AIIMS has also paid LRA to its faculty and NIMHANS follows AIIMS for all its rules and regulations governing faculty salary and allowances. However, in view of the audit observation, the payment of LRA for the year 2016-17 was stopped. Enhancement of AA to ₹120,000 per annum was referred to GNCTD which has not been granted.

The reply is not tenable and should be seen in the light of the following facts.

(i) GFR stipulates that the pay and allowances of staff of grantee institution should be similar to the rate applicable in Government organizations and relaxation can be granted only in consultation with the Finance Department.

(ii) Ministry of Health and Family Affairs, GoI vide its letter no. V-16020/919/2004-Desk-I Dated 20 July 2004 instructed to stop the payment of LRA in AIIMS and in lieu, allowed the faculty members (Only Group A) to send requisitions to the Library for purchasing the books and journals for exclusive use by the concerned faculty members until their retirement. Faculty members can also seek professional membership to enlisted professional bodies through the institute. These instructions were reiterated by a Circular No. PMSSY-07 dated 8 August 2014. Therefore, payment of LRA to the faculty members in AIIMS and NIMHANS was also irregular and should not be cited for making similar payments to the faculty members of IHBAS.

Thus, Institute of Human Behaviour and Allied Sciences made irregular payment of Learning Resources Allowance of ₹ 60,000 per annum amounting to ₹ 71.71 lakh and academic allowance of ₹ 60,000 per annum amounting to ₹ 1.73 crore to its faculty members as it was in violation of extant government instructions/rules governing the sanction of grants.

The matter was referred to the Government in September 2017 and their reply was awaited as of January 2018.

3.7 Irregular payment of transport allowance amounting to ₹ 14.79 crore

Non-adherence to Government orders by 26 hospitals/directorates of GNCTD resulted in irregular payment of transport allowance amounting to ₹ 14.79 crore.

The Ministry of Finance, Department of Expenditure through its Office Memorandum dated 29 August 2008 prescribed the rates of Transport Allowance on the basis of recommendations given by the Sixth Central Pay Commission. According to this, rate of transport allowance to employees drawing grade pay of ₹ 5,400 and above was fixed as ₹ 3,200 plus Dearness Allowance (DA) thereon. Further, as per para 3 of the OM, officers drawing grade pay of ₹ 10,000 and ₹ 12,000 and those in the Higher Administrative Grade + scale who are entitled to the use of official car in terms of O.M. dated 28 January 1994, shall be given the option to avail themselves of existing facility or to draw the transport allowance at the rate of ₹ 7,000 per month plus D A thereon.

Ministry of Finance vide O.M. dated 19 August 2016 further clarified that the officers who are not entitled for the use official car for commuting between residence to office and back are not eligible to opt for drawal of Transport Allowance @ ₹ 7,000 p.m. + DA even though they are drawing Grade pay of ₹ 10,000 in PB-4 under Dynamic Assured Career Progression (DACP) Scheme.

In order to examine compliance of the above orders of Ministry of Finance by hospitals under GNCTD, details of the doctors drawing Transport Allowance at ₹ 7,000 p.m. + DA in grade pay of ₹ 10,000 under DACP was sought from all the 40 hospitals/colleges, Directorate of Health Services and Directorate of Family Welfare of Government of NCT of Delhi out of which 34 hospitals and the Directorates provided the information. Out of these, 24 hospitals and the two Directorates have been paying transport allowance at ₹ 7,000 per month plus DA in violation of the above Government Orders (August 2008 and August 2016) to officials promoted under DACP from September 2008 instead of transport allowance at ₹ 3,200 per month plus DA. The total irregular payment of Transport Allowance thus made by these 26 hospitals/Directorates till July 2017 worked out to ₹ 14.92 crore (**Appendix 3.7.1**). After audit pointed out this irregularity, Maulana Azad Institute of Dental Sciences (MAIDS), Sanjay Gandhi Memorial Hospital, Acharya Shri Bhikshu Hospital, Guru Teg Bahadur Hospital and Directorate of Family Welfare have discontinued payment of TA at enhanced rates from November 2016, April 2016, July 2016, July 2016 and September 2017 respectively, and Dr. NC. Joshi Memorial Hospital stated they will stop it from December 2017 onwards. Recovery of the excess payment already made, however, is pending. Maulana Azad Medical College had recovered ₹ 12.77 lakh.

Thus, non-adherence to Government orders by 26 hospitals/Directorates of GNCTD resulted in irregular payment of transport allowance amounting to ₹ 14.79 crore.

The matter was referred to the Government in October 2017 and their reply was awaited as of January 2018.

3.8 Irregular use of grant-in-aid of ₹ 60 crore by Institute of Liver and Biliary Sciences

Action of ILBS to create a Corpus Fund of ₹ 60 crore during 2012-16 for funding the proposed scheme of revenue sharing with the hospital staff was irregular as the Scheme was approved on 1 September 2017 with prospective effect and transfer of funds to the Corpus Funds effectively came from the grant-in-aid and not from revenue generated from services rendered by Institute. It also resulted in loss to the Government on account of differential interest paid on borrowings.

The Institute of Liver and Biliary Sciences (ILBS or Institute) was set up (registered in 2002 and inaugurated in 2010) as an autonomous institute of the Government of National Capital Territory of Delhi (GNCTD). As per the approved Pattern of Assistance, ILBS receives recurring grant from GNCTD to the extent of excess of total expenditure over its income generated by levying charges for services rendered by the ILBS and non-recurring grants for capital assets. ILBS is to observe the terms and conditions of the grant and the directions/advice of GNCT of Delhi while utilizing the grant. The Council of Ministers of GNCTD (the Cabinet) approved (May 2006) the business model for ILBS which inter alia states that ILBS would receive grant-in-aid annually for meeting running cost till such time as it starts making profit. The Cabinet also approved that a percentage of revenue sharing be in-built in the remuneration package to all the professors/assistant professors/associate professors and the consultants.

During 2012-2016, ILBS received ₹ 302.49 crore as Grant-in-Aid. Though the revenue sharing scheme envisaged in May 2006 was not formulated, the Governing Council of ILBS decided (October 2013) to create a Corpus out of the revenue earned every financial year for meeting the expenditure on the revenue sharing. ILBS accordingly transferred total ₹ 60 crore (i.e. ₹ 10 crore each year in 2012-13, 2013-14 from Income and Expenditure Account and ₹ 40 crore from accumulated Capital Funds during 2014-15 and 2015-16) to this Corpus. The accumulated amount of Corpus Fund as of February 2017 was ₹ 67.97 crore including interest of ₹ 7.97 crore. This action of ILBS was irregular as there was no approved revenue sharing scheme during the 2012-16 and there was no surplus revenue earnings during 2012-16.

ILBS replied (July and August 2017) that the Bye-laws of ILBS and pattern of assistance approved by the GNCTD allow the Governing Council to utilise the funds generated from the services rendered by the Institute for benefit of staff; the grant-in-aid was not utilised for creation of the aforesaid Corpus Fund; and as a remedial measure on issues raised by the audit, funds to the Corpus Fund has not been transferred after 31 March 2016. Reply is not acceptable and should be seen in the light of the following fact:

1. The Corpus Fund was to be created out of the revenue earned by ILBS but there was no surplus revenue earnings of its own during 2012-16. As per audited accounts of ILBS, excess of total revenue expenditure over total revenue income (excluding grant-in-aid) was ₹ 59.24 crore, ₹ 21.38 crore, ₹ 30.65 crore and ₹ 41.19 crore during 2012-13, 2013-14, 2014-15 and 2015-16 respectively. Therefore, funds used for creating the Corpus Fund effectively came out of the grant-in-aid which was not envisaged in the approved Pattern of Assistance governing the grants, decision of the Governing Council, and the approved business plan.

2. Revenue sharing Scheme was approved on 1 September 2017. Therefore, using the funds out of any receipt of past years for creation of the Corpus Fund and/or its utilisation for revenue sharing scheme approved on 1 September 2017 to be operative with prospective effect is irregular. ILBS should therefore refund the Corpus Fund along with interest earned thereon to the GNCTD.

3. While releasing quarterly grants, Department of Health and Family Welfare (DHFW), GNCTD objected (November 2015) to parking of the corpus funds as fixed deposits by ILBS and stated that there was a certain cost attached to the grant-in-aid as GNCTD borrowed the money and advised ILBS to desist from such activities. But DHFW did not follow up to demand refund/adjustment of grant-in-aid irregularly used by ILBS for maintaining the Corpus Fund, and thus allowed idling of the government funds of ₹ 68 crore in the fixed deposit with bank.

Thus, action of ILBS to create a Corpus Fund of ₹ 60 crore during 2012-16 for funding the proposed scheme of revenue sharing with the hospital staff was irregular as the Scheme was approved on 1 September 2017 with prospective effect and transfer of funds to the Corpus Funds effectively came from the grant-in-aid and not from revenue generated from services rendered by Institute. Creation of corpus fund also resulted in loss to the Government on account of the difference between the interest paid by the Government on its borrowings and interest earned by ILBS on the Corpus Fund.

