

**Report of the  
Comptroller and Auditor General of India**

**on**

**General and Social Sector  
for the year ended 31 March 2012**

**Government of Rajasthan  
Report No. 1 of the year 2013**

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## Preface

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapter 1 of this Report provided a synopsis of the auditee profile, comparative position of fiscal operations of the Government of Rajasthan, authority for audit, planning and conduct of audit, summary of observations on compliance and performance audits and follow-up on Audit Reports. Chapter 2 contains findings of the performance audits of Protection of Forests and Wildlife of Rajasthan and Computer Education and Information and Communication Technology Scheme in Schools. Chapter 3 discusses material findings emerging from compliance audits.
3. The Report covers significant matters arising out of the compliance and performance audits of General and Social Sector Departments including Autonomous Bodies. The Reports containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies, Economic Sector Departments, Revenue Receipts of the State Government, observations on the finances of the State Government and Local Bodies are also presented separately.
4. The cases mentioned in this Report are among those which came to notice in the course of test-audit of the records during the year 2011-12 as well as those which came to notice in earlier years but could not be dealt with in previous Reports. Matters relating to the period subsequent to 2011-12 have also been included wherever found necessary.

# Chapter 1

## Introduction

### 1.1 About this Report

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from Performance Audits (PAs) of selected programmes/activities and compliance audit of General and Social Sector departments/autonomous bodies. The Reports containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies, Economic Sector Departments, Revenue Receipts of the State Government, observations on the finances of the State Government and Local Bodies are also presented separately.

Compliance audit refers to examination of the transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with. On the other hand performance audit examines, besides conducting a compliance audit, whether the objectives of the programme/activity/department are achieved economically and efficiently.

The basic purpose of the Report is to bring to the notice of the State Legislature, important results of performance and compliance audits. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of the transactions. Findings of audit are expected to enable the Executive to take corrective measures and also to frame policies and directives that will lead to improve financial management of the organisations, thus contributing to better governance.

This chapter, in addition to explaining the planning and extent of audit, provides a synopsis of the significant deficiencies in implementation of selected schemes, important audit observations made during the audit of transactions and follow up action on previous Audit Reports. Chapter 2 of this Report contains findings arising out of performance audit of selected programmes/activities/departments. Chapter 3 contains observations on compliance audit of Government departments and autonomous bodies.

### 1.2 Profile of the Audited Entity

Under the Government of Rajasthan, there are 90 departments, headed by Chief Secretary/Principal Secretaries/Secretaries, assisted by Deputy Secretaries/Commissioners and subordinate officers and 267 autonomous bodies, which are audited by the Principal Accountant General (General and Social Sector Audit), Rajasthan, Jaipur.

The comparative position of expenditure incurred by the Government of Rajasthan during 2009-10 to 2011-12 is given in **Table 1**.

**Table 1: Comparative position of expenditure**

Particulars	2009-10			2010-11			2011-12		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
<b>(₹ in crore)</b>									
<b>Revenue expenditure</b>									
General services	101	15,546	15,647	175	16,562	16,737	422	18,287	18,709
Social services	3,007	13,487	16,494	3,929	13,966	17,895	5,947	15,981	21,928
Economic services	3,179	4,793	7,972	4,649	5,571	10,220	5,780	6,964	12,744
Grants-in-aid	-	19	19	-	21	21	267	6	273
<b>Total</b>	<b>6,287</b>	<b>33,845</b>	<b>40,132</b>	<b>8,753</b>	<b>36,120</b>	<b>44,873</b>	<b>12,416</b>	<b>41,238</b>	<b>53,654</b>
<b>Capital expenditure</b>									
Capital Outlay	5,819	(-) 644 <sup>1</sup>	5,175	5,231	20	5,251	7,103	16	7,119
Loans & Advances disbursed	463	35	498	189	73	262	1,051	58	1,109
Payment of Public Debt			2,945	-	-	3,317	-	-	3,490
Contingency Fund			-	-	-	-	-	-	-
Public Accounts disbursement			1,07,714	-	-	1,16,298	-	-	1,22,320
<b>Total</b>			<b>1,16,332</b>	<b>-</b>	<b>-</b>	<b>1,25,128</b>	<b>8154</b>	<b>74</b>	<b>1,34,038</b>
<b>Grand Total</b>			<b>1,56,464</b>	<b>-</b>	<b>-</b>	<b>1,70,001</b>	<b>20,570</b>	<b>41,312</b>	<b>1,87,692</b>

Source: Audit Report on State Finances for the year 2011-12.

### 1.3 Authority for Audit

The authority for audit by the Comptroller and Auditor General of India (C&AG) is derived from Articles 149 and 151 of the Constitution of India and the C&AG's (Duties, Powers and Conditions of Service) Act, 1971. The Principal Accountant General (General and Social Sector Audit), Rajasthan, Jaipur, conducted audit of expenditure of General and Social Sector Departments and Autonomous Bodies of Government of Rajasthan, under Sections 13<sup>2</sup>, 14<sup>3</sup>, 15<sup>4</sup>, 17<sup>5</sup>, 19(2)<sup>6</sup>, 19(3) and 20<sup>7</sup> of the C&AG's (DPC) Act. The

1. minus figure is due to transfer of ₹688 crore from Rajasthan State Investment Fund.
2. Audit of (i) all expenditure from the Consolidated Fund of the State, (ii) all transactions relating to Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit & loss accounts, balance sheets & other subsidiary accounts.
3. Audit of (i) all receipts and expenditure of a body or authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grants or loans to such body or authority from the Consolidated Fund of the State in a financial year is not less than ₹1 crore.
4. Audit of grant or loan given for any specific purpose from the Consolidated Fund of India or State to any authority or body, to scrutinise the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such grants or loans were given.
5. Audit of accounts of stores and stock.
6. Audit of the accounts of Corporations (not being Companies) established by or under law made by the Parliament in accordance with the provisions of the respective legislations.
7. Audit of accounts of any body or authority on the request of the Governor, on such terms and conditions as may be agreed upon between the C&AG and the State Government.

principles and methodology for the performance and the compliance audit are prescribed in the various manuals issued by the C&AG.

#### **1.4 Organisational Structure of the Office of the Principal Accountant General (General and Social Sector Audit), Rajasthan, Jaipur**

Under the directions of the C&AG, the office of the Principal Accountant General (General and Social Sector Audit), Rajasthan, conducts audit of



General and Social Sector Departments and Autonomous Bodies through four groups. During 2011-12, 57 audit parties conducted financial, compliance and performance audit (PAs) of the selected units under various General and Social Sector Departments, Autonomous Bodies (except Panchayati Raj Institutions and Urban Local Bodies) and

externally aided projects of the State Government.

#### **1.5 Planning and conduct of audit**

The audit process starts with the assessment of risk exposure of various Government departments/organisations/autonomous bodies and schemes/projects etc. Risk assessment is based on expenditure, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and the concerns of stakeholders. Audit findings during the previous years are also considered in this exercise.

After completion of audit of each unit, Inspection Reports containing audit findings, are issued to the Heads of the units/departments with the request to furnish replies on audit findings, within one month of receipt of the Inspection Report. Whenever replies are received, audit findings are either settled or further compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports.

During 2011-12, 13,654 audit party days were used to carry out audit of 1,743 out of the 13,180 units, of general and social sector departments. The audit plan covered those units/entities, which were vulnerable to significant risk, as per the risk assessment.

#### **1.6 Significant audit observations**

During the last few years, Audit has reported several significant deficiencies in implementation of various programmes/activities as well as the quality of internal controls in selected departments through performance audits, which had impacted the success of programmes and functioning of the departments.



Similarly, the deficiencies noticed during compliance audit of the Government departments/organisations were also reported.

### **1.6.1 Performance audit of programmes/activities of departments**

Chapter 2 of this report contains the performance audits of 'Protection of Forests and Wildlife of Rajasthan' and 'Computer Education and Information and Communication Technology Scheme in Schools'. Brief summaries of the performance audit are discussed in the following paragraphs:

#### **1.6.1.1 Protection of Forests and Wildlife of Rajasthan**

The forest cover in Rajasthan is 4.7 *per cent* (16,087 sq km) of its total geographical area (3,42,239 sq km). Land use patterns have been showing a decrease in forest land cover and increase in desert land. For protection of forest and wildlife, the State notified Rajasthan State Forest Policy only in the year 2010.

The Protected Area network continues to face threats due to inadequate measures taken by the Government. It did not show enough enthusiasm in increase of protected area to five *per cent* of total geographical area set in the forest policy. Further, the Government was not able to effectively protect the areas already declared as 'Protected Area'. Creation of Critical Tiger Habitats do not meet the criteria for its setting up. Corridors have not been created to link one Protected Area to another to prevent genetic swapping. Inadequate relocation of people from the Protected Areas were causing major threat to the wildlife. Lack of attention outside the Protected Area network was resulting in decrease in moderately dense forest and increase in encroachment, mining and grazing cases. Non-notifying all the forest blocks, lack of demarcation of forest areas on revenue maps and lack of digitization of forest maps have also affected the legal protection of forest land. Shortage of frontline staff has affected the protection and conservation of forest land and wildlife. The amount collected as eco- development surcharge were not utilised for eco-development activities.

*(Paragraph 2.1)*

#### **1.6.1.2 Computer Education and Information and Communication Technology Scheme in Schools**

Computer Education and Information and Communication Technology Scheme in schools is a Centrally Sponsored Scheme announced by Government of India for providing use of Information and Communication Technology, particularly in secondary and higher secondary schools. The Project Monitoring and Evaluation Group approved 2,500 secondary and higher secondary schools in Rajasthan under Phase-I and 2,000 schools under Phase-II. The Scheme has been implemented on the basis of Build-Own-Operate-Transfer model in two phases.

Performance audit of the implementation of the scheme revealed that initial selection of schools in Computer Education Plan sent to Government of India

was done without ensuring infrastructure facilities, repetition of schools covered under earlier schemes, provision of internet connection not made in the agreements of Phase-I, delay in providing operating software by the department in both the phases and delay in finalisation of tenders of Phase-II. Establishment of computer labs in schools were delayed, internet connection not provided/not working in schools in Phase-II, stolen hardware and equipments were not replaced by the firms. Capacity building has taken a back seat, National Council for Teachers Education was not associated in development of appropriate content for computer aided learning and modules for teachers training. Management Information System interactive software, required to be provided in Phase-II, were not provided by the firms. Progress reports were not sent to Project Monitoring and Evaluation Group, State Level High Empowered Committee was not established and monitoring committee at Deputy Director level was not established.

*(Paragraph 2.2)*

## **1.6.2 Significant audit observations during Compliance Audit**

Audit observed significant deficiencies in critical areas, which impact the effectiveness of the State Government. Some important findings of compliance audit (18 paragraphs) have been reported in chapter 3. The major observations relate to the following categories:

### **1.6.2.1 Non-compliance with rules and regulations**

For sound financial administration and control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This helps in maintaining financial discipline and also prevent irregularities, misappropriation and frauds. This report contains instances of non-compliance with rules and regulations involving ₹ 75.77 crore. Some important audit findings are as under:

The Disaster Management and Relief Department failed to ensure disbursement of immediate relief to drought affected farmers by not preventing the Cooperative Banks from adjusting subsidy of ₹ 63.99 crore against their outstanding loans.

*(Paragraph 3.1.1)*

Funds of ₹ 10.25 crore meant for strengthening the delivery of services under National Rural Health Mission were unauthorisedly diverted by the Medical and Health Department for construction of administrative buildings (*Swasthya Bhawans*) and purchase of land.

*(Paragraph 3.1.2)*

Public Health Engineering Department extended undue benefit to contractors by allowing full payment and by less/delayed deduction of royalty of ₹ 1.53 crore. Besides, penalty 10 times of royalty for unauthorised mining was also not imposed.

*(Paragraph 3.1.3)*

### **1.6.2.2 Audit against propriety and cases of expenditure without adequate justification**

Authorisation of expenditure from public funds has to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money. Audit scrutiny revealed instances of impropriety and extra expenditure involving ₹ 2.01 crore. Some important audit findings are as under:

The Information Technology and Communication Department disbursed a grant of ₹ one crore to a private institution without assessing the need for setting up training facilities in partnership and also failed to protect the interest of the State by not taking over the assets created through the grant.

*(Paragraph 3.2.1)*

Medical and Health Department procured USG machines of ₹ 1.01 crore, without ensuring qualified manpower resulting in unfruitful expenditure and depriving the beneficiaries from the intended benefit from these machines.

*(Paragraph 3.2.2)*

### **1.6.2.3 Persistent and pervasive irregularities**

An irregularity is considered persistent if it occurs year after year. It is deemed pervasive when prevalent in the entire system. Recurrence of irregularities, despite being pointed out in earlier audits, is indicative of slackness on the part of the executive and lack of effective monitoring. This in turn encourages willful deviations from observance of rules/regulations and results in weakening of administrative structure. Audit observed the following instance of persistent and pervasive irregularity:

Treasury officers failed to exercise prescribed checks in payment of pension/family pension which led to excess/irregular payment amounting to ₹ 93.59 lakh despite the fact that this was pointed out through earlier Reports also.

*(Paragraph 3.3.1)*

### **1.6.2.4 Failure of oversight/governance**

Government has an obligation to improve the quality of life of the people in the area of health, education, development and upgradation of infrastructure, public services etc. Audit noticed instances where the funds released by the Government for creating public assets, remained unutilised/blocked or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight or concerted action at various levels. Test-check cases of failure of oversight/governance noticed in audit, involved ₹ 78.47 crore. Some important audit findings are as under:

Rajasthan State Pollution Control Board spent only 25 per cent (₹ 7.31 crore) of water cess collected, on pollution control activities during 2005-12

(excluding 2010-11). Besides, there was slow progress in setting up of Regional Laboratories inspite of available manpower and idle funds.

***(Paragraph 3.4.1)***

Benefit of assistance of ₹ 1.03 crore from UNICEF for eliminating child trafficking in the border blocks of Udaipur, could not be availed of due to inaction of the Labour Department.

***(Paragraph 3.4.2)***

In Labour Department, Rules were framed with a delay of about nine years, man power was not sufficient to implement the schemes/activities, registration of employers and beneficiaries was not complete, cess was either not collected or remained with the State Government, surplus funds were not invested and monitoring and internal control mechanism were not in place.

***(Paragraph 3.4.3)***

Assistance of ₹ 3.51 crore by the Medical Education Department from Government of India/ Rajasthan Medical Relief Society for procuring sophisticated equipments for the treatment of cancer patients, remained idle/unutilised for one to two years.

***(Paragraph 3.4.4)***

Due to weak monitoring, primary health infrastructure was not strengthened despite availability of Central assistance of ₹ 3.18 crore which remained unutilised with Public Works Department since January 2001.

***(Paragraph 3.4.5)***

The Medical and Health Department, by not acting as per provisions of Request for Proposal and not putting in place a proper regulatory framework to measure the service delivery, extended undue favour and benefit to Ziqitza Health Care Limited, Mumbai, which resulted in payment of unverified claims of the emergency service provider.

***(Paragraph 3.4.6)***

Medical and Health Department failed to utilise Central assistance of ₹ seven crore for more than four years which contributed to short achievement of sterilization targets.

***(Paragraph 3.4.7)***

Medical and Health/Women and Child Development Departments failed to monitor construction and handing over of Sub-Health/*Anganwadi* Centres within stipulated period which led to denying of the intended benefits to the beneficiaries despite release of sanctioned funds of ₹ 13.85 crore.

***(Paragraph 3.4.8)***

Public Health Engineering Department delayed the Urban Water Supply Scheme in Makrana Town by two and half years even after incurring an expenditure of ₹ 19.15 crore. Besides, delay in awarding work of packages 01 and 03 resulted in cost overrun of ₹ 3.10 crore.

***(Paragraph 3.4.9)***

Lack of planning of the Public Health Engineering Department in executing Banswara Sewerage Scheme led to non-commissioning, denying the beneficiaries of Sewerage facility for the last 25 years and rendering the expenditure of ₹ 4.81 crore, infructuous.

*(Paragraph 3.4.10)*

Lack of internal control and monitoring in Department of Technical Education (Rajasthan Technical University) resulted in delay/non-recovery of development fee of ₹ 4.24 crore for the years 2006-07 to 2009-10 from 157 affiliated colleges extending them undue benefit.

*(Paragraph 3.4.11)*

### **1.7 Response of the Departments to Performance Audits/Draft Audit Paragraphs**

The Finance Department had issued directions to all departments (August 1969) to send their response to the draft audit paragraphs, proposed for inclusion in the Report of the Comptroller and Auditor General of India, within three weeks.

Accordingly, draft paragraphs are forwarded to the Principal Secretaries/ Secretaries of the departments concerned, drawing their attention to the audit findings and requesting them to send their response within three weeks. It is brought to their personal attention that in view of likely inclusion of such paragraphs in the Audit Reports of the Comptroller and Auditor General of India, which are placed before State Legislature, it would be desirable to include their comments. They are also advised to have meetings with the Principal Accountant General to discuss the PAs/draft audit paragraphs, proposed for Audit Reports. Accordingly, all the PAs/draft paragraphs proposed for inclusion in this report, were forwarded to the Principal Secretaries/ Secretaries concerned.

The concerned Departments did not send replies to four out of 20 paragraphs/reviews featured in Chapters 2 and 3. The responses of concerned Departments received in respect of 16 paragraphs/reviews have been suitably incorporated in the Report.

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

The Finance Department of the State Government decided (December 1996) that Action Taken Notes (ATNs) on all paragraphs/reviews that have appeared in Audit Reports be submitted to the Public Accounts Committee, duly vetted by Audit, within three months from the date of laying of the Reports in the State Legislature. A review of the outstanding ATNs on paragraphs/performance reviews included in the Reports of the Comptroller and Auditor General of India pertaining to various Departments as of November 2012, revealed that nine ATNs<sup>8</sup> were pending from the concerned Departments.

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8. Paragraphs 2.3.2.1, 2.4 and 2.5 of the Audit Report (State Finances) 2010-11 and paragraphs 3.1.1, 3.1.6, 3.2.2, 3.3.2, 3.4.5 and 3.4.6 of the Audit Report (Civil) 2010-11.

## **Chapter 2 Performance Audit**

This Chapter presents the performance audits of 'Protection of Forests and Wildlife of Rajasthan' and 'Computer Education and Information and Communication Technology Scheme in Schools'.

### **Forest Department**

#### **2.1 Protection of Forests and Wildlife of Rajasthan**

##### ***Executive Summary***

**Forests are among the most diverse and widespread ecosystems on the earth. They are critical for human life as they provide basic human needs such as water, food, shelter, medicine, fuel wood, fodders and timber. They are also home to and support biodiversity like animals, plants, micro organism etc. The forests of Rajasthan are rich in flora and fauna with about 3,000 known species of plants and animals.**

**During performance audit of Protection of Forests and Wildlife of Rajasthan, it was noticed that only 2.81 *per cent* area was included under the protected area network as on 31 March 2012, against the target of five *per cent*. Final Notifications for declaration of National Park for Desert National Park, Jaisalmer and Tiger Project, Sariska have not been issued as of December 2012.**

**Adequate measures have not been taken for conservation and protection of wildlife in protected areas like Bhainsrodgarh Wildlife Sanctuary, Tiger Project Sariska and National Ghariyal Sanctuary.**

**State Government failed to provide legal protection to forests due to not notifying all forest areas/blocks, lack of demarcation of forest areas on revenue maps, lack of demarcation of forest boundary through pillars and lack of digitization of forest maps.**

**State Government has not been able to conserve and protect its moderately dense forests.**

**Effective steps to document biological resources and traditional knowledge were yet to be taken.**

**Amount of ₹ 16.76 crore collected during 2009-12 as eco-development surcharge in seven test checked wildlife divisions were not utilised for eco-development activities.**

##### ***2.1.1 Introduction***

The forest cover<sup>1</sup> in Rajasthan is 4.7 *per cent* (16,087 sq km) of its total geographical area (3,42,239 sq km). Land use patterns, however, have been

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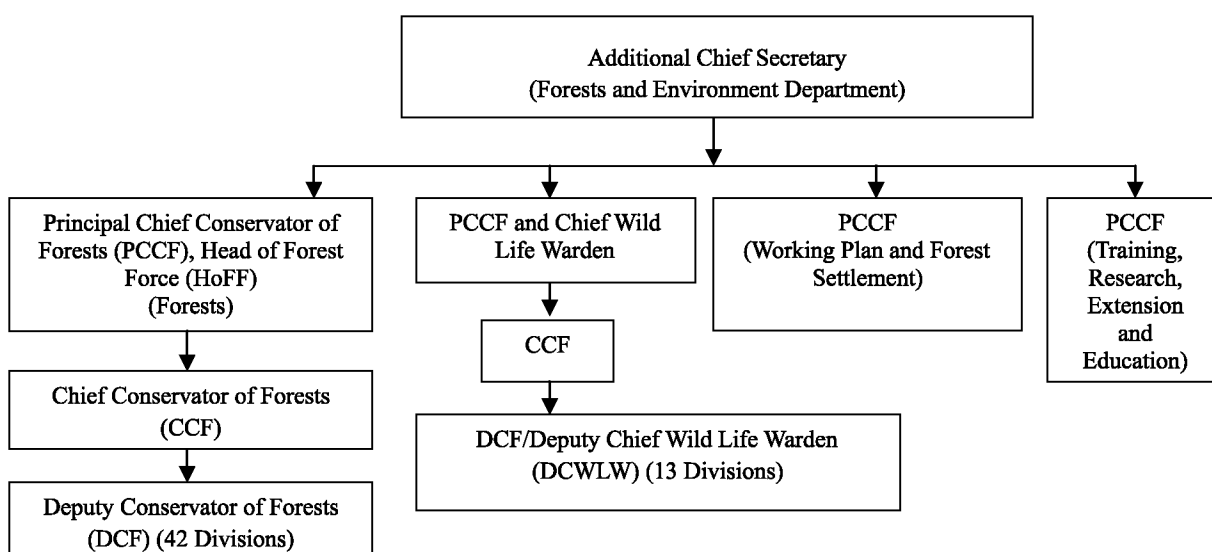
1. Area covered by trees (as per India State of Forest Report 2011).

showing a decrease in forest land cover and increase in desert land as acknowledged in the Rajasthan State Environment Policy, 2010. There is an elaborate legislative framework for protection of forest and wildlife in Rajasthan, including the Wildlife Protection Act, 1972 (WPA), Forest Conservation Act, 1980 (FCA) and Biological Diversity Act, 2002 (BDA). The State Government has also notified (February 2010) Rajasthan State Forest Policy 2010 (the Policy) mainly with the objectives of protecting, conserving and developing natural forest. Since then there has been favourable steps such as appointing wildlife wardens, solving problem of water scarcity in Keoladeo National Park (KNP), meetings of Wild life Advisory Board, selection of heritage sites and initiation of action for constitution of Biodiversity Management Committees (BMCs) by the Rajasthan State Biodiversity Board.

Rajasthan has a Protected Area (PA)<sup>2</sup> network of 9,620.04 sq km, comprising of three<sup>3</sup> National Parks<sup>4</sup> (NP), 25 Wildlife Sanctuaries<sup>5</sup> and six<sup>6</sup> Conservation Reserves<sup>7</sup> (CR) as of March 2012.

### 2.1.2 Organisational setup

The organisational set up of the Department is shown in the following chart:



2. According to International Union for Conservation of Nature, a protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long term conservation of nature with associated ecosystem services and cultural values.
3. Ranthambhore Tiger Project, Keoladeo NP and Mukundra Hills NP.
4. An area having adequate ecological/faunal/floral significance and is declared for the purpose of protecting wildlife or its environment; no rights of people living inside are allowed.
5. An area which is of adequate ecological/faunal/floral significance and is declared for the purpose of protecting, wildlife or its environment; certain rights of people living inside are permitted.
6. Bisalpur CR, Jodbir Gadwala CR, Sundha Mata CR, Gudha Vishnoiyan CR, Shakambhari CR and Gogelao CR.
7. Areas owned by the Government, specially those areas adjacent to NPs and WS and those areas which link one PA to another; rights of people living inside are not affected.

### 2.1.3 Scope of Audit

The scope of audit covers Department's efforts made during 2009-12 for protection of forests and wildlife through protected area network, protection of biodiversity outside protected areas, process of diversion of forests for development projects and protection of traditional ecological knowledge and biodiversity for conservation of biodiversity.

### 2.1.4 Audit Sample and Methodology

There are 55 forests and wildlife divisions<sup>8</sup> in Rajasthan of which audit test checked eight wildlife divisions<sup>9</sup> and nine forest divisions<sup>10</sup> which encompass three National Parks<sup>11</sup> and 16 Wildlife Sanctuaries<sup>12</sup> for detailed audit. Selection was made using the simple systematic sampling method, based on three criteria: expenditure, risk assessment and geographical spread of forests. Besides, the records of office of PCCF (HoFF) in Jaipur, State Biodiversity Board and Directorates of Agriculture and Animal Husbandry Departments were also reviewed. Audit methodology consisted of review of documents, collection of relevant information and data analysis. Audit was carried out during February to June 2012 covering the period 2009-10 to 2011-12.

The Entry Conference with Additional Chief Secretary was held on 21 February 2012 to discuss the objectives and criteria of audit methodology. Exit Conference was held on 26 October 2012 with the Departmental authorities wherein the audit findings were discussed and non-receipt of reply was pointed out. However, the reply of the State Government was awaited (December 2012).

### 2.1.5 Audit objectives

Audit objectives were to assess:

- measures taken to protect forests and wildlife through the protected area network;
- measures taken to protect forests and wildlife outside the protected area network;
- compliance to rules and regulations in cases of diversion of forests land for development activities;

8. Forest: 42 and wildlife: 13.

9. DCF cum Dy. Director, Ranthambhore Tiger Project Sawaimadhopur; DCWLW, Keoladeo NP, Bharatpur; DCF, Tiger Project, Sariska ; DCF, Wildlife, Kota; Dy. Director, Desert National Park, Jaisalmer; DCF, Wildlife, Chittorgarh; DCWLW, Udaipur and DCF, Jaipur (Central).

10. DCF, Jaipur (North); DCF, Udaipur (South); DFO, Banswara; DFO, Jodhpur; DCF, Nagaur; DCF, Bhilwara; DCF, Sriganganagar; DCF, Jhunjhunu and DFO, Jhalawar.

11. Ranthambhore Tiger Project, Keoladeo NP and Mukundra Hills NP.

12. Sawai Man Singh WS, Jawaharsagar WS, National Chambal Sanctuary, Sitamata WS, Bassi WS, Bhainsrodgarh WS, Kumbhalgarh WS, Phulwari ki Naal WS, Tatgarh WS, Jaisamand WS, Sajjangarh WS, Tiger Project, Sariska , Desert National Park, Jaisalmer, Jamwa Ramgarh WS, Darrah WS and Nahargarh WS.



- measures taken for protection of traditional ecological knowledge and biodiversity; and
- utilisation of funds for protection of forests and wildlife economically and effectively.

#### **2.1.6 Audit criteria**

The audit criteria were derived from:

- Wildlife Protection Act (WPA), 1972;
- Forest Conservation Act (FCA), 1980;
- Rajasthan State Environment Policy, 2010;
- Rajasthan State Forest Policy, 2010;
- National Wildlife Action Plan (NWAP), (2002-16); and
- Biological Diversity Act (BDA), 2002 etc.

#### **2.1.7 Audit Findings**

Audit findings are detailed in the following paragraphs:

##### **2.1.7.1 Protection of wildlife through the Protected Area network**

Protected Areas (PAs) are constituted and governed under the provisions of WPA, 1972, which has been amended from time to time. Implementation of this Act is further complemented by other Acts viz. FCA, 1980, Environment Protection Act, 1986 and BDA, 2002. The State forest departments are vested with the responsibility of implementation of national policies and plans.

The State Government notified its own Forest Policy (2010), the strategies of which inter-alia, envisaged setting apart and declaring a minimum of five *per cent* of geographical area as protected area. The protected area network, comprising three National Parks, 25 Wildlife Sanctuaries and six Conservation Reserves, covered only 9483.15 sq km as on 31 March 2009, which was increased to 9,620.04 sq km by 31 March 2012. Thus the total protected area fell short by 7,492 sq km against 17,112 sq km (minimum five *per cent* of the total geographical area of 3,42,239 sq km). It was observed in audit that the State Government took a lackadaisical approach in developing/increasing the PAs which resulted in non expansion of PAs to the required level. A few illustrations are discussed below:

**Final notification not issued for setting up of NPs.**

- Preliminary notification of DNP, Jaisalmer as National Park was issued by the State Government in May 1981 but the final notification has not been issued as of March 2012 even after 31 years. The department intimated (December 2012) that looking to displacement of large number of people and huge cost required for acquisition of rights, the government did not consider it

fit to declare this sanctuary as a NP. The copy of government decision was not furnished to audit.

● Likewise, a preliminary notification of Tiger Project, Sariska as National Park was issued by the State Government in August 1982 but the final notification has not been issued as of December 2012. Audit, however, observed that 28 villages and 958 families existed within the WS and their relocation was still in process<sup>13</sup> as of March 2012. No target was set for completing the relocation. Consequently, Tiger Project, Sariska could not be declared as a National Park which would have facilitated focussed conservation measures keeping in mind the fact that the tiger population had been virtually wiped out from Sariska WS. The department accepted the facts (December 2012) and intimated that the declaration will be done after relocation of villages.

**Conservation/  
community  
reserves not  
created.**

● Sections 36-A and 36-C of WPA, 1972 provides that the State Government may, after consultations with the local communities, declare any area owned by the State Government, as Conservation Reserves and declare any private/community land volunteered but not within the existing protected area network, as a Community Reserve for protecting fauna, flora and traditional or cultural conservation values and practices. The Policy also provides for setting up of conservation/community reserves.