The matter was referred to the Government in July 2017 and their reply is awaited as of January 2018.

3.9 Procurement of hospital equipment without ensuring availability of adequate manpower in Delhi State Cancer Institute

Due to delay of four years in sanctioning staff for DSCI (West) by the GNCTD, the IPD planned for commissioning by November 2014 was not made operational as of October 2017 depriving treatment facility to cancer patients. Fifty hospital beds (₹ 96.89 lakh) and Photon Beam Accelerator (₹ 12.28 crore) are also lying idle since November 2015 and July 2016 respectively.

Delhi State Cancer Institute (DSCI) of the Government of National Capital Territory of Delhi (GNCTD) was set up (August 2006) in Dilshad Garden, as DSCI (East) to provide comprehensive diagnostic and treatment facilities for cancer patients. Due to heavy workload at this facility and absence of cancer treatment facility in West Delhi, GNCTD entrusted (August 2012) DSCI to set up DSCI (West) in Oncology Block of the Janakpuri Super Specialty Hospital. Outdoor Patients and Day Care Services at DSCI (West) commenced in March 2013 by redeploying staff from DSCI (East). Indoor Patient Department (IPD) was to commence by November 2014. Audit findings are as under:

DSCI had requested staffing from the GNCTD in May 2013 prior to inviting tender for hospital beds in October 2013. Tender finalisation for other equipment was either in progress and/or completed/ordered up to August 2014. Issue of sanction of staffing however has been shuttling between the relevant departments of the GNCTD and DSCI and remained unresolved as of October 2017.

In the meantime, equipment valuing ₹ 16.55 crore purchased for DSCI (West) are either idling or diverted to DSCI (East) for want of sanctioned staff from the GNCTD. Fifty hospital beds (₹ 96.89 lakh) and Photon Beam Accelerator (₹ 12.28 crore) are lying idle since November 2015 and July 2016 respectively at DSCI (West). Equipment valuing ₹ 3.30 crore purchased for DSCI (West) were diverted to DSCI (East) and of this, equipment valuing ₹ 66.33 lakh remain under installation since delivery of equipment in October 2014.

DSCI stated (June and October 2017) that there has been a mismatch in completion of interlinked facilities due to multiple administrative bottlenecks of the system and not due to any lapse singly on the part of DSCI. Audit observed that delays in setting up IPD was due to inadequate supervision of the Governing Council (GC) headed by the Chief Secretary of the GNCTD and indecisiveness at all relevant levels of the GNCTD as commented below:

(i) The GC is to meet every three months and considering its composition, it was to expedite operationalization of DSCI through timely intervention within the GC and the Departments of NCTD. The GC considered (28 December 2012) 310 posts as absolutely necessary to make DSCI (West) fully operational and approved 117 posts to start OPD, Day Care, and Diagnostic Services but thereafter, it did not meet during next 42 months.

(ii) DSCI's persistent request to the GNCTD for sanctioning of staffing since May 2013 continues to be deliberated for four years among the Departments of Administrative Reform, Health and Family Welfare and Finance of the GNCTD and DSCI, and no decision in this respect has been taken as of October 2017 despite intervention of Lieutenant Governor, Delhi.

(iii) Procurement of equipment of ₹ 4.30 crore and US Dollar 46.90 lakh essential for IPD remains on hold and may have to be re-tendered when staffing sanction is available. This means full operation of DSCI (West) would be further delayed.

Thus, due to four years' delay in sanctioning staff for DSCI (West) by the GNCTD, the IPD planned for commissioning by November 2014 was not made operational as of October 2017 depriving treatment facility for cancer patients. Fifty hospital beds (₹ 96.89 lakh) and Photon Beam Accelerator (₹ 12.28 crore) are lying idle since November 2015 and July 2016 respectively.

The matter was referred to the Government in September 2017 and their reply was awaited as of January 2018.

Department of Urban Development

3.10 Construction of toilets under Swachh Bharat Mission in National Capital Territory of Delhi

Not a single toilet was constructed under the Swachh Bharat Mission in two and half years since its inception on 2 October 2014; all the funds totaling ₹ 40.31 crore allocated for this purpose remain idling in banks; and monitoring and evaluation mechanism prescribed in the Scheme to monitor the progress of work did not function effectively. This shows that the GNCTD did not give adequate importance to implementation of the Swachh Bharat Mission Scheme.

3.10.1 Introduction

The Government of India (GoI) launched the Swachh Bharat Mission (Mission) on 2 October, 2014 with 25 *per cent* State share to improve sanitation and cleanliness in the country with a vision to create a clean India by 2 October, 2019 by eliminating open defecation; eradication of manual scavenging, management of solid waste etc. There are six components under the Mission namely (i) Household toilets (ii) Community toilets (iii) Public toilets (iv) Solid waste management (v) Information, education, communication and public awareness programme (vi) Capacity building and Administrative and Office expenses. During the years 2015-16 and 2016-17, GNCTD made provision of ₹ 1.01 crore and ₹ 212.30 crore respectively under the Mission. In 2015-16, GoI allocated central assistance of ₹ 50.16 crore for Household toilets and ₹ 5.15 crore for construction of Community Toilets in NCT of Delhi, whereas Public Toilets were to be constructed by State and Urban Local Bodies (ULBs) through Public Private Partnership. In this audit, the three components viz. Household Toilets, Community Toilets and Public Toilets were covered against which an amount of ₹ 40.31 crore (Central share of ₹ 30.23 crore and State share of ₹ 10.08 crore) were released (January 2016) to the implementing agencies.

Mission guidelines require each State to prepare City Sanitation Plan and State Sanitation Strategy. In order to give a quick start to the Mission and release first installment of grant, the GoI asked the States to submit a brief concept note on State Sanitation Strategy including physical and financial targets based on Census-2011 by 30 January 2015. This was to be followed by City Sanitation Plan and State Sanitation Strategy based on house-to-house survey/ applications received from individuals so as to assess requirement of construction of Individual Household toilets (Household toilets) including conversion of insanitary latrines into pour-flush latrines, Community toilets and Public toilets.

The GNCTD constituted (March 2015) a High Powered Committee (HPC) under the chairpersonship of the Chief Secretary to oversee the implementation of Mission through the four ULBs within their respective jurisdictions viz. South Delhi Municipal Corporation (South DMC), North Delhi Municipal Corporation (North DMC), East Delhi Municipal Corporation (East DMC) and New Delhi Municipal Council (NDMC) and Delhi Urban Shelter Improvement Board (DUSIB), and Delhi Cantonment Board (DCB). DUSIB was responsible to implement the scheme in the JJ clusters.

Audit covered the period from inception of the scheme i.e. 2 October 2014 to March 2017. Audit examined the records of Urban Development Department (UDD), GNCTD and information collected from the implementing agencies.

3.10.2 Audit Objectives

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

(i) the planning for the implementation of the scheme at different level was adequate and effective,

(ii) funds were released, accounted for and properly utilized,

(iii) the targets set under various components were sufficient to achieve and sustain the vision of the Mission, and

(iv) Mission was implemented and monitored efficiently.

Audit findings

3.10.3 Planning, Implementation and Reporting

3.10.3.1 Inadequacy in Planning

As per Census-2011, urban population of NCT of Delhi was 1.14 crore and there were 23,15,906 urban households. By using this data and Mission parameters, GNCTD enlisted physical target of constructing 1,25,398 Household toilets, 1982 Community Toilets and 7602 Public Toilets by six implementing agencies and requested (March 2015) GoI for funding under the Mission. The GoI extrapolated the population up to year 2019 and fixed (September 2015) implementing agencies-wise targets as given in **Table 3.10.1** along with toilet requirements later assessed by the implementing agencies.

Table 3.10.1: Agency-wise GoI targets, funds released, and requirement projected for construction of toilets

Sl. No.	Implementing agency	GoI targets for 5 years			Requirement projected by implementing agencies (5 years)			Funds released (₹ in Lakh) by GNCTD		
		IHHTs	CTs	PTs	IHHTs	CTs	PTs	IHHTs	CTs	Total @
1	North DMC	32,663	1,027	4,116	0	8,886	205	800	0	800
2	East DMC	56,734	191	1,972	11,117	5	120	1,386	267	1,653
3	South DMC	25,515	718	2,729	0	0	0	616	0	616
4	NDMC	399	13	111	0	156	280	0	0	0
5	DCB	11,694	408	229	0	0	0	276	0	276
6	DUSIB	*	*	*	0	16,050	0	0	686	686
	Total	**1,27,005**	**2,357**	**9,157**	**11,117**	**25,097**	**605**	**3,078**	**953**	**4,031**

*@Up to March 2017 and includes GNCTD's share of ₹10.08 crore. *Not fixed.*

As shown in the **Table 3.10.1**, the total requirement of Household toilets, Community toilets and Public Toilets assessed (September 2015) by the implementing agencies was far less than the number of toilet construction projected by GoI based on Census-2011. North DMC, South DMC, NDMC, DUSIB and DCB did not see the necessity of constructing the Household toilets in their area whereas East DMC found necessity of constructing only 11,117 Household toilets against 56,734 Household toilets projected by the GoI. South DMC and DCB did not project to construct Community Toilets though GoI estimated requirements of 718 and 408 Community Toilets respectively. South DMC, DCB and DUSIB did not project construction of Public Toilets at all whereas North DMC, and East DMC found the necessity of constructing only 205 and 120 Public Toilets against 4,116 and 1,972 respectively projected by GoI. Though no targets were fixed for DUSIB by GoI, GNCTD released ₹ 6.86 crore to DUSIB for construction of Community Toilets as it is the nodal agency for construction of Community Toilets in NCTD.

Audit noticed that South DMC did not project any requirement for construction of Community Toilets and Public Toilets under the Mission citing space constraints. South and North DMCs did not consider unauthorized colonies for projecting requirement of Individual Household Toilets stating that they do not have jurisdiction over them thereby leaving unauthorized colonies out of Mission coverage with regard to Household Toilets.

Audit also noticed that a total of only ₹ 2.03 crore was spent on public awareness programme against ₹ 5.17 crore released. East DMC and DCB spent ₹ 23 lakh and ₹ 5 lakh against ₹ 186 lakh and ₹ 27 lakh released to them by GNCTD. This was indicative of inadequate efforts on the part of these implementing agencies to educate the households to avail the benefit of Household toilets.

Thus, inability to target individual households for construction of Household toilets and to identify sites and blocks for construction of Community Toilets and Public Toilets, and ignoring the toilet requirements in unauthorized colonies shows implementing agencies' scant concerns for public convenience facilities generally used by common people of Delhi.

3.10.3.2 Not a single toilet was constructed under the Mission

As per file record dated 17 April 2015, the ruling party in its manifesto had promised to construct two lakh toilet blocks in slums/JJ clusters and unauthorized colonies. In the meeting (June 2015) of the High Powered Committee, DUSIB was asked (June 2015) to identify the sites and blocks for constructions. GNCTD however assessed only requirements of 11,117 Household toilets, 25,097 Community Toilets (including 16,050 for slums and JJs) and 605 Public Toilets to be constructed under the Mission scheme up to October 2019. Under the Mission, GoI released ₹ 30.23 crore for construction of toilets. Not a single toilet, however, was constructed under the Mission by any of the six implementing agencies between the period since inception of the scheme on 2 October 2014 and 31 March 2017.

While confirming the above status, North, East, and South DMCs further stated that they have constructed some toilets out of their own resources under their own sanitation programme, and they may now consider adjusting them as constructed under the Mission. Showing expenditure incurred on construction of toilets under their existing sanitation scheme as expenditure incurred under the Mission and enlisting the same as physical target achieved under the Mission is not as per the Mission guidelines.

3.10.4 Financial Management

3.10.4.1 Delay in releasing funds to the implementing agencies

GNCTD received ₹ 2.26 crore in March 2015 and ₹ 27.97 crore in November 2015 from GoI for construction of toilets and released ₹ 40.31 crore to the implementing agencies including State share of ₹ 10.08 crore in January 2016, i.e. after two to ten months of receiving funds from GoI. As per guidelines, funds were to be released to ULBs within 30 days of receipt of the Central share along with State share. The Secretary, Urban Development, GoI had commented (October 2015) on this stating delay in releasing funds by more than six months as a serious matter. Audit noted that due to delay in disbursal of fund to the implementing agencies, no amount of Mission funds was used in 2015-16.

Government stated (October 2017) that the proposal of opening of new Head of Account was to be placed before the Assembly for necessary approval. It further stated that a number of requests were made through internal accounts functionaries to the Finance Department, GNCTD to expedite the same and the funds were released after opening of new Head of Account. The reply is not acceptable, as the instructions in Mission guidelines for release of funds were not followed.

3.10.4.2 Implementing agencies did not use Mission funds to construct toilets

The implementing agencies received total ₹ 40.31 crore under the Mission including ₹ 10.08 crore as State share and the entire fund remained unutilized as of March 2017. DUSIB refunded the entire amount of ₹ 6.86 crore of Mission funds to GNCTD in April 2017 whereas funds given to other implementing agencies were lying idle in their saving bank accounts. These agencies initially kept these funds in non-interest bearing current accounts resulting in loss of interest amounting to ₹ 33.93 lakh during the period from 29 January 2016 to 31 March 2017.

While confirming the audit finding, it was stated by DUSIB that it had returned the entire amount of ₹ 6.86 crore as additional State share demanded was not provided by the Government. However, the fact remains that funds were not used for construction of toilets.

3.10.4.3 GNCTD did not allocate Mission funds to implementing agencies as per their requirement

GNCTD did not allocate Mission funds to implementing agencies as per their requirement. North DMC, South DMC, and DCB did not assess the requirement of Household toilets but Mission funds totaling ₹ 16.92 crore was released to them for construction of Household toilets. North DMC and DUSIB assessed requirement of 8,886 and 16,050 Community Toilets for which they requested (September 2015) funds of ₹ 23.10 crore and ₹ 41.49 crore respectively. North DMC, however, did not receive any funds for Community Toilets and DUSIB received only ₹ 6.86 crore. NDMC projected construction of 156 Community Toilets but it did not receive any funds.

Government stated (October 2017) that it had circulated prescribed format of the guidelines and same was required to be submitted by the implementing agencies for onward submission to GoI for release of funds. But information was not submitted by implementing agencies in the said format. It further stated that the information available with the UD, GNCTD was furnished to MoUD, GoI and after receipt of funds from GoI in March/November 2015 it was released to implementing agencies. The reply is not acceptable as GNCTD was aware of the funds requirement of agencies before release of funds but funds were released without considering actual requirement.

3.10.4.4 DUSIB did not receive State share from GNCTD

DUSIB was responsible to make slums and JJ clusters open defecation free (ODF) by implementing the Mission. For this, DUSIB received (January

2016) ₹ 6.86 crore including State share of ₹ 1.71 crore (25 *per cent* of the total cost) against ₹ 41.49 crore required by them. Later, in July 2016, GoI enhanced the basic unit cost of CTs from ₹ 65,000 to ₹ 98,000 and also reduced the central share from 75 *per cent* to 40 *per cent*. Thus, the State was to bear 60 *per cent* of the cost of construction of CTs.

Though DUSIB actively followed up with the GNCTD for State share (60 *per cent)* for construction of community toilets, GNCTD did not release the State share during 2016-17. Therefore, DUSIB refunded the entire fund of ₹ 6.86 crore it received under the Mission. As Community toilets were not constructed under the Mission during first two and half years of its implementation despite receiving Central share, there is risk that the DUSIB's target of making the JJ *basties*/clusters ODF by the end of 2017-18 may not be achieved.

While accepting the audit finding, Government stated (October 2017) that on the request of DUSIB, it released (June 2017) ₹ 12 crore. However, the fact remains that funds were not released in time for utilization.

3.10.5 Oversight and Monitoring Mechanism was not effective

The Mission guidelines provides for the oversight and monitoring mechanism at all levels of scheme implementation. The State level High Power Committee (HPC) headed by the Chief Secretary is responsible for approval of plan and projects, sanction of allocation of resources, and monitoring of outcome of the Mission. Audit noted that the HPC met four times since inception of the scheme; discussed about identification of beneficiaries; sought action plan for scheme implementation, ordered timely release of fund received from GoI as well as the State share to the implementing agencies; and requested timely submission of utilization certificate. Many of these issues were discussed repeatedly in every meeting without much progress thereon. Issue relating to release of State share for construction of Community Toilets though discussed in HPC meeting could not be resolved which led to DUSIB surrendering Mission funds back to GNCTD. The HPC directed the DMCs to identify the beneficiaries in unauthorized colonies to cover them under the Mission but DMCs decided not to consider these colonies as their jurisdiction.

The Scheme also provides for District Level Monitoring and Review Committees, and monthly/quarterly progress reports showing target and achievement are to be prepared and to be furnished to GoI. Audit however found that the District Level Review and Monitoring Committees were not even constituted.

Government stated (October 2017) that the implementation and execution of Mission activities in Delhi is headed by State Mission Director with limited manpower and the entire staff have also been assigned additional charge of other departments/branches which are equally important. It further stated that the observations of audit would be considered for improving the work under Mission. The reply is not specific to audit finding. Moreover, reply is silent about the non constitution of District Level Review and Monitoring Committees.