State Government had declared only six Conservation Reserves<sup>14</sup> so far, but no Community Reserve has been declared (March 2012). During test check of 17 divisions, it was observed that two divisions<sup>15</sup> proposed creation of two Community Reserves<sup>16</sup>. DCF, Sriganganagar proposed (October 2004) a Community Reserve called Budha Johad<sup>17</sup>, with the consent of *Panchayats*. However, Special Secretary, Forest Department, called for (May 2006) the details of land, consent of District Collector and land owners. While DCF, Sriganganagar submitted the details of land in June 2011, he did not submit consent of Collector and land owners. Resultantly, Budha Johad could not be declared as Community Reserve (May 2012) and a scientific approach/plan for conservation and protection of black buck, chinkaras and other species which are endemic to this region, could not be made.

Similarly, for protection and conservation of black bucks and chinkaras, DCF, Nagaur submitted (March 2011) a proposal to declare "Community Reserve" at Rotu village alongwith the consent of District Collector and concerned *Gram Panchayats* but the declaration was awaited as of May 2012.

DCF, Sriganganagar intimated (May 2012) that consent of Revenue Department and land owners were awaited, while DCF, Nagaur did not respond (November 2012).

13. 352 families have been relocated.

14. Bisalpur (Tonk), Jodbir Gadwala (Bikaner), Sundha Mata (Jalore), Gudha Vishnoiyan (Jodhpur), Shakambhari (Sikar) and Gogelao (Nagaur).

15. Sriganganagar and Nagaur.

16. Budha Johad (468.77 sq km) and Rotu (455.39 bigha).

17. Sriganganagar and Hanumangarh districts.

**Non-declaration of closed area as Conservation/Community reserves areas.**

● State Government also declared 33 areas<sup>18</sup> as Closed Areas<sup>19</sup> during the years 1976 to 1986 under Section 37 of the WPA. After amendment in WPA (2003), this section was deleted as hunting was totally prohibited in the forest area. However, since these closed areas were on Government and community land, they were to be declared as Conservation/Community reserves. Accordingly, PCCF, Rajasthan, Jaipur, after lapse of five years, directed (September 2008) the respective Divisional Authorities to take action for such declaration so that central assistance could be obtained for effective development and protection of biodiversity in these areas.

Of the 33 closed areas, only two<sup>20</sup> were declared as Conservation Reserves and 31 areas comprising 14370.18 ha of land, have not been declared as Conservation/Community Reserves even after a lapse of eight and a half years. The department intimated (December 2012) that all the closed areas eligible for declaration of CRs are being considered.

#### **2.1.7.2 Inadequate measures for safeguarding PA network**

Protecting the PAs was one of the main objectives of the Policy. However, State Government had not taken adequate measures to safeguard the PA network, as detailed in the succeeding paragraphs:

**Creation of critical tiger habitat not in conformity with Act.**

● According to Section 38 V of WPA, 1972 (as amended in 2006) a tiger reserve should have two parts; a Core/Critical Tiger Habitat (CTH) which would be an inviolate area and a buffer area which would be an area peripheral to CTH where lesser degree of habitat protection is required.

The State Government notified (December 2007) CTH in both Ranthambhore Tiger Project and Tiger Project Sariska, comprising an area of 1,113.36 sq km (total area of NP 1,394.48 sq km) and 881.11 sq km (total area of WS 881.11 sq km) respectively. Audit observed that the areas declared as CTH in both Ranthambhore Tiger Project and Tiger Project, Sariska were not inviolate and have human and animal populations residing within the core area. In view of this the creation of CTH in Ranthambhore Tiger Project was not in conformity with the Act *ibid*. The department stated (December 2012) that there was no direction in the guidelines issued by National Tiger Conservation Authority (NTCA) that there should be no human settlement in CTH at the time of declaration. The process of relocation of villages is in progress. The reply is not acceptable as under the Act the CTH should be in sacred and protected area and even after five years, human and animal population were not relocated.

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18. Comprising 14864.90 ha of forest land.

19. Hunting prohibited area.

20. Gudha Vishnoiyan in December 2011 and Jodbir Gadwala in November 2008.

**Non-creation of corridors to link one NP/WS to another.**

- According to NWAP-2002-16, States have to identify wildlife corridors<sup>21</sup> between important protected areas, harbouring endangered and long ranging species.

During test check of three divisions<sup>22</sup>, it was observed that the State Government has approved a proposal (January 2012) to connect Ranthambhore Tiger Project, Kailadevi Wildlife Sanctuary, Sawai Mansingh WS, Ramgarh Vishdhari Wildlife Sanctuary, Jawahar Sagar Wildlife Sanctuary and Mukundra hills National Park as corridor namely “Rajeev Gandhi Biosphere Reserve Corridor”, a management unit to ensure safe roaming of wild animals like tigers. The department intimated (December 2012) that the proposals have been submitted to GoI for approval.

**Non-protection of Great Indian Bustard.**

- The Great Indian Bustard (GIB), an endangered bird, endemic to the Indian sub continent is the State bird of Rajasthan. According to MoEF (December 2011), only 296 GIBs are left in the country, of which 175 are found in Rajasthan. GIB was identified (April 2010) as one of the species under the “Recovery programme for saving critically endangered species and habitats” of GoI.

During audit it was observed that State Government sent (August 2009) to GoI, a recovery plan of ₹ 34.35 crore for development of core area, constructing enclosures, pasture and infrastructure developments for GIB, approval of which was awaited (May 2012). Efforts made by the Department to pursue the matter with GoI were not on record. GoI, however, released ₹ 1.05 crore to the State Government during 2008-09 to 2011-12 under Centrally Sponsored Scheme- Integrated Development of wildlife, for various activities<sup>23</sup> in the sanctuary by Deputy Director, DNP Jaisalmer. Audit further observed that though funds were spent on these activities, population of GIB had decreased (73 in 2008 and 52 in 2011) due to ineffective measures/plans for protection/conservation of GIB and non-sanction of recovery plan by GoI which resulted in non-availability of funds with the Department. Further, out of 3,162 sq km area notified by the State Government for DNP, Jaisalmer Wildlife Sanctuary, only 50.76 sq km area, (two *per cent* of the WS area) was actually forest land and the rest was private, Government and revenue land. Besides, 73 villages were situated within the Wildlife Sanctuary area resulting in biotic pressure, habitat interference and fragmented habitats. The department has not initiated any step to relocate the villages and increase the forest area.

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21. A wildlife corridor is an area of habitat connecting wildlife populations separated by human activities (such as roads, development, or logging). This allows an exchange of individuals between populations, which may help in preventing the negative effects of inbreeding and reduced genetic diversity that often occur within isolated populations. Corridors may also facilitate the re-establishment of populations that have been reduced or eliminated due to random events (such as fires or disease). This may potentially moderate some of the worst effects of habitat fragmentation.
  22. Ranthambhore Tiger Project Sawaimadhopur, Tiger Project Sariska and Wildlife, Kota having the tiger and adjoining the Wildlife Sanctuaries and National Parks.
  23. Construction of new closures, purchase of camera traps and wireless equipment, re-seeding of old closures etc.

The department accepted (December 2012) that the sanction of plan has not been received.

**Threats to biodiversity in Sariska WS.**

- As State Highway (SH)- 13 and SH-29A passes through core area of Tiger Project Sariska, Hon'ble Supreme Court directed (May 2009) to stop movement of commercial vehicles on SH-13<sup>24</sup> and instead pass the traffic through the bye-pass road and close SH-29A to traffic. Death of five wild animals due to accidents were also recorded from 2009 to 2011.



**Traffic on SH 13 inside Sariska Wildlife Sanctuary**

A proposal of ₹ 21.11 crore, based on the estimates prepared by Public Works Department, was sent by the Forest Department (August 2011) to NTCA for construction of alternate road for SH-13 to be completed in 2012-13. However, NTCA directed (November 2011) the State Government to first ensure that the SH-29A was completely closed for heavy traffic, before it sanctions the project. Audit, however, observed from the records of DCF, Tiger Project Sariska that in violation of Supreme Court's directions, heavy commercial vehicles on SH-13 and three regular buses on SH-29A were still plying despite lapse of more than two years (March 2012).

The department stated (December 2012) that the construction of alternate road has recently been started which would take considerable time to complete.

**Poor functioning of National Ghariyal Sanctuary.**

- Gharial is evolutionarily the most unique Crocodylian in the world being a specialised river dwelling fish-eater. It is listed as "Critically Endangered" in the IUCN Red List of Endangered Species. Endemic to Indian sub-continent, now the major breeding populations are confined to two rivers in India only, Girwa and Chambal. Accordingly, part of Chambal falling in their respective territorial jurisdiction, has been declared as WS by the three States<sup>25</sup>.

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24. Khushalpura Tiraya km 197/0 to near "Thank you Board" km 204/0.

25. Madhya Pradesh, Rajasthan and Uttar Pradesh, through which Chambal flows.

National Ghariyal Sanctuary or National Crocodile Sanctuary (NCS) was notified by the State Government in July 1983 with its management entrusted to respective Divisional Forest Officers of Sawaimadhopur, Kota, Bundi, Karauli and Dholpur divisions. The Conservator of Forests and Field Director, Tiger Project, Ranthambhore prepared first management plan for NCS for the period 2010-20, which was approved (August 2010) by PCCF, Jaipur. For proper functioning/execution of plan/programme, establishment of a separate division for NCS was included in the management plan. Audit observed that neither separate division was created nor separate staff for the WS was sanctioned and posted for implementation of the management plan (March 2012). Besides, no Annual Plan of Operation (APO) was sanctioned upto 2010-11. Against ₹ 76 lakh sanctioned for APO, 2011-12, ₹ 50.29 lakh only was utilised. Further, no census was carried out (March 2012) and the State Government did not know survival status of Gharials.

CCF, WL, Kota admitted (May 2012) the facts. The department intimated (December 2012) that a separate division has been created for NCS in July 2012 and adequate staff has been provided.

**Degradation of habitats in Bhainsrodgarh WS.**

- The State Government declared (February 1983) an area of 193.09 Sq km as Bhainsrodgarh WS. Audit observed that the Management Plan (2003-13) of Wildlife Sanctuary mentions existence of 26 revenue villages in WS and 80.45 sq km non-forest land including 17.73 sq km agriculture land. Wildlife census reports for the period 2009-11 revealed that the number of animals like hyena, jackal, wild boar, crocodile, wild cat etc., found in the Wildlife Sanctuary had declined<sup>26</sup>. The State Government did not plan relocation of villages (March 2012), to arrest the degradation of habitat in the Wildlife Sanctuary due to high biotic pressure.

**Ineffective measures for protection of threatened bear population.**

- The Policy states that Sloth Bear population in South Western parts of Aravallis needs to be protected by declaring the area as a sanctuary, especially Jaswantpura hills in Jalore district.

It was observed that no WS was declared for protection of Sloth Bear. Only a Conservation Reserve namely "Sundha Mata" was declared (July 2010) by the State Government at forest block Jaswantpura in Jalore district. The State Government had not initiated any planning/scheme for protection and conservation of Sloth Bear in this area as of March 2012. The department intimated (December 2012) that finalisation of National Action plan for conservation of Sloth Bear is under process.

**Non-relocation of people living inside PAs.**

- The State Environment Policy states that relocation of villages close to protected area in a phased time bound manner shall be done expeditiously. 92 villages in core areas of Ranthambhore National Park (64) and Sariska Wildlife Sanctuary (28) were identified (2007-08) by State Government for relocation.

Audit scrutiny revealed that 61 villages with 565 families (out of 1615) from Ranthambhore Tiger Project and 26 villages with 606 families (out of 958)

26. Number of animals declined during 2009-11 (Hynea: 26 to 18; Jackal: 157 to 73; Wild Boar: 342 to 152; Crocodile 31 to 18 and Wild cat 38 to 19).

from Tiger Project, Sariska were yet to be relocated as of 31 March 2012. Due to additional demands of villagers, the process of relocation was slow. This was indicative of deficient relocation packages.

The DCF, Tiger Project Sariska intimated (April 2012) that due to non-consent of villagers, relocation procedure could not be completed. The department intimated (December 2012) that as per guidelines, the consent of the villagers is mandatory for relocation which takes considerable time. This work would, however, be given desired place if adequate funds are received from NTCA.

Reply was not acceptable as the State Government has not succeeded in relocating all the people living inside the National Park/ Wildlife Sanctuary though the process of relocation was continuing since last 35 years and their presence continues to pose threat to the wildlife in these National Park and Wildlife Sanctuary.

**Non-establishment of State Wildlife Crime Bureau.**

● An amendment to WPA, 1972 in 2006 provided (Section 38Y) for setting up of Wildlife Crime Control Bureau (WCCB) at the Central level, which would coordinate with the State Governments in the area of wildlife crimes. State Government in its Policy proposed establishment of State Wildlife Crime Bureau (SWCB) to tackle wildlife related crimes, intelligence gathering and speedy investigation of wildlife crimes.

Audit observed that the State Government has not set up SWCB as of November 2012. In test checked 15 divisions<sup>27</sup> there was pendency of 463 cases as of April 2009. 83, 117 and 79 wildlife crime cases were registered and 48, 70 and 120 cases were disposed off during 2009-10, 2010-11 and 2011-12 respectively. 303 crime cases were pending disposal at departmental level as of March 2012. Pendency of cases for less than one year, for more than one to three years and above three years was 76, 115 and 112 respectively. In order to deter people from committing wildlife crimes, it is important that cases be registered and decided speedily and penalty levied as quickly as possible. Failure to setup State Wildlife Crime Bureau impacted intelligence gathering and speedy investigation of wildlife crimes which led to huge pendency of wildlife crime cases.

The department intimated (December 2012) that proposal for establishment of SWCB has been submitted to State Government for approval.

**2.1.7.3 Management of forest land**

The Policy envisages protection of existing forest from all kinds of human being pressures and managing on sustainable basis through working plans. The performance audit revealed lapses on part of the State Government in protecting forest lands as detailed in following paragraphs:

**Decrease in area under forests.**

● According to India State Forest Report 2011 brought out by the Forest Survey of India the recorded forest area of Rajasthan is 32,639 sq km., (32,712.90 sq km. in March 2011, as per the records of the Department), which is 9.54 per cent of the State Government's geographical area. The status

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27. DCF, WL, Chittorgarh and DCF, Jhunjhunu did not furnish information.

of forest cover<sup>28</sup> as per India State Forest Report, 2009 and 2011 is given below:

**Table 1: The status of forest cover**

Status as per	(in sq km)			
	Forest cover	Very Dense forest	Moderate Dense forest	Open forest
State Forest Report, 2011	16,087	72	4,448	11,567
State Forest Report 2009	16,036	72	4,450	11,514
Net increase(+)/ decrease(-)	(+) 51	Nil	(-) 2	(+) 53

Audit observed that though in 2011 there was an increase in total forest cover by 51 sq km, there has been a decrease of two sq. km of moderately dense forest and increase of 53 sq km under open forest. Thus, the State Government has not been able to conserve and protect its moderately dense forests, leading to its decrease.