3.10.6 Conclusion

There were inadequacies in assessing the number of toilets required. As per Economic Survey of Delhi, 2016-17, there are 3.5 lakh households in Delhi (about 10.5 *per cent* of all the households) which do not have any toilet facility. 22 *per cent* slums did not have any latrine facility. The GNCTD however did not give adequate importance to implementation of the Mission. Not a single toilet was constructed under the Mission in two and half years since its inception on 2 October 2014. As per Census-2011 extrapolated to 2019, NCT of Delhi needed 1,27,005 Household toilets, 2,357 Community toilets (other than Community toilets required in slums and JJs) and 9,157 Public toilets whereas GNCTD assessed only 11,117 Household toilets, 25,097 Community toilets (including 16,050 for slums and JJs) and 605 Public toilets to be constructed under the Mission up to October 2019. Beneficiaries of unauthorized colonies were not considered for construction of Household Toilets under the Mission which means most of habitats known for lack of toilet facilities were excluded from the Mission at the planning stage itself. Adequate efforts were not made to educate the households to avail the benefit of Household toilets. GNCTD did not allocate Mission funds to implementing agencies in accordance to the assessed requirement. There were delays in releasing funds to the implementing agencies and all the funds totaling ₹ 40.31 crore released for the Mission remain idling in banks. Oversight and Monitoring Mechanism was not effective.

The matter was referred to the Government in August 2017 and their reply is awaited as of January 2018.

3.11 Sewer work remains ongoing for 10 years after spending ₹ 10.85 crore by Delhi Jal Board

Due to lack of due diligence and respect for timelines coupled with ad hoc planning and inadequate management oversight, the sewer laying work which was supposed to be completed by September 2007 remains work in progress as of 30 June 2017 and the completed portion could not be put to use since July 2011 even after spending ₹ 10.85 crore.

Jagriti Sewage Pumping Station (SPS) under Shahdara Drainage Zone of Delhi Jal Board (DJB) receives flows from other pumping stations of the area. DJB decided (August 2006) to lay 1000-1200 mm dia sewer from Vivekanand Mahila College to Jagriti SPS to augment the existing sewer line of 1200-1400 mm dia trunk sewer. The main objective was to stop sewage water overflow near Vivekanand Mahila College and surcharge of existing sewers in catchment area, and to abate pollution level in river Yamuna. This work of 'Providing, Laying and Jointing 1000-1200 mm dia sewer was awarded (August 2006) to a contractor at a cost of ₹ 3.76 crore to be completed by September 2007.

DJB rescinded (August 2009) this contract after the completion of 25 *per cent* work valuing ₹ 1.24 crore out of which ₹ 1.01 crore was paid to the contractor. An amount of ₹ 6.88 crore was also paid by DJB as road restoration charges to road owning agencies. DJB re-awarded (September 2010) the balance work to another contractor at a total cost of ₹ 4.78 crore at the risk and cost of ₹ 2.01 crore to be recovered from the first contractor. The second contractor completed the work within the contracted time in July 2011 except gaps at four road crossings[36] which the contractor could not carry out due to high density of traffic and absence of permission from the road owning agencies. DJB short-closed the contract and paid ₹ 2.96 crore to the second contractor for their work. The sewer laying work which was supposed to be completed by September 2007 remains ongoing as of 30 June 2017 and after spending ₹ 10.85 crore[37], the completed portion could not be put to use since July 2011.

The Executive Engineer (C) Drainage-X Division of DJB replied (March 2016 and July 2017) that DJB rescinded the contract with the first contractor as per provisions of the contract agreement due to his non-performance. Contract with the second contractor was short-closed because the work on gaps at four road crossings could not be taken up as excavation of about 16 feet depth for laying sewer was not possible through open cut method due to high traffic on these crossings, presence of underground utilities, and sub-soil conditions. It

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[36] Crossing of Road No. 75B opposite Deepak Memorial Hospital and under Metro line, Crossing of Road No.58 near Karkardooma District Court, Crossing of Road No. 72 extension and sullage Nallah near MCD Zonal Office and Crossing of Main Chowk near Vivekanand Mahila College.

[37] Payment to first contractor - ₹ 1.01 crore, Payment to second contractor - ₹ 2.96 crore and road restoration charges - ₹ 6.88 crore.

was decided (May 2011) to lay the sewer across these crossings by using trenchless technology which was not in the scope of work of the second contract. Work order for gap portion of sewer by trench technology has been issued on 3 March 2017 at a cost of ₹ 2.42 crore. DJB reply is not tenable and should be seen in the light of the following facts.

1. DJB failed to provide encumbrance free site to the first contractor in terms of Para 4.2 of CPWD Manual which stipulates that preparation of detailed estimate and drawing and design should be taken up only after obtaining an assurance that the site is available without any encumbrances or likely to be made available within a reasonable time.

2. The work was to be executed in the busy and crowded areas and required road cutting permission from civic bodies. Risk of delays in getting the permissions should have been adequately managed by consulting these civic agencies about sewer laying plan in advance and the permissions should have been obtained prior to awarding the contract which was not done.

3. As per Clause 32 of the General Conditions of Contract, the contractor was to pursue the required permissions with these authorities. DJB, however, was to issue formal letters seeking permission and to actively follow up. This was not done. We noticed that there were five road sites where road cutting permissions were required. DJB applied for road cutting permissions for two sites to DDA on 1 August 2006 and 6 February 2008, two sites to PWD on 18 April 2006 and 14 March 2008 and one site to MCD on 14 February 2008. DJB deposited the road restoration charges to these civic agencies between March 2007 and March 2011. DJB could get road cutting permission for only one site, i.e. Road no. 71 and 58 from Mahila College to Jhilmil chowk.

Further, presence of impediments like high traffic on these crossings, presence of underground utilities, and sub-soil conditions for laying sewer on gaps at four road crossings through open cut technology should be known to the DJB in 2006 when they first awarded the contract as well as when they re-awarded the contract in September 2010. Therefore, appropriate technology including use of trenchless technology should have been considered. But DJB realized this only in May 2011 when a team of DJB Senior Management visited area. Having decided to use trenchless technology in May 2011, DJB took another six years to award the contract in March 2017. The work which was supposed to cost ₹ 3.76 crore will now cost ₹ 6.62 crore.

DJB stated (December 2017) that the delay in execution of work was due to change in alignment of the sewer line which necessitated obtaining fresh road cutting permissions from DDA, PWD and MCD. However, PWD refused permission due to increased traffic on the road. The reply is not acceptable as fresh road cutting permission was required due to change in alignment indicating lack of proper planning in the initial stage. Besides, DJB has not done any analysis as to how much of work already completed up to August 2011 at ₹ 10.85 crore could be used when sewer laying work on gaps at four road crossings is completed in September 2018.

Thus, due to lack of due diligence and adherence to timelines coupled with ad-hoc planning and inadequate management oversight, the sewer laying work which was to be completed by September 2007 remains work in progress as of 30 June 2017 and the completed portion could not be put to use since August 2011 after spending ₹ 10.85 crore including road restoration charges of ₹ 6.88 crore. Further, actual expenditure on road restoration by the road owning agencies was also not known to DJB. Besides, intended objective to address the problem of overflow of sewage water near Vivekanand Mahila College and surcharge of existing sewers in catchment area and to abate pollution level in river Yamuna could not be achieved for last 10 years.

The matter was referred to GNCTD in July 2017 and their reply was awaited as of January 2018.

3.12 Idling of equipment worth ₹ 3.18 crore

Failure of Delhi Jal Board in synchronizing procurement of Electrical and Mechanical equipment with civil works resulted in idling of equipment costing ₹ 3.18 crore. The fact that these equipment were lying unused for over six years also cast a doubt about their utility.

The work of renovation of coagulation and filtration system at Chandrawal Water Works No. 1 was awarded to a contractor in October 2007 on turnkey basis at a cost of ₹ 38.20 crore (₹ 28.00 crore for Civil Works and ₹ 10.20 crore for Electrical and Mechanical works). The work included design, construction, supply, installation, testing, commission, trial run and one year operation and maintenance during defect liability period. Besides, renovation of filter house comprising 20 filters built in 1911 and 10 filters in 1916 was included in this work. The work was to be completed in 27 months i.e., by 6 February 2010 including three months' trial run.

Execution of work was inordinately delayed and Member (Water Supply), Delhi Jal Board (DJB) directed (May 2014) to examine the issue of foreclosing the contract by excluding balance works as requested by the contractor. The work was eventually foreclosed in September 2016, i.e. after taking 16 months to examine the issue. DJB imposed maximum penalty of five *per cent* of the contract cost on the contractor for the delay. Construction of filter house has now been included in the scope of another project which was under tendering process as of June 2017.

At the time of foreclosure, construction work of filter house had not even started. Though the civil construction of filter house was not taken up, the contractor procured Electrical and Mechanical equipment valuing ₹ 3.22 crore for filter house between November 2009 and July 2011 and DJB made payment of ₹ 2.58 crore being 80 *per cent* of the contract cost of these items. Foreclosure of work rendered these equipment unusable in the project and the same are idling since purchases.

DJB replied (July 2017) that these equipment are similar to those being used all over DJB, especially in Water Works Divisions and most of them are being well utilized after foreclosing the contract. The Reply is not tenable as on verification, audit found that though these equipment were transferred to other Divisions, only one 1000 mm dia Butterfly Valve costing ₹ 3.9 lakh has been put to use as of July 2017 and all other equipment were lying unused for more than six years since their procurement. Further, since these equipment were not installed by the contractor, the defect liability to be provided by the contractor also lapsed.

Thus, failure of DJB in synchronizing procurement of Electrical and Mechanical equipment with civil works resulted in idling of equipment costing ₹ 3.18 crore. The fact that these equipment were lying unused for over six years also cast a doubt about their utility. Foreclosing the work without constructing the filter house also resulted in compromising the efficiency of the filtration system as the problem of uneven air and water pressure development affecting back washing and filtering operations remained unresolved.

The matter was referred to the Government in October 2017 and their reply was awaited as of January 2018.

3.13 Non-levy of liquidated damages and irregular payment of cost escalation to the contractor

Extension of Time (EOT) without levy of liquidated damages of ₹ 4.48 crore and payment of cost escalation of ₹ 3.86 crore beyond the date of scheduled completion not envisaged in the contract amounted to giving irregular benefits to the contractor which also resulted in increase in the overall cost of project by ₹ 8.34 crore.

Delhi Jal Board (DJB) awarded (March 2007) the 'Construction of 25 Million Gallons per Day (MGD) Sewage Treatment Plant (STP) and other related associated/allied appurtenant works on Design, Build and Operate Basis' at Yamuna Vihar, Shahdara to a contractor for a lump sum cost of ₹ 62.05 crore comprising of ₹ 15.07 crore for civil work, ₹ 29.75 crore for Electrical and Mechanical (E&M) work and ₹ 17.22 crore for 10 years Operation and Maintenance (O&M). The STP was to be commissioned within 24 months i.e. by March 2009. However, the STP was commissioned on 2 September 2015 after a delay of six and half years and some civil works remain in progress as of August 2017.

As the contract was delayed much beyond the stipulated date of completion, the contractor requested for EOT with cost escalation in November 2010 for extension till June 2011 and again in July 2013 for extension till December 2013. The reasons for delay quoted by the contractor were non-availability of clear site, delay in approval of design and drawings, abnormal increase in cost of materials, shortage of labour, flooding of site due to rain etc.

The contract provided for compensation to the contractor for cost escalation in the price of materials and/or wages of labour up to the scheduled date of completion of work i.e. March 2009 and not thereafter even if EOT is granted without levying liquidated damages for delay in completion of the work. In violation of the said contract provision, the DJB chose to grant EOT with payment of cost escalation of ₹ 3.86 crore to the contractor up to 30 June 2014 i.e., for 1,921 days beyond the date of scheduled completion. They also chose not to levy the liquidated damage of ₹ 4.48 crore being 10 *per cent* of total contract price (excluding cost of O&M) for six and half years' delay in commissioning of the STP.

Audit observed that a case for allowing successive EOT with cost escalation beyond the date of scheduled completion without levying liquidated damage was made citing work hindrance not attributable to the contractor who required a little help from DJB to complete the work as their tendered lowest price bid was lower than the average cost of similar projects making it difficult for them to complete the work at the approved cost. The Executive Engineer replied (August 2017) that the EOT with payment of escalation was extended validly by the then Chief Executive Officer after deliberations at all levels at DJB and for the period of delays for which the contractor was not responsible. Management reply is not tenable and should be seen in the light of the following facts.

1. Delegation of powers in DJB did not permit changing the terms of contract by any authority. The Finance Branch of DJB which concurs to the financial proposal specifically stated (August 2011) in this case that deviating from the contract agreement does not seem proper.

2. The lowest bid of this contractor was obtained in open tender out of five technically qualified bidders whose price bids were opened. While seeking approval of the Board (DJB) for award of this contract, the Chief Engineer categorically stated that past performance of this contractor was satisfactory as they had successfully completed the STP works of 20 MGD at Pappan Kalan, 5 MGD at Mehrauli for DJB; 30 MLD[38] at Gurgaon, 93.3 MLD at Panipat in Haryana; 222 MLD at Bhattian and 304 MLD at Balloke in Punjab. Therefore, with so much experience of STP construction, it is unreasonable to accept that this contractor erred in quoting the lowest price bid and therefore needs supports from DJB. If this contractor chose to take risk of submitting a low bid to get the contract, they should assume the cost of their decision and should not be compensated out of DJB funds.

3. It is factually incorrect to state that the cost escalation was paid for the period of delays (1,921 days) for which the contractor was not responsible. DJB maintained a Hindrance Register from the start of the work in March 2007 to August 2013 in which net days of hindrance and nature/items of hindrance are recorded. This register shows total 601 days of hindrance against delay of 1,921 for which cost escalation was paid by DJB. This means that payment of cost escalation for delay of 1,320 days cannot be attributed to any work related hindrance.

[38] Million Liters per Day.

4. The contract was for 24 months (inclusive of monsoons) encompassing two rainy seasons and scheduled parliamentary/assembly election and therefore likely hindrance (186 days) on account of rains and elections should be known to the contractor. 46 days' delay in receiving electric connections and 40 days' hindrance on realigning the digesters as a tree was coming in its alignment also cannot be attributed to DJB as getting electric connection to execute the contract was the responsibility of the contractor and presence of tree should be known to the contractor as they visited the site prior to submission of bid. Inability of the contractor to buy sufficient material for the project due to high material price during 2007-08 and shortage of labour during the crop seasons also cannot be attributed to DJB. Therefore, citing these hindrances during the scheduled completion period to grant EOT without imposing liquidated damage for delay and with payment of cost escalation was not justified.

Thus, EOT without levy of liquidated damage of ₹ 4.48 crore and payment of cost escalation of ₹ 3.86 crore beyond the date of scheduled completion not envisaged in the contract amounted to giving irregular benefits to the contractor which also resulted in increase in the overall cost of project by ₹ 8.34 crore.

The matter was referred to the Government in September 2017 and their reply was awaited as of January 2018.

New Delhi **(SUSHIL KUMAR JAISWAL)**
Dated: 21 March 2018 **Accountant General (Audit), Delhi**

Countersigned

New Delhi **(RAJIV MEHRISHI)**
Dated: 22 March 2018 **Comptroller and Auditor General of India**

Appendices

Appendix 1.1

Details of NGOs which received grants-in-aid of ₹ 25 lakh or more during the year 2016-17

(Referred to in paragraph 1.1)

(₹ in Lakh)

Sl.No.	Name of the department		Name of the NGO	Grant received
1	Department. Of Woman & Child Development	1	YWCA of Delhi	77.00
		2	Delhi Social Welfare Board	142.23
		3	Prayas, OHB-I	79.58
		4	Salam Balak Trust	32.71
		5	Prayas Shelter Home for Girls	28.97
		6	Prayas Shelter Home for Boys	55.90
		7	Bal Sahyog	50.44
		8	Salam Balak Trust DMRC Children Home	61.29
		9	ODRS SBT Morigate	19.64
2	Department for the Welfare of SC/ST/OBC & Minorities(KISS NGO)	10	Kalinga Institute of Social Sciences	282.36
3	Law, Justice and Legislative affairs	11	Delhi Dispute Resolution Society	400.00
Total				**1,230.12**

Appendix 2.1.1
Purchase of medicines with Shorter Shelf Life
(Referred to in paragraph 2.1.9.4)