● ***Non-mutation of forest land***

State Government (Administrative Reforms Department) constituted (August 1999) District Level Committees (DLCs)<sup>29</sup> to get all categories of forest land recorded in revenue records in the name of the Forest Department (Department) by 31 December 2000. The tenure of DLCs was extended time to time<sup>30</sup> upto 31 December 2012.

Scrutiny of records (September 2011) of the Deputy Conservator of Forests (DCF), Desert Plantations and Farm Development, Jalore and information collected (June 2012) from Principal Chief Conservator of Forests (PCCF), Rajasthan, Jaipur in respect of other 53 Divisional Forest Officers (DFOs)/DCFs/Deputy Chief Wild Life Warden (Dy CWLWs), revealed that, of 5.97 lakh hectare (ha) non-mutated forest land (as of April 1999), only 1.07 lakh ha land mutated in 13 years (1999-2012). This was indicative of lackadaisical approach of the Department and weak monitoring.

Further analysis of 4.90 lakh ha non-mutated land as of March 2012, revealed that lands have been shown as: unsurveyed (2.96 lakh ha): pertaining to charagah/interior line/other departments (0.54 lakh ha): pertaining to allotted/Khatedari/Abadi (0.45 lakh ha) and other than the above categories (0.95 lakh ha). As such, non-mutation of this land for a long time had not only adversely affected the objective of afforestation but also 0.45 lakh ha land

28. Very dense forest-land with tree cover of canopy density of 70 *per cent* and above; Moderate dense forest-land with tree cover of canopy density between 40 *per cent* and below 70 *per cent*; Open forest-land with tree cover of canopy density between 10 *per cent* and below 40 *per cent*.

29. District Collector as Chairman and Deputy Conservator of Forest as Member Secretary.

30. In February 2001 upto December 2002, in February 2003 upto 31 December 2004, in June 2005 upto 31 December 2006, in May 2007 upto 31 December 2008 and in November 2011 upto 31 December 2012.



shown as allotted to other departments/Khatedari/Abadi costing ₹ 1971 crore<sup>31</sup> was being used for non forest purposes though this non-mutated area was being shown as part of total forest cover of the State.

State Government endorsing (April 2012) the reply of DCF, Jalore, intimated that 244.36 ha land was pending due to court decision and allotment by Mines Department (214.36 ha). For rest of the land, efforts are on for mutation with District Collector, Jalore.

The facts remain that entire land was notified as forest land long back in November 1992 but could not be mutated as of March 2012 and mutation of only 1.07 lakh ha forest land against 5.97 lakh ha land which had to be mutated by December 2000, after a lapse of more than 12 years indicates tardy and laid back approach of the Department which has resulted in forest land being encroached, court cases and depletion of forest cover of the State.

**Non-  
preparation of  
Working Plans  
for all forest  
areas/divisions.**

● Under the provisions of FCA, 1980 and the Supreme Court's orders of December 1996 in the writ petition no. 202/95, the State Government had to prepare Working Plans (WPs) for all forest divisions and get them approved from GoI. The WPs should be prepared within a period of two years and in case WPs are not prepared within the time frame, future felling of trees within the forest area will remain suspended till the regular WP is prepared and approved. All forestry operations are to be carried out strictly in accordance with the approved WPs. GoI also issued detailed instructions and guidelines in the year 2004 for preparation of WPs.

Review of records of PCCF (WP) and DFO, Jodhpur revealed that of 33 districts, 22 districts had no approved WPs since 1997-98 onwards<sup>32</sup>. After posting of Working Plan Officers (WPO) in all seven Zonal offices in June 2009 for the preparation and monitoring of WPs, 11 districts<sup>33</sup> submitted their WPs. It was also observed that the work of preparation of WP for 16 districts<sup>34</sup> upto 2012-13, had been outsourced (January 2012) to an external agency, as no funds were to be released under Thirteenth Finance Commission without WPs after 2012-13. Status of remaining six districts was not furnished to audit.

It was also observed in audit that even Annual Working Plan was not prepared for the execution of forestry programmes in these districts which was in violation of provisions of Forest Conservation Act and direction of Supreme Court. PCCF, Working Plan and Forest Settlement, Rajasthan, Jaipur admitted (May 2012) that the work of preparation of WPs could not be possible in 22 districts, therefore 16 DCFs were declared (November 2011) as WPOs. The department intimated (December 2012) that WPs of nine districts have been approved by GoI and proposals for seven districts have been submitted to GoI

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31. Calculated at lowest rate of ₹ 4.38 lakh per ha recoverable as Net Present Value of forest land to be diverted for non-forest purposes fixed in February 2009 by Ministry of Environment and Forests, GoI for non-forest purposes.

32. 1997-98 (16), 1998-99 (1), 2000-01 (2), 2006-07 (1) and 2008-09 (2).

33. Banswara, Chittorgarh and Pratapgarh (2008-09), Bikaner and Udaipur (2009-10), Jaipur (2010-11), Churu, Dausa, Hanumangarh, Rajsamand and Sriganganagar (2011-12).

34. Baran, Barmer, Bharatpur, Bhilwara, Bundi, Dholpur, Jaisalmer, Jalore, Jhalawar, Jhunjhunu, Jodhpur, Nagaur, Pali, Sawaimadhopur, Sikar and Tonk.

for approval. Preparation and submission of proposals for remaining 15 districts are in progress.

**Inaction to stop illegal encroachments on forest land.**

- Section 91(i) of the Rajasthan Land Revenue Act, 1956, under which Assistant Conservator of Forests (ACF) is authorised to take action for levy of penalty, stipulates that any person who occupies or continues to occupy any land without lawful authority should be regarded as a trespasser and might be summarily evicted at any time. Section 91(2) *ibid* provides for levying of penalty<sup>35</sup> on such trespasser.

As per the information made available by PCCF (HoFF) as of March 2012, 35313.49 ha area of forest land all over the State was occupied unauthorisedly by individuals as against 28521.08 ha occupied as of 31 March 2009. This includes 796.72 ha area of 33 slums. Audit observed that 30,280 cases of unauthorised occupation were pending for disposal with department as of March 2012. In test checked 17 divisions, 5,914 such cases (involving 8,791.13 ha land) were pending for disposal in 13 divisions with the departmental authorities, out of which 5,188 cases were pending for more than three years (*Appendix 2.1*).

**Less penalty imposed.**

Audit also noticed that as against levying 50 times of the annual rent as penalty, as per provision of the Act, the department penalised most of the trespassers up to only 10 times of the annual rent. This did not act as sufficient deterrent to the trespassers. Department did not take action to finally evict the trespassers. The department intimated (December 2012) that the proposal for increase of penalty upto ₹ 2500 is under consideration of the State Government.

**Non-protection of forests from illegal mining.**

- The Rajasthan Forest Act, 1953 prohibits mining of stones in the forest area. Further, the State Forest Policy stipulate that efforts should be made for curbing illegal mining in forest areas by enforcing strict surveillance mechanism, including the use of satellite imagery and illegal mining should be controlled by beefing up surveillance in forest areas through joint inspection by Mining, Forest and Police officials.

Audit scrutiny revealed that the Department did not use satellite imagery system to trace forest areas affected by illegal mining. Further, of 17 divisions, in five divisions<sup>36</sup> only, illegal mining affected areas were identified during 2009-12 and only in two divisions<sup>37</sup> joint inspections by Forest, Mining and Police officials were carried out to check illegal mining. As per the information obtained (September 2012) from PCCF, (Forest Protection), 3730, 3148 and 2458 cases of illegal mining on forest land were registered in the State during 2009-10, 2010-11 and 2011-12 respectively. As of 31 March

35. For each agriculture year during the whole or any part thereof has been in such unauthorised occupation of land, a penalty which may be extended to fifty times of the annual rent or assessment as the case may be, for the first act of this trespass. In the case of subsequent act of the trespassing, he shall be liable to commitment to civil prison for a term which may extend to three months and to pay penalty up to the extended time.

36. DCF, WL Kota, DCF, Jaipur (Central)), DCF, Sriganganagar, DCF, Bhilwara and DCF, Nagaur.

37. DCF, Sriganganagar and DCF, Nagaur.

2012, 575 cases were pending settlement. In 17 test checked divisions, 751, 635 and 494 cases of illegal mining were found registered in 2009-10, 2010-11 and 2011-12 respectively. 447 cases were pending in the Department at the end of March 2012 (*Appendix 2.2*), of which 204 cases were more than three years old.

The department intimated (December 2012) that mining prone ten districts have been identified and task force had been established. A plan of ₹ 4.05 crore for deployment of home guards was under consideration of the Finance Department.

**Non-protection of forests from illegal grazing.**

● Section 26(1) (d) of the Rajasthan Forest Act, 1953 prohibits pasturing cattles in forest area. Further, para 5.1 of NWAP (2002-16) refers to measures for enhancement of grazing fees and regulate grazing to control over grazing in forest areas.

Department registered 4,452, 4,256 and 3,749 cases of illegal grazing during 2009-10, 2010-11 and 2011-12 respectively. In test checked 17 divisions, 1875, 1884 and 1975 cases were registered during 2009-10, 2010-11 and 2011-12 respectively. As of March 2012, 230 cases were pending in department out of which 83 cases were one to three years old and 115 cases were more than three years old (*Appendix 2.3*). No reason was given by the department for keeping the cases pending. Further department did not develop any mechanism to regulate grazing and any plan for promotion of stall feeding of cattle and pasture development.

**Failure to notify forest areas/blocks in the State.**

Under Sections 4 and 29 of Rajasthan Forest Act, 1953, all forest blocks/land are required to be notified into Reserved Forest<sup>38</sup> (RF) or Protected Forest<sup>39</sup> (PF) for its proper protection and conservation.

As per records of the Forest Department, of the 32,712.90 sq km area covered with forests (March 2011), RF constitute 12,410.69 sq km (37.94 *per cent*) and PF constitute 18,268.14 sq km (55.84 *per cent*). The remaining 2,034.07 sq km (6.22 *per cent*) is unclassified as of March 2011. During test check of 17 divisions it was noticed that out of 11,179.12 sq km of forest land, 609.32 sq km (5.45 *per cent*) was unclassified.

Further, under Section 5 of FCA, 1980, and conditions prescribed in the sanction for use of forest land for non-forest activity issued by the MoEF, land received in lieu of non-forest activities is to be notified as RF/PF by the State Government within six months of mutation of land. Scrutiny of records of the sampled divisions revealed that 629.33 ha non-forest land received by the department was not notified as RF/PF within six months in four<sup>40</sup> out of 17 test checked divisions. The department intimated (December 2012) that

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38. Reserved Forest is an area or mass of land duly notified under the provisions of India Forest Act or the State Forest Acts having full degree of protection. In Reserved Forests all activities are prohibited unless permitted, may also involve settlement of claims.

39. Protected Forest is an area or mass of land notified under the provisions of India Forest Act or the State Forest Acts having limited degree of protection. In Protected Forests all activities are permitted unless prohibited; does not involve the process of settlement.

40. DFO, Banswara, DCF, Udaipur (South), DCF, Bhilwara and DCF, Jaipur (Central).

notifying forest area is a continuous process and during 2012-13, proposals for notifying 5184.69 ha forest land have been submitted to State Government.

**Lack of demarcation of notified forest areas**

● As per Section 35 of the WPA, 1972 the State Government has to notify an area as a Forest Park to get a legal basis for ensuring its protection. Legal process includes mutation<sup>41</sup> of land in favour of forest department as well as its demarcation on revenue maps. The Policy also states that all notified areas in the State be mutated and demarcated by erecting boundary pillars on the ground and boundary lines digitized on maps with proper geo-referencing. Further, the Management Plans of protected areas and Working Plans of forest areas also propose the same. After mutation of the allotted land, demarcation of this land on revenue maps need to take place to ensure that the land allotted to Forest Department is not re-allotted to other persons by Revenue Authorities. Audit observed that of 17 test checked divisions, in 14 divisions, only 5,143.17 sq km (61.73 *per cent* of total forest area of 8331.17 sq km) area was demarcated on revenue maps. Balance 3188 sq km was still pending to be demarcated in the revenue maps. Position of demarcation in three divisions<sup>42</sup> was not furnished by Divisional Authorities. The department intimated (December 2012) that due to non cooperation of revenue staff, non posting of surveyor/amin and non availability of village maps in the department, demarcation on maps could not be made. Reply was not acceptable as no action was taken by the department to address these constraints. Absence of this demarcation would affect conservation efforts as transfer of non-demarcated land to individuals could not be ruled out.

**Lack of demarcation of forest boundary through pillars.**

● Protection of forest land from encroachment for residence, grazing or agriculture purposes is one of the main concerns of the Forest Department and one way to achieve it is through erection of boundaries through pillars or pucca walls on the ground.

In order to achieve this objective, PCCF Rajasthan, Jaipur submitted (September 2005) a Five year Plan (2005-06 to 2009-10) to the State Government for erection of 2,83,943 pillars<sup>43</sup> to demarcate all the protected areas/forest lands. Audit observed that only 69,682 pillars (25 *per cent*) had been erected as of March 2012 due to non-availability of funds and resources indicating deficient planning. Test check of records of the 17 test checked divisions, revealed that in 12 divisions, of 89,666 pillars to be erected 56,369 (63 *per cent*) have not been erected as of March 2012. In two divisions<sup>44</sup>, protected areas were fenced by wire or pucca wall. Three divisions<sup>45</sup> did not furnish the required information, though called for (during February to April 2012).

Divisional officers accepted (March to May 2012) that pillars could not be erected due to non-posting of surveyors/*amins*, non availability of budget and

41. Mutation means the recording in Revenue records, the transfer of the title of land from one person to other, in this case transfer of land in favour of Forest Department.

42. RTP, Sawaimadhapur, Banswara and Udaipur (south).

43. Pillars not found erected against requirement and damaged.

44. Keoladeo NP, Bharatpur and DNP, Jaisalmer.

45. Jaipur (North), Udaipur (South), Ranthambhore Tiger Project NP, Sawaimadhapur.

absence of village maps. The department intimated (December 2012) that the erection of pillars are made as per availability of allotted budget and the work is in progress.

**Lack of digitization of forest maps.**

● Out of 17 test checked divisions, digitization of boundary lines on maps was completed in KNP, Bharatpur and four WSs in Wildlife Division, Udaipur. Digitization work in six divisions<sup>46</sup> was in progress and in four divisions<sup>47</sup> this work had not yet started. Five divisions<sup>48</sup> did not furnish the information. The department intimated (December 2012) that the digitization work is being done through State Remote Sensing Application Centre, (SRSAC) Jodhpur and the same is in progress.

**Diversion of forest land for non-forest purposes without approval.**

● Clause 2 of FCA, 1980 stipulate obtaining prior approval of GoI for diversion of forest land for non-forest purposes.

During the test check of 17 divisions, in four divisions<sup>49</sup> audit observed that Public Health Engineering Department, Irrigation Department and Railway Department used 847.64 ha forest land<sup>50</sup> for non-forest activities. It was further, observed that the executing departments deposited ₹ 2.84 crore against the demand of ₹ 86.03 crore raised by DFO/DCFs (*Appendix 2.4*) as of March 2012. All the works have been completed without obtaining formal approval and even in-principle approval in one case (Railway) violating the provision of Act as well as conditions of the GoI approvals.

The department intimated (December 2012) that efforts are being made to recover the balance amount. However, the fact remained that forest land was diverted/used without obtaining formal approval of the competent authority, indicating poor internal control in the system for checking the diversion of forest land.

#### ***2.1.7.4 Measures taken by the State Government to conserve biodiversity and prevent bio-piracy***

The Biological Diversity Act, 2002 provides for setting up of National Biodiversity Authority and State Biodiversity Board to check Bio-piracy<sup>51</sup>. Shortcomings in measures taken by the department to conserve biodiversity and to check bio-piracy are discussed below:

**Non-preparation of State Biodiversity Strategy and Action Plan.**

● Section 22 of the Biological Diversity Act, 2002 empowers all the State Governments to constitute State Biodiversity Boards to advice State Government on matters relating to conservation of biodiversity, sustainable use of biological resources and to regulate request for commercial utilisation of biological resources. The State Government notified (March 2010) the

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46. Tiger Project Sariska, , Jaipur(Central), Bhilwara, Nagaur, Jhunjhunu and Jhalawar.

47. Banswara, DNP, Jaisalmer, Sriganganagar and Wildlife, Chittorgarh.

48. Ranthambhore Tiger Project, Wildlife, Kota, DFO, Jodhpur, Jaipur (North) and Udaipur (South).

49. DFOs: Jhalawar, Jodhpur, DCFs: Jaipur (North) and Bhilwara.

50. PHED: 17 ha, Irrigation: 770 ha and Railways: 60.64 ha.

51. Illegal appropriation of life - micro-organisms, plants and animals (including humans) and the traditional cultural knowledge that accompanies it.

Rajasthan Biological Diversity Rules, 2010 (Rules) and constituted (September 2010) Rajasthan State Biodiversity Board (RSBB).

RSBB was entrusted with the task of updating of State Biodiversity Strategy and Action Plan and its implementation alongwith the responsibility of building a database of biological resources. Audit, observed that despite lapse of 26 months (November 2012), RSBB had not initiated action for the preparation of State Biodiversity Strategy and Action Plan. The purpose of such a Plan was to put in place a system to conserve, sustainable use and promote equitable sharing of benefits from the use of biological diversity resources. Failure to develop the action plan negatively impacted this process.

The department intimated (December 2012) that a committee has been constituted for this purpose.

**Protection of Biodiversity Heritage Sites.**

● Under Rule 22 of the Rajasthan Biological Diversity Rules, 2010, RSBB shall in consultation with the local bodies and other key stakeholders, take necessary steps to notify areas of significant values as Biodiversity Heritage Sites<sup>52</sup>. In audit scrutiny, it was noticed that though the RSBB had identified (February 2012) and provisionally selected five biodiversity heritage sites<sup>53</sup>, the State Government had not taken any action for notifying these sites. The department intimated (December 2012) that under the rules, consent of the local bodies and other key stakeholders is essential before notification and therefore observation of the Board have been forwarded to local bodies for their consent.

**2.1.7.5 Non-protection of traditional ecological knowledge and biodiversity**

Biological Diversity Act, 2002 aims at the conservation of biological resources and associated knowledge as well as facilitating access to them in a sustainable manner and through a just process. The Rajasthan State Environment Policy, 2010 also states that the traditional agricultural practices, crop varieties, animal breeds, livelihood practices are based on the management of agri-pastoral resources and local communities of the State have technologies, traditional nature conservation practices, and measures which need to be protected. Following observations were made in this regard:

**Non-encouragement for cultivating traditional crop varieties .**

● The Rajasthan State Environment Policy states that “research on traditional crop varieties shall be promoted so as to understand their adaptation”. Besides, it also states about promoting organic farming, agriculture technologies and providing incentives to the users by way of setting certification scheme and promotion of market channels. No such scheme was being implemented by the Forest Department. Audit examination of schemes being implemented by the Agriculture Department and Animal Husbandry Department, revealed that no scheme has been initiated by both the

52. Biodiversity Heritage Sites are well defined areas that are unique, ecologically fragile ecosystems - terrestrial, coastal and inland waters and, marine having rich biodiversity and having significant cultural, ethical or aesthetic values.

53. (i) Akal Wood Fossil Park, Jaisalmer (ii) Kevra Ki Nal, Udaipur (iii) Ram Kunda, Udaipur (iv) Nag Pahar, Ajmer (v) Chhapoli Mansamata, Jhunjhunu.

Departments for promotion of research on traditional crops varieties, creation of gene bank and effective uses of traditional techniques of seed bank, fodder banks, horticultural, agricultural and animal husbandry practises.

**Inaction for documentation of traditional knowledge.**

● According to the Rajasthan Biological Diversity Rules, 2010, the RSBB may take steps to build up database and to create information and documentation system for biological resources and associated traditional knowledge through biodiversity registers and electronic data base, to ensure effective management promotion of sustainable uses. The RSBB may also device methods to ensure protection of rights including intellectual property rights over biological resources and associated knowledge. Audit scrutiny revealed that the Agriculture Department has not initiated any such schemes/programmes for documentation of traditional knowledge.

The Additional Director, Agriculture (Research) Rajasthan, Jaipur intimated (April 2012) that department of Agriculture has neither fixed any target nor implemented any scheme under biodiversity programme.

The department intimated (December 2012) that the documentation of traditional knowledge of biodiversity is to be made in the form of Peoples Biodiversity Registers through BMC. The constitution of BMCs is in progress.

**2.1.7.6 Management of human resources**

According to NWAP (2002-16), “The challenging wildlife conservation scenario today requires committed wildlife managers who possess scientific competence and social awareness aided by communication skills. They also need sharp detection and enforcement capabilities against organised criminal elements nursed by big-money illegal trade. Frontline staff equally must have similar skills at the grassroots level”.

Audit findings regarding manpower issues in PA network are discussed below:

● ***Inadequate staff for protection of forests and wildlife***

The position of sanctioned strength and men in position of the frontline staff for protection and conservation of forests and wildlife and preventing poaching, encroachment, illegal mining, grazing, cutting of trees, theft of forest produce and wildlife crimes etc. is given in **Appendix 2.5**.

Audit scrutiny revealed that despite a recruitment of forest guards in 2011, there was 13 *per cent* vacancy. However, vacancies of Rangers ranged between seven *per cent* in 2009-10 and 30 *per cent* in 2011-12. Due to shortage of first stage supervisory staff of Rangers, proper execution and monitoring of the protection and development of biodiversity work was affected.

The department intimated (December 2012) that the reorganisation of wildlife wing has been done and staff has been deployed at strategic location of wildlife habitats.

- **Status of technical staff in divisions**

The status of technical staff sanctioned and post lying vacant during 2009-12 is given in table below:

**Table 2: Status of technical staff**

Year	Sanctioned Posts	Vacant Post	Percentage of Shortage
2009-10	451	68	15
2010-11	511	66	13
2011-12	497	82	16

The shortage of technical staff<sup>54</sup> in the State ranged between 13 and 16 *per cent* during 2009-12, indicating that the activities of the Forest Department like mutation, survey, demarcation and digitization etc. were not given priority.

- **Non-setting up of a Special Tiger Protection Force**

In his budget speech of 2008, Finance Minister, GoI announced a grant of ₹ 50 crore for setting up a Special Tiger Protection Force (STPF) in 13 tiger reserves. Accordingly, GoI sanctioned (March 2009) ₹ 3.72 crore for raising, arming and deploying STPF in Ranthambhore Tiger Project and released ₹ 93 lakh (25 *per cent*).

Audit observed that the State Government sanctioned (June 2010) setting up of STPF and requested the Police Department after one year in June 2011 to fill up 1456 posts<sup>55</sup> for STPF to protect tigers. The State Government did not setup STPF as envisaged till March 2012 and expended ₹ 23.44 lakh upto 2010-11 on payment of salary to home guards temporarily engaged in protection of tigers in Ranthambhore Tiger Project. ₹ 69.56 lakh were lying unutilised with the department and, therefore, GoI did not release the balance funds of ₹ 2.79 crore due to non-setting up of STPF.

Besides, the State Government did not send any proposal for creation of STPF for Tiger Project Sariska, hence no funds for creation of STPF was received from GoI.

The department stated (March 2012/December 2012) that the recruitment of staff through police department is in process and the STPF would be setup. However, the department did not specify reasons for delay in setting up of STPF. The department intimated (December 2012) that proposal for creation of STPF for Sariska Tiger Reserve has been sent and NTCA has agreed for the same.

54. Surveyors, *amins*, draftsmen and tracers.

55. Deputy Superintendent of Police: 13, Sub-Inspector: 39, Head Constable: 234 and Constables: 1170.



### 2.1.7.7 Management of Finances

For execution of various activities of the protection and conservation of forest and biodiversity the funds are allocated by the State Government under State Plan scheme viz. scheme of implementation of degraded forests, conservation of biodiversity, maintenance of forest area development of KNP, Bharatpur and canal side plantation. Besides, GoI released Central Assistance under Central Sponsored Scheme (CSS) mainly for development and maintenance of Wildlife Sanctuaries and National Parks, relocation of villages for tiger projects, Integrated Forest Protection Scheme (IFPS) and River Valley Scheme.

Audit observations relating to management of funds are discussed in following paragraphs:

**Persistent savings of budget.**

- Position of budget allotted under CSS, State Plan, non-plan to the Forest Department and expenditure there against during 2009-12 is given in the table below:

**Table 3: Position of budget allotment**

Year	Central assistance under CSS			State/Plan			Non-plan			Total		
	Allot.	Exp.	Saving	Allot.	Exp.	Saving	Allot.	Exp.	Saving	Allot.	Exp.	Saving
2009-10	166.58	87.21	79.37	69.18	59.39	9.79	340.54	329.60	10.94	576.30	476.20	100.10
2010-11	135.29	94.10	41.19	77.45	46.17	31.28	339.64	332.54	7.10	552.38	472.81	79.57
2011-12	89.64	65.65	23.99	143.15	98.39	44.76	391.54	365.72	25.82	624.33	529.76	94.57
<b>Total</b>	<b>391.51</b>	<b>246.96</b>	<b>144.55</b>	<b>289.78</b>	<b>203.95</b>	<b>85.83</b>	<b>1071.72</b>	<b>1027.86</b>	<b>43.86</b>	<b>1753.01</b>	<b>1478.77</b>	<b>274.24</b>

Source: information provided by the Department

It can be seen that there was savings in the allotted provision in all the three years. The reasons reported by the Department (December 2012) for savings in CSS, were slow progress of relocation of villages in Ranthambhore Tiger Project and Tiger Project Sariska. Further, the main savings in State Plan was due to non-execution of Goverdhan drain in KNP Bharatpur due to court case (2009-10), slow execution of Rehabilitation of Degraded Forest, Rajasthan Forestry and Biodiversity Project (Phase-II) and Thirteenth Finance Commission work related to forest. These persistent savings are indicative of defective budgetary planning.

**Second instalment of sanctioned APO grant not requisitioned.**

- In four test checked wildlife divisions<sup>56</sup>, after utilisation of 60 per cent amount of first instalment and submission of utilisation certificates (UCs), requisition of second instalment was not made by the department. Resultantly, assistance amounting to ₹ 1.49 crore could not be availed of. The Department intimated (December 2012) that due to late receipt of first instalment, the funds could not be utilised and the UCs not furnished to GoI. The reply was not acceptable as the first instalment was released by GoI between June and

56. RTP, Sawaimadhapur; KNP, Bharatpur; WL Kota and DNP, Jaisalmer.

September each year and the department could not utilise even the 60 per cent assistance, depriving the State of ₹ 1.49 crore of Central grant.

**Second instalment received from GoI not utilised/released by State Government.**

● In case of three WL Divisions<sup>57</sup>, GoI released second installment of ₹ 1.38 crore to State Government during 2010-11 (₹ 49.91 lakh) and 2011-12 (₹ 88.44 lakh) in March. State Government released ₹ 21.83 lakh to two Divisions only in March 2012. Total ₹ 1.38 crore could not be utilised and GoI adjusted the same from assistance of next year depriving the State of Central assistance to this extent. The department intimated (December 2012) that the funds were released to the State Government on 31 March of the concerned year which could not be utilised by the Divisions during the same financial year.

**Non-utilisation of eco development surcharge.**

● Government of Rajasthan amended (March 1998) the existing Sub Rule (3) of Rule 23 of the Wildlife (Protection) Rajasthan Rules, 1977 prescribing entrance fee including eco development surcharge for entry into Wildlife Sanctuaries and National Parks. PCCF&CWLW issued (April and June 2007) directions to all wildlife divisions to submit a project for eco development works in NPs and Ws to utilise funds collected as eco development surcharge.

During scrutiny of records it was noticed that in seven<sup>58</sup> out of eight test checked wildlife divisions, ₹ 16.76 crore was collected during 2009-12. However, no plan for executing eco development activities was proposed/submitted by any of the WL Divisions for approval/sanction, defeating the very objective of collection of surcharge. The department intimated (December 2012) that the funds for eco development activities in Ranthambhore and Sariska are being utilised and for KNP, under consideration.

### **2.1.8 Conclusion**

It was only in 2010 that the State Government framed Rajasthan State Environment Policy and Rajasthan State Forest Policy for conservation of forest and biodiversity and sustainable management of forest and wildlife resources of the State.

The Government has not been able to expand the Protected Area Network. The existing Protected Area network continues to face threats and decline due to inadequate measures taken by the Government. The creation of Critical Tiger Habitat did not meet the criteria for its setting up. Corridors have not been created to link one Protected Area to another. Due to inadequate measures for relocation, people continue to live inside the Protected Areas and causing major threat to the biodiversity. Large and significant number of wildlife population, including flagship species and endangered or threatened species outside the Protected Area Network are facing fragmentation of habitats. The effective step to check illegal encroachment, mining and to increase the amount of penalty against these offences were not finalised. The

57. WL, Kota, WL, Chittorgarh and TP, Sariska.

58. No entrance fee recovered by Jaipur (Central) Division.

work of demarcation of forest land on revenue map and also through boundary pillars and digitization of forest maps were not taken up. Effective steps to document biological resources and traditional knowledge were yet to be taken.