Sl. No.	Name of the Medicine	Agency	Invoice No & Date	Mfd. date	Total Life (Months)	Remainingperiod of life at the time of purchase (%)	Qty	Unit rate	Cost (in ₹)
1	Antaf Syp.	M/s KAPL	(206)8.2.13	10/11	36	21 months(58)	3800	21.50	81,700
2	Blopure Syp.	M/s KAPL	(206)8.2.13	9/11 6/11 10/10	36 36 36	20 months(55) 17 months(47) 09 months(25)	865 246 350	19.95	29,147
3	Caldis Syp.	M/s KAPL	(206)8.2.13	9/11	36	20 months(55)	2100	19.90	41,790
4	Dycon Syp.	M/s KAPL	(206)8.2.13	10/11	24	8 months(33)	2000	19.85	39,700
5	K. Ferromax Syp	M/s KAPL	(206)8.2.13	10/11	36	21 months(58)	900	26.90	24,210
6	Nebore Syp	M/s KAPL	(206)8.2.13	9/11 10/11	36 24	20 months(55) 09 months(37)	1842 250	20.30	42,468
7	Dealka Syp.	M/s KAPL	(206)8.2.13	9/11	36	20 months(55)	1200	20.15	24,180
8	K.Cold Tab	M/s KAPL	(206)8.2.13	10/11	36	21 months(58)	37	16.70	,618
9	Haridya	M/s KAPL	(206)8.2.13	10/11	36	21 months(58)	80	25.50	2,040
10	Dealka Syp.	M/s KAPL	(208)13.2.13	9/11	36	19 months(53)	40	20.15	806
11	Exol tab	M/s KAPL	(207)8.2.13	9/11 9/11	36 36	20 months(55)	1731 5280	17.10	1,19,888
12	Dycon tab	M/s KAPL	(207)8.2.13	9/11	36	20 months(55)	1690	11.25	19,012
13	Caldis tab	M/s KAPL	(207)8.2.13	10/11 10/11	36 36	21 months(58)	3804 1692	18.65	1,02,500
14	Refit tab	M/s KAPL	(207)8.2.13	10/11	36	21 months(58)	2286	22.40	51,206
15	Leu tab	M/s KAPL	(207)8.2.13	9/11	36	20 months(55)	1806	20.30	36,662
16	Madhu niyantrak tab	M/s KAPL	(207)8.2.13	10/11	36	21 months(58)	261	25.00	6,525
17	K.Burn cool oint	M/s KAPL	(207)8.2.13	11/11	24	10 months(42)	876	22.35	19,579
18	Curgul p oint	M/s KAPL	(207)8.2.13	11/11	24	10 months(42)	1076	22.40	24,102
19	K-cold rub	M/s KAPL	(207)8.2.13	11/11	24	10 months(42)	840	21.00	17,640
20	Refit oint	M/s KAPL	(207)8.2.13	11/11	24	10 months(42)	85	22.50	1,912
21	Dermex oint	M/s KAPL	(207)8.2.13	11/11	24	10 months(42)	476	24.45	16,638
22	Exol tab	M/s KAPL	(281)29.11.16	11/14	36	12 months(33)	15	18.97	285
								Total	**7,02,608**

Appendix 2.2.1

Details of works executed without the approval of competent authority

(Referred to in paragraph 2.2.9.2 (iii))

Sl. No.	Division	Division	Work Detail	Work Order/ Date of award of work	Last/Final Bill amount (in ₹)
1	2	3	4	5	6
1	SDMC	(Pr)-I/CNZ	Improvement and strengthening of roads and providing drainage in NDSE-I	02/ 27.06.14	8,50,633
2	SDMC	(Pr)-I/CNZ	Improvement of Road Berms by RMC Pavement & Improvement of Drainage System in Chirag Encl	04/ 11.08.15	3,13,87,650
3	SDMC	(Pr)-I/CNZ	Total Station Survey of Defence Colony School Area	08, 22.08.12	1,97,500
4	SDMC	(Pr)-I/CNZ	Provision of Office Furniture at Ambedkar Stadium	09, 22.08.12	5,99,436
5	SDMC	(Pr)-I/CNZ	Provision of Office Furniture at Ambedkar Stadium	10, 22.08.12	5,84,476
6	SDMC	(Pr)-I/CNZ	Total Station Survey and Consultancy	34, 15.01.13	1,53,400
7	SDMC	M-I/WZ	C/o footpath in Commercial Complex in Nangal Raya.	839/ 17.12.14	4,99,798
8	SDMC	M-I/WZ	Pdg. and applying road marking strips using thermoplastic paint in Hari Nagar	1192/ 11.03.15	4,62,426
9	SDMC	M-I/WZ	Stg. of Carriageway (remaining work) in Rajouri Garden.	126/ 09.07.15	1,82,39,242
10	SDMC	Pr.-II/ SZ	Improvement of road by providing dense carpet in Gadaipur village	3/ 26.04.12	4,96,968
11	SDMC	Pr.-II/ SZ	Construction of office cabin at Civic Centre in SDMC	9/ 05.11.12	2,63,053
12	SDMC	Pr.-II/ SZ	Construction of office cabin at Civic Centre	14/ 24.12.12	5,74,589
13	SDMC	Pr.-II/ SZ	Providing a requisite furniture at Civic Centre/SDMC.	01/ 22.05.14	22,13,761
14	SDMC	WZ, Pr.-II	Construction of Culvert in Vikas Puri	05/ 18.04.12	3,69,595
15	SDMC	WZ, Pr.-II	Providing road signages, blinkers and rumble strips on Janak Setu	65/ 17.10.12	4,51,290
16	SDMC	WZ, Pr.-II	Improvement of approach road by Bituminous concrete near Janak Setu	89/ 04.01.13	4,34,369
17	SDMC	WZ, Pr.-II	I/S of road from Holly Innocent School to Najafgarh Road	10/ 29.04.13	14,36,445
18	SDMC	WZ, Pr.-II	I/S of road near Kangara Niketan Society to gate of park in KG-II in Vikas Puri	11/ 29.04.13	14,51,280
19	SDMC	WZ, Pr.-II	Construction of office building of the EE(Project-II)WZ under Dabri Flyover in WZ)	16/ 01.08.14	12,21,412

Sl. No.	Division	Division	Work Detail	Work Order/ Date of award of work	Last/Final Bill amount (in ₹)
20	SDMC	WZ, Pr.-II	Construction of office building of the Superintending Engineer (West) under Dabri Flyover	17/ 01.08.14	12,80,995
21	SDMC	WZ, Pr.-II	Construction of office building of the EE(Project-I)WZ under Dabri Flyover	26/ 13.11.14	12,50,047
22	SDMC	WZ, Pr.-II	Improvement of land under Pillar No. 3 and 4 of dabri flyover in West Zone)	87/ 18.02.15	3,88,593
23	SDMC	WZ, Pr.-II	Improvement of side berms of D-1-A Block, Janakpuri	92/ 25.02.15	3,66,236
24	SDMC	WZ, Pr.-II	Providing road marking strips in Janak Puri	93/ 25.02.15	4,34,099
25	SDMC	WZ, Pr.-II	Construction of Toilet Block at Divisional Office under Dabri Flyover)	105/ 27.03.15	7,33,411
26	SDMC	WZ, Pr.-II	Development of Ground	01/ 06.04.15	3,14,708
27	SDMC	WZ, Pr.-II	Construction of additional rooms at the divisional office and boundary wall under span No.1 and 2 under Dabri flyover	11/ 16.04.15	12,23,143
28	SDMC	WZ, Pr.-II	Providing and applying road marking strips by using thermo plastic paint in Janakpuri	19/ 10.07.15	2,16,832
29	SDMC	WZ, Pr.-II	Providing Chequered tiles on footpath of Railway span of Janak Setu	47, 24.07.12	4,99,300
30	SDMC	WZ, Pr.-II	Providing hand railing of railway span of Janak Setu	48, 24.07.12	4,98,600
31	SDMC	WZ, Pr.-II	Providing Central verge at Janak Setu	01, 04.04.13	4,99,200
32	SDMC	WZ, Pr.-II	Improvement side berms in Punjabi Bagh	108, 04.02.14	4,98,400
33	EDMC	Shahdra North Pr.-I	Consultancy assignment for development of land at Apsara Border near Toll Tax Plaza Babapur road and Anaj Mandi Old Zonal Office Shahdara.	41/ 09.01.13	3,78,000
34	EDMC	Shahdra North Pr.-I	Upgradation of site office by pdg. flooring sanitary and water supply for the use of division office.	11/ 20.06.13	13,87,849
				Total	**7,18,56,736**

Appendix 2.3.1
Variations in population served by Working Standard Laboratories in Delhi
(Referred to in paragraph 2.3.7.3 (i))

Sl. No.	Zonal office/	Area under zonal office in Sq. Km	Percentage of area to total area of NCT of Delhi	Population	Number of Laboratories
1	North	61	4.11	8,87,978	One Working Standard lab
2	New Delhi	35	2.36	1,42,004	One Working Standard lab
3	Central	21	1.42	5,82,320	One Working Standard lab
4	East	63	4.25	17,09,346	One Working Standard lab
5	North East	62	4.18	22,41,624	One Working Standard lab
6	South West	421	28.39	22,92,958	One Working Standard lab
7	West	130	8.77	25,43,243	One Secondary Standard Lab and one Working Standard lab
8	South	247	16.66	27,31,929	One Working Standard lab
9	North West	443	29.87	36,56,539	One Working Standard lab
	Total	**1,483**		**1,67,87,941**	

Appendix 2.3.2
Details of mismatch between revenue receipts and deposits into bank accounts
(Referred to in paragraph 2.3.8.2 (i))

(Amount in ₹)

	Particulars	North West Zone	Calibration unit	West zone
1	Opening balance of cash as per cash book (as on 01.04.2012)	1,20,860	10,833	5,700
2	Add opening balance of demand draft as per draft register (as on 01.04.2012)	1,12,375	-	-
3 (1+2)	**Total of opening balance (Cash + Draft)**	**2,33,235**	**10,833**	**5,700**
4	Add fee/penalties received during 01.04.2012 to 31.03.2017	8,63,11,522	1,23,70,322	3,84,48,110
5 (3+4)	Total amount to be deposited into the bank	8,65,44,757	1,23,81,155	3,84,53,810
6	Less closing balance of cash/Draft as on 31-03-2017	4,000	55,885	-
A (5-6)	**Net Amount to be deposited in bank**	**8,65,40,757**	**1,23,25,270**	**3,84,53,810**
7	Amount actually deposited in bank during 01.04.2012 to 31.03.2017 (Cash + Draft)	8,61,63,327	1,21,81,169	3,78,90,880
8	Add Amount deposited in the bank directly through POS	3,23,135	25,011	85,450
B (7+8)	**Total amount deposited in the bank during 01.04.2012 to 31.03.2017**	**8,64,86,462**	**1,22,06,180**	**3,79,76,330**
C (A-B)	Difference in amount received and deposited during the period 01.04.2012 to 31.03.2017	**54,295**	**1,19,090**	**4,77,480**
	Total short deposit	**6,50,865**		

Note: figures show the amount deposited was less than the revenue collected by zonal offices/unit.

Appendix 2.3.3
Details of delay in deposit of revenue receipts
(Referred to in paragraph 2.3.8.2 (ii))

Name of zones/units	Mode of depositing revenue in Bank	Range of Days taken by the zonal offices/units to Deposit cash/DDS in Bank	Total number of instances of depositing Cash/DDs into Bank	Number of instances where		Maximum Amount of accumulation of cash/DDs at zones/units (Amount in ₹)
				three or less days were taken to deposit the cash/DD	four or more days were taken to deposit the cash/DD	
South Zone	Cash	2 day to 23 days	183	6	177	2,45,670
	DDs	1 day to 43 days	155	12	143	14,46,000
North West Zone	Cash	1 day to 25 days	183	10	173	5,45,995
	DDs	1 day to 33 days	169	11	158	15,06,375
West Zone	Cash	1 day to 33 days	239	18	221	5,00,525
	DDs	1 day to 46 days	211	29	182	4,36,500
Taxi Meter Unit (TMU)	Cash	1 day to 16 days	310	58	252	5,23,210
Calibration Unit	Cash	1 day to 55 days	154	5	149	1,50,971
	DDs	1 day to 80 days	93	4	89	4,07,183
East Zone	Cash	1 day to 38 days	181	8	173	2,78,915
	DDs	2 days to 73 days	117	2	115	2,91,500
Total			**1995**	**163**	**1832**	

Appendix 2.3.4
Discrepancies in Challan Forms for depositing Cash/DD into bank
(Referred to in paragraph 2.3.8.2 (iv))

Audit Observation	Reply of Zone
North West Zone	
• Eight challans were missing from the challans file • Same challan numbers were used for separate transaction in two cases (four challans) for depositing cash • There were cuttings in 3 challans valuing ₹ 13.42 lakh thereby reflected as ₹ 10.05 lakh after cuttings.	• Missing challan were not traceable despite serious efforts. • Same challan numbers were due to clerical mistakes. • SBI has been approached to reconcile the deposited amount for challans having cuttings, but SBIs's reply awaited
South Zone	
In 18 cases of depositing cash/ DD during 2016-17, same challan numbers were used though the transactions took place on different dates.	Same challan numbers were issued inadvertently.

Appendix 3.2.1
Approved activities not conducted by Hindustan Scouts and Guides in the Calendar 2015-16 and 2016-17
(Referred to in paragraph 3.2.7.6 (c))

Month in which activities were to be conducted	Names of the Activities
May 2015	Summer vacation Training Camp for Scouts, Guides, Scouters & Guiders at Kullu Manali
November 2015	Cubs, Bulbuls, Scouts-Guides day training camp (North West A District) from 5th to 8th November Cubs, Bulbuls, Scouts-Guides day training camp (North West B District) from 11th to 14th November Cubs, Bulbuls, Scouts-Guides day training camp (North West A District) from 16th to 19th November Cubs, Bulbuls, Scouts-Guides day training camp (North West B District) from 23rd to 26th November
January 2016	H.W.B Course for Scouters, Guiders, Rowers and Rangers at Rishikesh/Dharmsahala from 3rd Jan to 10th Jan 2016. Cubs, Bulbul, Scouts-Guides day training camp 12th to 15th Jan 2016
February 2016	Unit, District & State level Thinking Day Celebration to be organized on 22.2.2016.
April 2016	Community Service (Odd and Even Scheme) 15th to 30th April 2016.
May 2016	Teacher Training Camp (Basic/Advance Course) to be held at Nainital from 12th to 16th May 2016 Management Course 25th to 29th May 2016 at Noida College of Physical Education, Dadri
June 2016	2nd to 4th June Training Camp for Rovers and Rangers Trekking Hiking Camp at Manali from 10th to 14th June 2016 (Rescheduled in Nov 2016)
July 2016	Van Mahotsav Celebration from 24th to 30th July 2016 at Delhi
September 2016	Essay Competition (through District) on 29th Sept 2016.
November 2016	Scouters Guiders and Officers Tracking Camp at Jim Corbett Park from 26th to 29th Nov 2016
December 2016	State Training camp for proficiency badge for Scout and Guides from 9th to 11th Dec 2016 Adventure Hike & Tracking for Scouts and Guides 25th to 28th Dec. 2016
February 2017	Railway service day on 27th February at nearby Metro Station

Appendix 3.2.2
Approved activities not conducted by Bharat Scouts and Guides in the Calendar 2015-16 and 2016-17
(Referred to in paragraph 3.2.7.6 (c))

Month in which activities were to be conducted	Names of the Activities
April 2015	Cubs, Bulbuls, Scouts, Guides Day Training Camp Date 10th April to 13th April, Venue SHQ Daryaganj.
	Earth Day Celebration Date 22nd April.
	Bulbuls, Scouts, Guides Day Training Camp Date 22nd April to 25th April, Venue SHQ Daryganj.
May 2015	Trekking Camp Kasauli Shimla (H.P) for Scouts, Guides Scouters, Guiders Date 12th to 16th May 2015.
August 2015	Cubs, Bulbuls, Scouts, Guides Day Training Camp Date 26th to 29th August, Venue SHQ Daryaganj.
September 2015	Trekking Camp DHARAMSHALA (H.P) for Scouts, Guides Scouters, Guiders Date 19th to 23rd September.
October 2015	Annual Scouters-Guiders Conference Date 28th Oct 2015
	National Integration Social Service Day Celebration Date 31st Oct
Nov 2015	Trekking Camp MOUNT ABU, Udaipur for Scouts, Guides Scouters, Guiders Date 14th to 18th November.
	Trekking & Nature Study Programme Pachmarhi (MP) for Scouts, Guides Scouters, Guiders Date 19th to 23rd November
January 2016	Trekking Camp Dalhousie, Amritsar for Scouts, Guides Scouters, Guiders Date 2nd to 6th January.
	Trekking Camp Mysore Ooty for Scouts, Guides Scouters, Guiders Date 7th to 15th January .
February 2016	Unit, District & State level Thinking Day Celebration Date 22nd February.
March 2016	Unit, District & State level International Women's week Celebration Date 1st to 8th March.
	Unit, District & State level Hospital & Community Service Week Date 22nd to 28th March.