### **2.1.9 Recommendations**

- The State Government should strengthen the mechanism to prevent illegal mining/encroachment on forest land and the internal controls to check cases of diversion of forest land to non forest uses. For effective deterrence and punishment of wildlife offences, the State Government should set up State Wildlife Crime Bureau as soon as possible.
- Programmes should be initiated for protection of habitats of critically endangered species in Rajasthan like Great Indian Bustard, Gharial, Sloth Bear etc. so that, these vulnerable species do not get extinct in Rajasthan.
- The State Government should take effective steps to build up data base for biological resources and traditional knowledge and ensure protection of rights including intellectual property rights over biological resources and associated knowledge.
- The State Government should utilise the receipts of eco-development surcharge collected for eco-development activities in National Parks and Sanctuaries.

## Department of Secondary Education

### 2.2 Computer Education and Information and Communication Technology Scheme in Schools

#### *Executive Summary*

**Computer Education and Information and Communication Technology in schools announced (December 2004) by Government of India for providing use of Information and Communication Technology in schools, particularly in secondary and higher secondary schools. Basic infrastructure and operating software was to be provided by the Secondary Education Department and supply, installation, commissioning and maintenance of hardware/equipments was to be done by the tendering firms.**

**During performance audit of Computer Education and Information and Communication Technology Scheme in Schools, it was noticed that selection of schools in Computer Education Plan sent to Government of India was done without ensuring infrastructure facilities. Repetition of schools covered under the earlier scheme limited the scope of expanding computer literacy.**

**Provision of internet connection not taken in the agreements of Phase-I, though it was an important and integral part of the scheme. There was a delay in providing operating software by the department in both the phases. Recovery of liquidated damages (LD) ₹ 0.80 crore for delayed supply of software for Phase-I was not made.**

**There was a delay in finalisation of tenders of Phase-II for 16 months. Funds could not be utilised to the extent provided in Revised Budget during 2008-09 (₹ 16.77 crore), 2009-10 (₹ 5.22 crore) and 2011-12 (₹ 39.75 crore).**

**Capacity building has taken a back seat as training to teaching/non-teaching staff not provided as required under the agreement (minimum three months every year). National Council for Teachers Education was not associated in development of appropriate content for computer aided learning and modules for teachers training.**

**Monitoring is almost nil, as the Management Information System interactive software required to be provided to the Deputy Directors in Phase-II, were not provided by the firms. Further quarterly progress reports were not sent to Project Monitoring and Evaluation Group, State Level High Empowered Committee was not established, monitoring committee at Deputy Director level not established in Jaipur Division.**

### **2.2.1 Introduction**

Computer Education and Information and Communication Technology (CE&ICT) in schools (Scheme) is a Centrally Sponsored Scheme announced (December 2004) by Government of India (GoI) Ministry of Human Resources Development (MHRD) for providing use of Information and Communication Technology (ICT) in schools particularly in secondary and higher secondary schools. In Rajasthan the scheme is implemented on Build-Own-Operate-Transfer (BOOT) model in 2,500 (phase-I-May 2008 to June 2013) and 2,000 (phase-II – June 2010 to February 2014) secondary and higher secondary schools. Basic infrastructure (room with safety, ventilation and electricity) and operating software was to be provided by the Secondary Education Department (Department) and supply, installation, commissioning and maintenance of hardware/equipments was to be done by the private parties for the agreement period. Provision of ten computers with projector, generator, internet etc. in each school was provided in the scheme for both the phases.

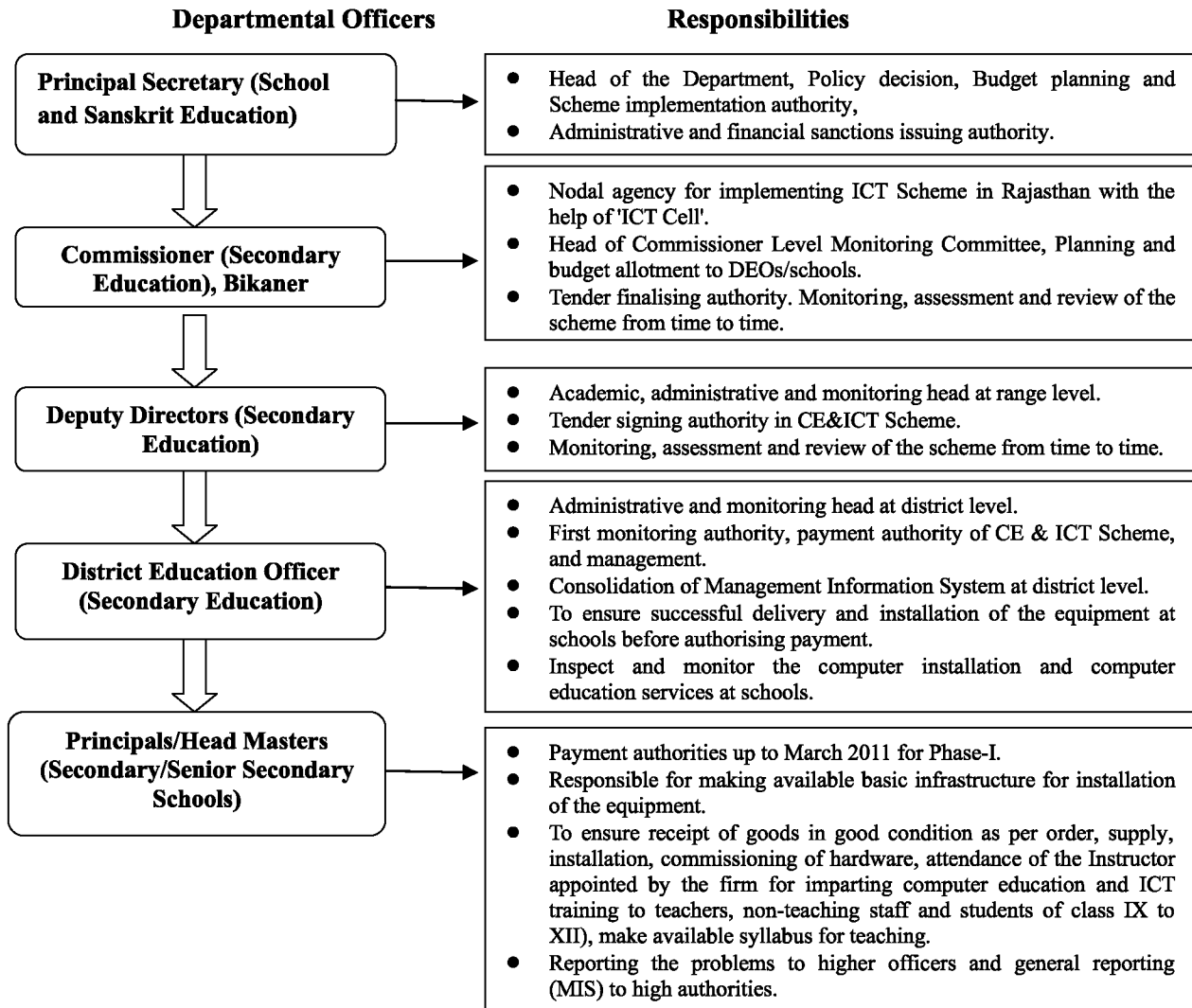
### **2.2.2 Objectives of the Scheme**

The main objectives of the Scheme were as follows:

- To establish an enabling environment to promote the usage of ICT especially in Government secondary and higher secondary schools in rural areas. Critical factors of such an enabling environment include widespread availability of access devices, connectivity to internet and promotion of ICT literacy.
- To ensure the availability of quality content on-line and through access devices both in the private sector and by State Institutes of Education and Technologies (SIETs).
- Enrichment of existing curriculum and pedagogy by employing ICT tools for teaching and learning.
- To enable students to acquire skills needed for the digital world for higher studies and gainful employment.
- To provide an effective learning environment for children with special needs through ICT tools.
- Promote critical thinking and analytical skills by developing self learning. This shall transform the classroom environment from teacher centric to student centric learning.
- To promote the use of ICT tools in distance education including the employment of audio-visual medium and satellite-based devices.

### 2.2.3 Organisational set up

Organisational set up of the Department is as follows:



### 2.2.4 Audit objectives

The objectives of the performance audit were to assess:

- The adequacy and effectiveness of the planning process.
- The adequacy and effectiveness of the budgetary process.
- Economy, Efficiency and Effectiveness of execution/implementation process in the light of Public Private Partnership (PPP) Model.
- The impact of the scheme in converting the classroom from teacher-centric to student-centric and fulfilment of desired goal at grass root level.
- The effectiveness of internal control and monitoring mechanism.

### 2.2.5 Audit criteria

The criteria for performance audit were derived from:

- Guidelines of CE and ICT Scheme and minutes of meetings of Project Monitoring and Evaluation Group (PMEG).
- Computer Education Plan (CEP) of the State Government.
- Agreements executed between Government and private parties.
- Circulars and instructions issued by GoI and Government of Rajasthan (GoR).
- Financial and Accounting Rules (Budget - Expenditure).

### 2.2.6 Audit coverage

Audit scrutinised during April-July 2012 the records of the office of the Director, Secondary Education, Bikaner and of 12 DEOs<sup>59</sup> and 100 schools for the period from 2008-09 to 2011-12 in eight districts<sup>60</sup>. Selection was made with the simple systematic sampling method based on maximum expenditure and number of schools covered in the scheme. Selection of 100 schools was made on the basis of number of students, covering both phases in 60:40 ratio i.e. 60 from Phase-I and 40 from Phase-II. Entry Conference was held (May 2012) with the Principal Secretary, School and Sanskrit Education Department to discuss the objectives of audit. Audit findings were discussed in exit conference held on 26 November 2012 with Secretary to Government, (Schools and Sanskrit Education), GoR. The Audit findings are discussed below:

### 2.2.7 Audit findings

The position of phase-wise implementation of the scheme in the State is given in the table below:

Table No. 1: Position of scheme in Phase-I and II

Total number of schools covered		Number of schools in which Computer Lab		Number of schools in which Internet connection	
		Established	Not established	Provided	Not provided
Phase-I	2,500	2,466	34	1,046	1131 (289 NA)
Phase-II	2,000	1,934	66	820	975 (139 NA)

Source: As per information provided by Deputy Directors/District Education Officers.

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59. DEOs, Bharatpur (I&II), Bhilwara (I&II), Chittorgarh, Jaipur (I&II), Jhalawar, Jodhpur, Jhunjhunu and Sikar (I&II).

60. Bharatpur (Bharatpur Range), Bhilwara (Ajmer Range), Chittorgarh (Udaipur Range), Jaipur and Sikar (Jaipur Range), Jhalawar (Kota Range), Jhunjhunu (Churu Range), and Jodhpur (Jodhpur Range).

### 2.2.7.1 Planning

**Adhoc selection of schools.**

- As per guidelines<sup>61</sup> of the Scheme, State Governments interested in imparting computer aided education to Secondary and Senior Secondary students, were required to submit Computer Education Plans (CEPs) to GoI. The CEPs should, *inter-alia*, indicate number of secondary and higher secondary schools in the State, number of schools already having computers, number of schools proposed to be covered, number of students likely to be benefited, provision for the State share in their budget, vendors shortlisted for procurement, provision of training, availability of infrastructure etc.

CEP of Rajasthan State (Phase-I) was approved (August 2007) by PMEG for 2,500 schools and agreements were executed in May 2008 (for Jaipur Range) and June 2008 (for Ajmer, Kota, Churu, Udaipur and Jodhpur Ranges) with M/s Compucom Software Limited and with M/s Educomp Solutions Limited (for Bharatpur Division) for the period 2008-09 to 2011-12, which was extended upto June 2013.

PMEG approved (November 2008) 2,000 more secondary and higher secondary schools under Phase-II of the scheme. Agreements for Phase-II were executed (June 2010) with two firms<sup>62</sup> division-wise on Build-Own-Operate-Transfer (BOOT) model for the period June 2010 to February 2014.

It was observed that Deputy Director, Secondary Education sent (August 2008) proposals to MHRD, GoI for change of 914 schools (36.56 *per cent*) on the grounds of availability of electricity, basic infrastructure and number of students. Approval thereof was not received from GoI (July 2012).

Further, review revealed that in 54 schools<sup>63</sup> there was no electricity connection (July 2012) but computer labs were established (during September 2008 to September 2011).

Government replied (November 2012) that in some schools electricity connection had since been provided and in remaining schools it was in progress.

**Selection of Schools already covered under other scheme.**

- Review of records in the offices of Deputy Directors and District Education Officers revealed that 428 schools<sup>64</sup> out of 819 schools of Phase-I, which were already covered under a different scheme<sup>65</sup> (ECIL scheme) awarded (April 2003) to M/s Electronics Corporation of India Limited (ECIL), to impart computer education in schools up to June 2008 (extended upto June 2009), were again selected under this scheme (Phase-I).

61. Process of execution.

62. M/s Compucom Software Limited for Ajmer, Bharatpur, Churu, Jaipur and Udaipur Ranges and M/s Pearson Education Services Private Limited for Kota and Jodhpur Ranges.

63. Including one school i.e. Govt. Secondary School Rundlav, Jhalawar from 100 selected schools.

64. Ajmer: 44, Banswara: 49, Dausa: 25, Jhunjhunu: 88, Jodhpur: 58, Kota: 46, Rajsamand: 10, Sikar-I: 17, Sikar-II: 28, Udaipur-I: 25, and Udaipur-II: 38.

65. Education Delivery Contract in 14 districts for the period 2003 to 2008 to impart computer education to students of secondary and higher secondary schools.



- Computer lab was established in Government Girls Secondary School Chhani-Bari (July 2011) which replaced a School in Ramgarh (Hanumangarh), already selected in Phase-I after supply of equipments, without the approval of GoI and the scheme could be started in the new school only after one year.

- Government Girls Secondary School, Rajmahal, Jodhpur already covered under the scheme 'Infrastructure Creation in 10 Girls Schools' (2007-2010) was included in Phase-II. Though DEO, Jodhpur brought (October 2009) this fact to the knowledge of DD, Jodhpur, no action was taken to replace this school.

Government stated (November 2012) that overlapping was due to extension of ECIL scheme for one year up to June 2009. It was also stated that ECIL scheme was being implemented on payment basis and CE&ICT Scheme was a free scheme. Further, Government accepted that Lab was established in the school at Chhani-Bari with delay due to selection of the school at Ramgarh in both phases. For the school at Rajmahal, it was stated that due to non-shifting of the scheme to another school, the scheme remained in operation at Rajmahal.

The fact remains that there was overlapping of scheme for one year and selection of schools already covered under earlier scheme, deprived students of other schools from being benefited under the present Scheme.

**Provision of internet connection not taken in Phase-I.**

- Audit observed that provision of internet connection was not made in the agreements (May-June 2008) of Phase-I. Consequently, the objective of providing online quality content, wide spread availability of access devices and internet connectivity could not be achieved. Only after completion of 22 months of Phase-I of the scheme, Department decided (March 2010) to provide internet connection. However, it was revealed that internet connectivity in 366 schools out of 866 schools covered under Phase-I under the 12 DEOs, was not provided till date (June 2012).