Appendix 3.4.1
List of permission files provided by Forest Department
(Referred to in paragraph 3.4.1)

Sl. No.	Permission order number	Date of permission	No. of tree	Obligation for Compensatory plantation	
				Department	Permit holder
PWD					
1.	F.215/WFD/COT/12-13/55-60	03.04.2014	212	1,120	1,120
2.	F.20/WFD/COT/13-14/156-61	07.04.2014	349	1,510	3,490
3.	F.215/WFD/COT/12-13/1077-82	21.05.2014	193	1,040	1,040
4.	121/NFD/TC/Felling/14-15/1085-88	24.09.2015	308	1,143	1,143
5.	R.96 ITO-(S)/TC-Felling/14-15/1455	05.08.2014	129	645	645
6.	F.49/NFD/TC/14-15/378-80	21.07.2014	50	260	260
7.	R.98ITO-(S)/TC-Felling/15-16/2349-51	22.07.2015	216	1,080	1,080
8.	R.418TO-(S)/TC-Felling/14-15/2886	21.10.2014	55	390	390
9.	F.08/WFD/COT/15-16/10853-58	07.03.2016	191	955	955
10.	F.65/NFD/TC/Felling/13-14/231-36	28.05.2014	15	405	405
11.	F.09/WFD/COT/15-16/7518-22	17.12.2015	165	0	1,650
12.	F.118/WFD/COT/15-16/2213-21	21.03.2016	129	0	1,690
13.	F./WFD/COT/15-16/2861	19.07.2016	152	0	1,520
14.	F.215/WFD/COT/13-14/Pt-III/55-60	05.04.2016	56	280	280
DMRC					
15.	F.8(81)/DCF/N/2011-12/738-41	24.11.2014	205	2,550	0
16.	R.77TO-(S)/TC-Felling/13-14/921-22	24.06.2014	84	840	0
17.	R.1465TO-(S)/TC-Felling/14-15/1085-88	26.05.2015	115	1,500	0
18.	F.33/NFD/TC/Felling/2015-16/819-21	23.12.2016	97	720	720
19.	F.89/WFD/COT/13-14/4921-27	18.11.2014	216	2,310	0
EDMC					
20.	F.(18)/DCF/TC/North/DPTA/BS/2012-13/839-42	15.12.2014	449	2,765	2,765
21.	F.30/DCF/TC/North/DPTA/BS/2012-13/174-77	14.05.2015	86	880	880
NHAI					
22.	F.71/NFD/TC/NHDP/2014-15/751-53	24.11.2016	530	0	40,000
	F.71/NFD/TC/NHDP/2014-15/759-61	29.11.2016	1,503		
DJB					
23.	F.84/NFD/TC/Felling/14-15/1106-09	03.03.2015	71	355	355
24.	F.63/WFD/COT/15-16/7176-81	02.12.2015	158	820	820
25.	F./WFD/COT/14-15/5950-54	22.12.2014	137	0	1,720
Delhi Police					
26.	F.18/DCF/North/13-14/56-61	16.04.2014	111	905	905
27.	R.1154TO-(S)/TC-Felling/14-15/5575-79	23.12.2015	126	630	630
Delhi Development Authority					
28.	F.40/WFD/COT/14-15/330-34	26.09.2014	2	0	470
Army					
29.	F.13/WFD/COT/15-16/1158-62	14.03.2016	92	0	920
30.	F.61/WFD/COT/15-16/7931-36	04.01.2016	48	240	240
31.	F.18/WFD/COT/15-16/7879-84	01.01.2016	189	945	945
Delhi Transco ltd.					
32.	F.15/WFD/COT/15-16/6521-22	02.11.2015	91	525	525
NATGRID					
33.	F.19/WFD/COT/15-16/2183	30.06.2015	305	1,560	3,440
DTC					
34.	F./WFD/COT/16-17/9023-28	03.03.2017	28	370	370

Sl. No.	Permission order number	Date of permission	No. of tree	Obligation for Compensatory plantation	
				Department	Permit holder
DSSIIDC					
35.	F.78/WFD/COT/13-14/2184	30.06.2015	444	2,220	2,780
NBCC					
36.	R.202TO-(S)/TC-Felling/14-15/4105-07	08.12.2014	1,123	5,835	8,165
M/o Social Justice and Empowerment					
37.	R.233TO-(S)/TC-Felling/14-15/2872	22.10.2014	75	455	745
CPWD					
38.	R.1247TO-(S)/TC-Felling/15-16/983-84	24.05.2016	38	0	380
IIT, Hauz Khas					
39.	R-570/TO(S)/TC-Felling/2016-17/856-857	01.06.2017	377	1,885	1,885
Northern Railways					
40.	R.155TO-(S)/TC-Felling/14-15/5815	18.02.2015	56	280	520
Rail Vikas Nigam Ltd.					
41.	R.1310/TO(S)/TC-Felling/2015-16/5348-49	19.12.2016	103	530	530
I.T.P.O					
42.	R.303/TO(S)/TC-Felling/2016-17/6287-88	01.02.2017	99	0	990
		Total	**9,178**	**38,938**	**86,378**

Appendix 3.5.1
Details of non-functional equipment in blood banks
(Referred to in paragraph 3.5.5.9(i))

Sl. No.	Name of blood bank	Name of equipment not functional
1.	SDNH	Deep Freezer -30^{o}c (15 months), Air Laminar flow (3 months) and Blood Bank Refrigerator (38 months)
2.	DDUH	Gel Card Incubator (Serial No. 1002237) (17 days), Blood Collection Monitor (Haemomixer) (Sr. No. 4112223) (4 months), Blood Bank Refrigerator (Sr. No. 1.2 P 133 and 123) (5 months and 7 months) Fully Automated Blood Component Extractor (Sr. No. 7091015) (6 months), Dry Incubator (7 Months), Elisa Reader (Sr. No. RT 0908 RBK043(17 months), Ultra Low Deep Freezer (-80^{0}C) Spencer 052100008 (20 Months), Benchtop dielectric tube Sealer (S. No. 20966) (12 Months), Platelet Agitator and Incubator (11 Months), Blood Collection Monitor (Haemometer) (Sr. No JDMCT 1019) (13 months)
3.	LNH	Three Blood Bank Refrigerators (16 months to 18 months)

Appendix 3.5.2
Details of equipment not calibrated during 2014-17
(Referred to in paragraph 3.5.5.9(ii))

Sl. No.	Name of blood bank	Name of equipment not calibrated
1.	SDNH	Bio Mixer (two), Incubator (two), Micro pipetts, weighing machine
2.	DDUH	Lab Refrigerator (Serial Number 209047), Refrigerator (Equip ID No. DDUH/LR), Lab Refrigerator S.No. 0AC1200195, Lab Refrigerator R-00-10, Platelet Agitator Serial No PA1-04
3.	LNH	Blood Bank Refrigerator, Deep Freezer, Tube sealer, Cryofuge (two), PAI-200, Plasma Expresor (two), ELISA Reader, BCM (two), Hb Analyzer, Digital Analytical Balance, PH Meter and Sterile con. Device

Appendix 3.7.1
Details of higher Transport Allowance paid by hospitals
(Referred to in paragraph 3.7)

Sl.No.	Name of Hospital/Directorate	Excess TA Paid
1	Health Centre Cum Maternity Hospital (HCCMH), Govt. of NCT of Delhi, Kanti Nagar, Shahdara, Delhi-110051	3,94,845
2	Bhagwan Mahavir Hospital, Pitam Pura, Delhi	15,66,170
3	Pt. Madan Mohan Malviya Hospital, Malviya Nagar, New Delhi	17,76,442
4	Maharishi Valmiki Hospital, Pooth Khurd, Delhi	10,86,310
5	Guru Nanak Eye Centre Hospital, Asaf Ali Road, New Delhi.	1,81,716
6	Dr. N.C. Joshi Memorial Hospital, Karol Bagh, Delhi	13,95,398
7	Sardar Vallabh Bhai Patel Hospital, Patel Nagar, Delhi-110008	10,02,934
8	Lal Bhadur Shashtri Hospital, Govt. of NCT of Delhi, Khichripur, Delhi-91	45,32,108
9	Dr. Hedgewar Arogya Sansthan, Viswas Nagar, Delhi-110032	40,24,580
10	Chacha Nehru Bal chiktsalaya, Geeta Colony, Raja Ram Kohli Marg, Delhi	2,77,783
11	Acharya Shree Bhikshu Govt. Hospital, Moti Nagar, New Delhi – 110015	20,87,457
12	LokNayak Hospital, Jawahar Lal Nehru Marg, Delhi Gate, New Delhi	1,37,86,589
13	Deen Dayal Upadhyay Govt. Hospital, New Delhi-110064, Delhi	1,72,11,988
14	Aruna Asaf Ali Govt. Hospital, Rajpur Road, Civil Lines, Delhi-110054	6,16,851
15	Jag Pravesh Chandra Hospital, Shastri Park, Delhi	10,31,814
16	Sanjay Gandhi Memorial Hospital, Block S, Mangolpuri, Delhi, 110083, Delhi	43,53,855
17	Satyawadi Raja Harishchander Hospital, Narela, Delhi	20,704
18	Babu Jagjivan Ram Memorial Hospital, Jahangir Puri, Delhi	12,81,208
19	Deep Chand Bandhu Hospital, Bharat Nagar Police Station, Bunkar Colony, Ashok Vihar Phase IV, New Delhi, Delhi 110052	3,93,072
20	Delhi State Aids Control Society, Ambedkar Hospital, Rohini, Delhi-85	1,17,306
21	Directorate of Health Services, GNCTD	2,13,06,324
22	Directorate of Family Welfare, Vikas Bhawan-II, Delhi	31,75,533
23	Janak Puri Super Specialty hospital	4,87,552
24	Maulana Azad Medical College	4,74,60,712
25	Guru Tegh Bahadur Hospital	1,80,74,743
26	Maulana Azad Institute of Dental Sciences	15,11,734
	Total	**14,91,55,728**
	Recovery effected by MAMC	**12,77,070**
	Total TA	**14,78,78,658**

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