Government stated (November 2012) that no provision of internet connection was taken in the agreements of Phase-I in view of improper internet facility in rural areas. However, internet facility was provided in March 2010 in Phase-I. Reply not acceptable as internet connection was still not provided in 366 schools (42 per cent).

**Delayed procurement of software by Department.**

As per agreements of Phase-I and II, operating software was to be provided to the firms by the Department. Agreements for Phase-I and Phase-II were executed in May-June 2008 and June 2010 respectively. The Department was required to arrange the software by August 2008 and August 2010 for Phase-I and Phase-II respectively, since as per the agreements the firms were required to establish the computer labs within 75 days from the date of supply order (Phase-I) / Letter of Intent (Phase-II). Audit observed that Department placed orders on 15 December 2008 and 30 August 2010 for supply of the software with M/s Compucom Software Limited for Phase-I and M/s Sysfore Technologies (P) Limited for Phase-II respectively. The firms supplied software on 16 January 2009 (Phase-I) and 4 October 2010 (Phase-II) and took

four to six weeks for installation. This delayed arrangement of software by the Department resulted in starting ICT education in schools with a delay of six months (Phase-I) and three months (Phase-II).

State Government contended (November 2012) that software procurement and Lab establishment were separate works and it had made savings in purchase of software. Reply was not acceptable as department was required to arrange software within stipulated period of lab establishment in both phases as objective of the scheme was to provide computer education.

**Delay in finalisation of tenders for Phase-II.**

- PMEG approved (November 2008) Phase-II for 2,000 schools in Rajasthan. As per MHRD instructions (December 2008) the scheme was required to be started from February 2009 for academic session 2009-10.

Audit observed that Director, Secondary Education, Bikaner invited (October 2009) tenders for Phase-II with validity of rates for 120 days from the opening of Technical Bid, extendable with mutual agreement. As per Schedule-X Part-B of Financial Bid, the successful tenderer was required to notify the option (Shared Computing N1 or Shared Computing N2 or Client Server). The rates with shared computing would be lower as in that case separate CPUs are not required. Tenders were rejected (10 December 2009) due to not taking separate rates for each type of option. Tenders were re-invited (18 December 2009) with last date of submission (17 February 2010) with same options and accepted (June 2010).

Excessive<sup>66</sup> time taken by the Department to finalise the tenders, resulted in reduction of the scheme period from five years (2009-10 to 2013-14) to three and half years (June 2010 to February 2014).

The State Government (November 2012) justified the delay caused in finalisation of tender, as procedural delays. Reply was not tenable as the Department took more than four months (November 2008 to March 2009) in issuing sanction for Phase-II, more than six months (April 2009 to October 2009) in approving tender document and eight months (November 2009 to June 2010) in finalisation of tender after re-invitation.

Thus, despite the fact that the Department had carried out the same exercise for Phase-I, in-ordinate delay in tendering process for Phase-II resulted in non imparting computer education in the academic sessions 2008-09 (five months) and 2009-10.

The above confirms that the schools were selected in the CEP, without assessment of availability of infrastructure facilities and is indicative of inadequate planning by the Department.

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66. More than one year.

### 2.2.7.2 Financial management

Expenditure on the scheme was shared between GoI and State Government in the ratio of 75:25. Central assistance was being provided in phased manner to State Government on the basis of utilisation of funds. After receiving central and state share, funds were released by Principal Secretary, School and Sanskrit Education, to Director, Secondary Education, Bikaner who in turn released it to DEOs<sup>67</sup> who were the payment authorities.

The CE&ICT scheme was being run through budget provision made by the State Government. GoI released funds during 2008-09 to 2010-11 as given in table below, which could not be utilised by State Government. Therefore, no funds were released during 2011-12.

The details of budget allocation and expenditure on CE&ICT scheme during 2008-12 are as under:

**Table No.2: Details of budget allocation and expenditure**

(₹ in crore)

Year	Central share (75 per cent)			State Plan (25 per cent)		Total Allocation	Total Expenditure	Percentage of Expenditure to Allocation
	Revised Provision	Received from GoI	Expenditure	Revised Provision	Expenditure			
2008-09	25.00	14.50	11.42	7.00	3.81	32.00	15.23	48
2009-10	24.00	23.00	21.28	8.00	5.50	32.00	26.78	84
2010-11	30.00	45.00	33.57	10.00	11.39	40.00	44.96	112
2011-12	60.00	0	29.79	20.00	10.46	80.00	40.25	50
<b>Grand Total</b>	<b>139.00</b>	<b>82.50</b>	<b>96.06</b>	<b>45.00</b>	<b>31.16</b>	<b>184.00</b>	<b>127.22</b>	<b>69</b>

Source: Departmental information and reconciled with Finance Accounts.

Analysis of the data indicates that during the years 2008-09, 2009-10, and 2011-12, ₹16.77 crore, ₹5.22 crore, and ₹39.75 crore respectively, was spent less than the provision made in the revised budget. Expenditure against allocation ranged between 48 and 84 per cent during 2008-09 to 2011-12 (except 2010-11 when there was excess expenditure against allocation). Officer Incharge (ICT) at Directorate stated (May 2012) that funds received from GoI could not be fully utilised due to procedural formalities in implementation of Scheme.

Government accepted (November 2012) that funds could not be utilised due to delayed starting of phase I & II.

### 2.2.7.3 Implementation of the scheme

Shortcomings in implementation of the scheme are discussed below:

**Non-levy of liquidated damages for delayed supply of software.**

- As per Schedule V of the terms and conditions of the agreements, software (operating software and Microsoft Office Software) was to be

67. Phase-I payments were made by schools through *Vidyalaya Vikas Samiti* after authorisation from DEO upto 2010-11 (March 2011).

provided by the Department. Accordingly, the Department procured software from M/s Compucom Software Limited, Jaipur after executing (18 December 2008) an MoU with the firm for ₹ 7.68 crore plus VAT for phase-I. The operating software was to be supplied within 15 days (by 2 January 2009). Clause 5 of the MoU provided levying of liquidated damages (LD) for delayed supplies.

Audit observed that though the firm supplied software on 16 January 2009 with a delay of 14 days, time extension was granted to the firm up to 17 January 2009 without levying LD. The firm attributed the delay to unforeseen circumstance. However, no specific reasons were recorded while sanctioning time extension without LD. This resulted in providing undue benefit of ₹ 0.80 crore to the firm.

Government stated (November 2012) that time extension was granted without LD as per General Financial & Accounting Rules (GF&AR) and on the basis of merits/demerits of the case. Reply was not acceptable as no justification for delay was given by the firm and no analysis of merits/demerits was found on record.

**Delay in issue of supply order/non issue of supply order.**

● Scrutiny of records of DDs Churu and Udaipur revealed that though agreements with M/s Compucom Software Limited, Jaipur was executed on 3 June 2008 under Phase-I, DD Udaipur issued supply order to the firm for establishing computer labs on 18 June 2008 after 15 days of the agreement. DD, Churu had not issued the supply order even as of 31 July 2012.

State Government stated (November 2012) that delay in issue of supply order by DD Udaipur was incidental as the officer was on Government tour up to 17 June 2008. Reply was not acceptable as priority should have been given to issue of supply order. Regarding non-issue of supply order by DD, Churu, it was stated that letter of acceptance included supply order also hence separate supply order was not issued. Reply was not acceptable as all other six ranges had issued both letters of acceptance and supply orders.

**Antivirus not renewed/ updated for further period of agreement of Phase-II.**

● Audit observed that the firm to whom the order of software was placed, supplied (October 2010) the operating software with antivirus for one year free of cost, which expired in September 2011. Since the agreement period of Phase-II was from June 2010 to February 2014, antivirus software was required to be updated every year. The Department did not take any action to update the same for the rest of the period (up to February 2014).

Director stated (May 2012) that efforts were being made for updating antivirus software. State Government accepted (November 2012) the fact.

**Internet connection not provided in 328 schools by contractors in Phase-II.**

● As per the agreement of Phase-II internet connection of minimum 256 kbps connectivity at each lab through a suitable Internet Service Provider (ISP) was to be provided and maintained by the two firms<sup>68</sup> in all the 2,000

68. M/s Compucom Software Limited for Ajmer, Bharatpur, Churu, Jaipur and Udaipur Ranges and M/s Pearson Education Services Private Limited for Kota and Jodhpur Ranges.

schools. This connection was required to be made available on all the computer systems through proxy/sharing throughout the tender period. Clause 15 *ibid* empowered DDs to obtain internet connection at the risk and cost of the firms if the firms fail in providing the same.

Audit observed that internet connection was not provided by the firms in 328 schools out of 741 schools under the selected 12 DEOs. The DDs neither initiated any action against the firms to recover ₹ 17.22 lakh<sup>69</sup>, nor obtained internet connection at the risk and cost of the firms. This inaction of the DDs deprived the students of internet facility and extended undue favour to firms.

Government stated (November 2012) that orders for recovery had been issued.

**Internet facility provided in 94 schools in Phase-II not working.**

● Scrutiny of records of DDs, Jodhpur and Kota revealed that of 450 schools, in 94 (Pali: 75 and Jhalawar: 19) schools internet connections provided by the firms were not functioning due to lack of connectivity since October 2011 (Pali) or date of connection (Jhalawar). The matter was reported (March 2012) by the Principal/ Headmaster of schools to the respective DEOs, DDs and Director but no remedial action was taken as of June 2012. Thus, failure of the DDs in ensuring availability of internet connection led to non-imparting computer education to students in 94 schools.

State Government stated (November 2012) that instructions had been issued to the service provider firms to provide dongles (hardware device that plug into the serial or USB of a computer and gives mobile internet connection) in these schools and DDs had been directed to recover the amount for non providing internet connections.

**Stolen hardware/equipments not replaced by firms.**

● The agreements of Phase-I and II respectively provided that responsibility of the safety/security of equipment lied with the firms and they would get it insured from an insurance company against theft/fire etc. Further, DDs, were empowered to make alternate arrangements at the risk and cost of the tenderers in case of failure of the firms.

Audit observed that in 150 schools (Phase-I: 92 and Phase-II: 58) of 4500 schools, hardware/equipment were stolen during August 2008 to April 2012. The firm replaced hardware/equipments only in 20 schools (Phase-I: 15 and Phase-II: 5) but did not replace in remaining 130 schools as of June 2012. Concerned DDs/Director neither took action against the firms nor replaced the equipments at the risk and cost of the firms.

State Government accepted (November 2012) the facts and stated that all the DEOs had been directed to complete the formalities for replacement of stolen hardware and the firm has provided the equipments in some schools.

**Original CDs of software not handed over to schools in Phase-II.**

● As per agreement of Phase-II, operating software was to be provided by the Department to the firms for installing the same in all the selected schools. Accordingly, Department purchased 4000 CDs of software at the cost of ₹ 7.90 crore plus VAT from M/s Sysfore Technologies Private Limited

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69. @ ₹ 250 per month for September 2010 to May 2012 (BSNL rate).

(STL) and provided to firms (M/s Compucom Software Limited and M/s Pearson Education Services Private Limited) for installation in computers in 2000 schools. As software was purchased by Department, CDs after installation should have been returned by the firm to the Department.

Scrutiny of records revealed that the firms after installation did not return the original CDs to schools.

The Director stated (May 2012) that CDs were provided to firms for installation. Reply does not mention reasons for allowing the firms to retain the original CDs. Thus, the firms were unduly favoured by Department as no efforts were made to get back the CDs from the firms which were property of the department.

**No Local Area Network in computer labs.**

- As per agreements of Phase-I, Local Area Networking (LAN) was to be provided by the firms so that all 10 computers installed in the lab got connected with internet.

Information collected from the Headmasters/Principals of schools under DEO-II, Bhilwara revealed that in 23 schools (Phase-I) of 48 schools, LAN was not provided by the firm. In the absence of LAN, internet related education/teaching could not be given on the remaining nine computers. The Department did not take action against the firm nor provided the same at the risk and cost of firm. Thus, due to non-availability of LAN students of these schools were deprived of internet facility. Besides, no action was initiated against the firm.

State Government accepted the facts (November 2012).

**Non-supply of CD containing detail of computers**

- As per clause 23 (XVII)-General condition of agreement of Phase-II, the firm was to provide a CD containing location-wise serial numbers of each desk top supplied alongwith the corresponding unit identification numbers for the major internal components used in the desktops. The location information was also to be updated on the website component of asset reporting system by the firm.

It was revealed that the firm had not provided CDs in any range and in absence of CDs, the DDs did not have any information on the location-wise details of hardware. DDs also took no action to obtain this information from the firms.

Government accepting the facts stated (November 2012) that instructions had been issued for taking CD containing location-wise serial numbers of equipments supplied to schools.

**Non-establishment of Smart Schools.**

- The Scheme guidelines, provided establishment of two Smart Schools in each State (revised to five in January 2010 for Rajasthan).

Audit scrutiny revealed that no Smart Schools have been established in Rajasthan. On 14 September 2011, the Department made a presentation in PMEG expressing its intention to establish four Smart Schools. However, no formal proposal was submitted by the State Government as of August 2012.

The Director accepted (August 2012) the fact.

#### **2.2.7.4 Impact of the scheme**

Audit surveyed 100 schools (Phase-I: 60 and Phase-II: 40) to review the implementation of the Scheme. Audit findings are given below:

- Students Attendance Register was not maintained in 72 (Phase I: 44, Phase II: 28) schools of eight selected Districts. In the absence of Students Attendance Register in Computer Labs, the exact number of students who got computer training could not be ensured.

State Government accepted audit findings and stated (November 2012) that instructions were being issued for maintaining separate attendance register.

- Provision of generator was made in the Scheme and in agreements for uninterrupted supply of power in computer labs. In 77 test checked schools, generators were not connected with computer lab/electric line of the computer lab. Thus, these generators were not in ready status and were lying unused. This was also confirmed from the fact that the firms did not maintain records of diesel consumed.

State Government stated (November 2012) that in maximum number of schools generators were connected with computer lab though in some schools these might be lying in separate places. Diesel expenses were being recovered from the firm as and when generators were put to use. Reply was not acceptable as in the above test checked schools generators were not found connected with computer lab and recovery of diesel expenses from firms was not possible in absence of diesel consumption record.

- In 66 test checked schools though projectors were found in order but were not being used for teaching purposes.

Government stated (November 2012) that projectors were available in all the schools and were being used for teaching and training. Reply was not acceptable as in test checked schools projectors were not being used.

- In 40 test checked schools, 154 computers were inoperative. Due to this, students were deprived of the benefits of scheme. Besides, one computer in Maharaja Badan Singh Government Senior Secondary School at Bharatpur was given to Divisional Commissioner.

- As per the agreements of Phase-I and II, the firms were required to provide minimum three months training to teaching and non-teaching staff each year. In all test checked 100 schools no such training was found to have been given to teachers up to April 2011. However, in 74 test checked schools, no training was given as of July 2012 and in 26 schools training was imparted for maximum of 15 days.

Government stated (November 2012) that information has been called for from concerned divisions and instructions have been issued to firms for compliance.

- In 92 schools no subject CDs were provided. Government accepted (November 2012) and stated that instructions had been issued to firms for developing multimedia education content.
- In 31 (Phase I: 8 and Phase II: 23) test checked schools, internet connections were not provided at all and in 69 schools it was provided with a delay of four to 42 months. Interestingly, in four schools internet connection was provided in office instead of computer lab. In seven schools internet connection (dongle) at computer lab was not working.

State Government accepted audit findings (Phase-II) and stated (November 2012) that orders/directions have been issued to the firm and the Deputy Directors for providing internet services in all the schools and also for recovery where either the dongles provided belatedly or were not working.

- As detailed in the table below, in 45 schools (Phase I: 33 and Phase II: 12), the instructors were appointed with a delay of seven days to 24 months.

**Table No. 3: Delay in appointment of instructors**

Delay	No. of schools
Upto 182 days	28
183 to 365 days	09
366 to 547 days	04
548 to 730 days	04

Of this, in 22 schools the instructors were deployed intermittently. Thus, posting of instructors was not continuous and satisfactory.

State Government stated (November 2012) that delay in lab establishment was counted from the date of appointment of instructor or establishment of lab whichever was later. Reply was not acceptable as audit objection was related to belated and intermittent posting of instructors and not to establishment of computer labs.

## **2.2.8 Capacity building**

### **2.2.8.1 Provision for teachers training not complied with**

As per agreements of Phase-I and II, the firms were required to impart computer training to teaching and non teaching staff in each school, without any extra cost, for at least three months in a year as per schedule of the department.

Audit observed that in Phase-I during the period 2008-09 to 2010-11, no training was provided to teaching and non-teaching staff of all test checked schools in Jaipur, Ajmer, Churu, Jodhpur, Kota and Udaipur Ranges by the



firm M/s Compucom Software Limited. However, training programmes were arranged for 15 days (May 2011 and May 2012) that too related to basic computer knowledge only. In Bharatpur Range no such training was provided up to May 2012.

Audit observed that in Phase-II three to five days (May 2011 and May 2012) basic training was provided by the firm M/s Pearson Education Services Private Limited in Jodhpur and Kota ranges upto May 2012. In five ranges (Ajmer, Bharatpur, Churu, Jaipur and Udaipur), basic training was imparted by M/s Compucom Software Limited from 1 to 15 May 2011 and 1 to 15 May 2012.

Audit also noticed that attendance of teachers was very poor in trainings held during 1 May 2011 to 15 May 2011 (DEO Jodhpur: 12 against 106, Pali: 181 against 390 and Barmer: 126 against 348). No database of trained staff was being maintained in any Range.

Government stated (November 2012) that training had been imparted to 4417 teaching and non-teaching staff. Divisional officers had been instructed to ensure attendance of personnel in the training camps. Reply was not acceptable as minimum three months training in each year was to be provided as per agreement whereas training was imparted for a few days which was related to basic computer knowledge and not computer aided learning.

**National Council  
for Teachers  
Education not  
associated for  
teachers  
training.**

● As per the scheme guidelines National Council for Teachers Education (NCTE) was to be associated with the scheme in the context of training of teachers in computer aided learning. As per decision of PMEG meeting (August 2007) State Government was required to develop appropriate content for computer aided learning and modules for training of teachers.

Audit scrutiny revealed that though there was a provision of teachers training in the agreements but neither the Department developed training module nor took help of NCTE in this regard. Training imparted to teachers in May 2011 onward by the firms was merely basic computer training as against prescribed specialised training.

Government stated (November 2012) that no training module was received from NCTE but the same was developed by Department itself. Reply was not acceptable as no such training module was found in test checked schools.

## **2.2.9 Monitoring**

### **2.2.9.1 Quarterly Progress Report not sent to PMEG**

Guidelines of the scheme provided submission of quarterly progress reports to PMEG by State Government. PMEG would also function as the monitoring committee. Review of records revealed that no such reports was sent to PMEG during June 2008 to March 2012.

Government stated (November 2012) that Annual Progress Report was sent to MHRD on 23 July 2012 but reply did not mention reasons for not sending of Quarterly Progress Reports.

### **2.2.9.2 Non-establishment of State level High Empowered Committee**

Decision was taken in the meeting (20 December 2007) held under the chairmanship of Principal Secretary, School and Sanskrit Education to frame Committees at District level, Divisional level, Commissioner level and State Level High Empowered Committee at State level, for the management and monitoring of the Scheme. Accordingly proposals were sent (29 December 2007) by Commissioner, Secondary Education, Bikaner and State Government approved (22 January 2008) District Level, Divisional Level and Commissioner Level committees. However, no proposal was made for State Level High Empowered Committee. Audit observed that no action was taken by the Department for formation of State Level High Empowered Committee.

Government Stated (November 2012) that State Level Committee is existing at present. Reply was not acceptable as no document of formation of State Level High Empowered Committee was made available.

### **2.2.9.3 Non-maintenance of minutes of meetings of monitoring committees**

Audit scrutiny revealed that while constitution of monitoring committees at district, divisional and commissioner level was approved (January 2008) by State Government, no periodicity of meetings was prescribed. Minutes of meeting of monitoring committees were not maintained. Further no committee was established in DD, Jaipur and no meeting was held at DEO, Bhilwara-I and II, Chittorgarh and DD, Churu.

Government confirmed (November 2012) that though meetings of Division and District Level Committees were held but minutes were not maintained.

### **2.2.9.4 Lack of evaluation through independent agency**

The Scheme guidelines provided that the Department would explore the possibility of getting the scheme evaluated through an independent agency. While sanctioning Computer Education Plan (Phase-I) of the State of Rajasthan, PMEG in its meeting (August 2007) clearly mentioned that the programme needed to be consolidated and monitored through independent agencies like IIT, IIM, IIIT, Engineering college etc. Audit scrutiny revealed that evaluation of the Scheme was not got conducted through an independent agency as of March 2012.

Government stated (November 2012) that a firm (M/s Planman Consulting India Private Limited, New Delhi) has been selected for third party evaluation of Phase-I.

### **2.2.9.5 Absence of on-line Management Information System (MIS) interactive software.**

As per agreement of Phase-II, the firm was required to provide web based online MIS system to manage operations in all the schools level as well as central level (DD level). This software would capture information relating to student, Computer Instructor, training module feedback, infrastructure

module, Report generation, payments, checklist, generator usage, issuance and usage of consumables etc. It would also generate bills alongwith reports for payment purposes. The development of MIS software was to be completed by the firms by 8 September 2010 and they were to make a presentation before the Department/Committee for approval/changes. The firm was to use its own infrastructure for enabling and executing the online MIS System at respective Ranges.

Test check (May-July 2012) revealed that no such software was provided by the firms M/s Compucom Software Limited (Jaipur, Udaipur, Churu and Ajmer) and M/s Pearson Education Services Private Limited (Kota and Jodhpur) though it was to be developed by 8 September 2010. DDs concerned did not take any action against the firms or got the software prepared at the risk and cost of firms as per terms of the agreement.

Thus, the Department was not having a web enabled database including details of number of schools covered, students benefited, schools with internet facility, teacher training, e-content etc.

Government accepted the fact and stated (November 2012) that for MIS data feeding, four districts (Bikaner, Sawaimadhopur, Jodhpur and Kota) have been selected as pilot project.

#### **2.2.10 Conclusion**

The Computer Education and Information and Communication Technology Scheme in Schools has been implemented on the basis of Build-Own-Operate-Transfer model in two phases. Performance audit of the implementation of the scheme revealed that initial selection of schools in Computer Education Plan sent to Government of India was done without ensuring infrastructure facilities, repetition of schools covered under earlier schemes, provision of internet connection not made in the agreements of Phase-I, delay in providing operating software by the department in both the phases and delay in finalisation of tenders of Phase-II. Internet connection not provided/not working in schools in Phase-II, stolen hardware and equipments not replaced by the firms were noticed. Capacity building has taken a back seat. National Council for Teachers Education was not associated in development of appropriate content for computer aided learning and modules for teachers training. Monitoring is almost nil as Management Information System interactive software required to be provided in Phase-II were not provided by the firms. Further, quarterly progress reports were not sent to Project Monitoring and Evaluation Group. State Level High Empowered Committee was not established. Monitoring Committee at Deputy Director level was not established in Jaipur Division. The minutes of the meeting of Division of District Level Monitoring Committees were not maintained.

**2.2.11 Recommendations**

- Department should ensure availability of infrastructure in the schools so that the scheme can be implemented effectively and smoothly.
- Department should ensure that the firms fulfil their responsibilities timely and as per agreement.
- Department should devise suitable training modules and ensure imparting of adequate training to the teaching/non teaching staff.
- For effective monitoring of the scheme the department needs to ensure establishment of functional committees at all levels. Besides, provision of interactive Management Information System should be enforced.

## **Chapter 3**

### **Compliance Audit**

Audit of transactions of the Government Departments, their field formations as well as audit of the autonomous bodies brought out lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy, which have been presented in the succeeding paragraphs under broad objective heads.

#### **3.1 Non-compliance with rules and regulations**

##### **Disaster Management and Relief Department**

#### **3.1.1 Unauthorised adjustment of subsidy**

**The Department failed to ensure disbursement of immediate relief to drought affected farmers by not preventing the Cooperative Banks from adjusting subsidy of ₹ 63.99 crore towards their outstanding loans.**

Government of India (GoI) modified (June 2007) eligibility criteria for assistance from the Calamity Relief Funds (CRF) and National Calamity Contingency Fund (NCCF) for the period 2005-10. State Government (SG) was instructed by GoI to ensure that the expenditure from CRF/NCCF may be incurred as per approved items/norms only. Items 3 (e) and 4 of the list and norms of assistance from the CRF/NCCF (norms) approved (June 2007) by Government of India provided for payment of agriculture input subsidy to small and marginal farmers and other farmers where crop loss due to calamity was 50 *per cent* or more. The CRF/NCCF should be used for meeting the expenditure for providing immediate relief to victims of calamity.

Under CRF, State Government (Disaster Management and Relief Department (DMRD)) allotted (February 2010-March 2011) ₹ 720.88 crore to the District Collectors of 27 drought affected districts towards agriculture input subsidy. State Government directed the District Collectors to transfer the funds to the Central Cooperative Banks for distribution to the drought affected farmers of Kharif 2009 by depositing the same in beneficiaries bank accounts on the basis of the list provided by the District Collectors.

Test check (September 2011 to November 2011) of records of six<sup>1</sup> District Collectors (DMRD) and further information collected, revealed that the Rajasthan State Cooperative Bank Limited, Jaipur (Bank) instructed (February 2010) all the Central Cooperative Banks to adjust previous loans, if any, outstanding against the farmers, before depositing the subsidy into the accounts of the drought affected farmers. Accordingly, the respective Central Cooperative Banks credited the subsidy to the bank account of the beneficiaries and adjusted ₹ 63.99 crore (small and marginal farmers: ₹ 39.17

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1. Ajmer, Barmer, Jalore, Jodhpur, Sirohi, and Tonk.

crore and other farmers: ₹ 24.82 crore) against outstanding loans of 6,33,706 loanee farmers<sup>2</sup>. The Bank was simply a medium for providing immediate relief to the affected persons and did not have any authority to *suo motu* adjust loans out of the subsidy sanctioned as immediate relief without permission of the State Government. This act of the Central Cooperative Bank adversely affected the small and marginal farmers as ₹ 39.17 crore (56.82 per cent) of subsidy sanctioned (₹ 69 crore) was adjusted by cooperative banks. The DMRD did not take any action to instruct the banks not to adjust the subsidy against previous loans. Thus, the very objective of providing immediate relief to drought affected farmers was defeated.

The State Government accepted (November 2011 and June 2012) the facts that the adjustment of the outstanding amount by the Bank was not in accordance with the departmental directions. Thus, the Department failed to ensure disbursement of immediate relief to drought affected farmers to the extent of ₹ 63.99 crore.

## Medical and Health Department

### 3.1.2 Irregular expenditure

**Funds of ₹ 10.25 crore meant for strengthening the delivery of services under National Rural Health Mission were unauthorisedly diverted for construction of administrative buildings (*Swasthya Bhawans*) and purchase of land.**

National Rural Health Mission (NRHM) was launched (2005) by the Government of India (GoI) to improve the health system and health status of the people residing in the rural areas of the country. In accordance with the framework for implementation of NRHM, the State Government was to prepare year-wise Programme Implementation Plan (PIP) and send the same to GoI for approval. There was a provision of ₹ 50 crore for improving physical infrastructure of Sub-Health Centre (SHC)/Primary Health Centre (PHC)/Community Health Centre (CHC) and Hospitals of Taluka and Districts including construction of new sub-centres (item-18) in PIP approved for the year 2007-08. There was no provision for construction of *Swasthya Bhawans* (administrative buildings) and payment towards cost of land in the approved PIP.

Test check of the records (March-April 2012) of District Health Society<sup>3</sup>, Jhalawar and information collected from Rajasthan State Health Society (RSHS), Jaipur revealed the following:

● Though the construction of *Swasthya Bhawans* (SBs) was not included in the approved PIP, the Mission Director (MD), NRHM, Rajasthan, Jaipur

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2. Small and marginal farmers: 5,02,175; other farmers: 1,31,531.

3. District Collector (DC) is the Chairman and Chief Medical and Health Officer (CMHO) is the Chief Executive Officer of the District Health Society (DHS).

issued (February 2008) Administrative and Financial sanction of ₹ 9.62 crore for construction of new SBs in 11 districts<sup>4</sup> out of NRHM funds. Audit observed that the State Government did not propose construction of SBs in PIP, 2008-09. However, it proposed the same in PIP, 2009-10 and 2010-11 to strengthen the health infrastructure but the PIPs approved by GoI did not include this item. Ten SBs were completed (January 2009 to August 2011) at a cost of ₹ 8.32 crore and handed over between March 2009 and March 2012. One SB at Udaipur is still under construction and an expenditure of ₹ 55.18 lakh has been incurred.

Thus, funds sanctioned (₹ 9.62 crore) for infrastructure of SHC/PHC/CHC and Hospitals of District/Taluka etc. by the GoI were irregularly diverted and utilised (₹ 8.87 crore) on construction of administrative buildings (*Swasthya Bhawans*).

- Further, on the request of CMHO, Jhalawar to allot suitable land for SB at Jhalawar, DC, Jhalawar and Commissioner, *Nagar Parishad*, Jhalawar decided (September 2008) to allot land to Medical and Health Department at concessional rate. Since the State Government's instruction (October 1996) directs allotment of land free of cost to Medical and Health Department, the Commissioner, *Nagar Parishad*, Jhalawar recommended (October 2008) to the Director, Local Bodies, for free allotment of land. No action was taken by the Director, Local Bodies. However, Commissioner, *Nagar Parishad*, Jhalawar allotted (February 2009) 56,257 sq feet land costing ₹ 1.38 crore for construction of SB. Accordingly, CMHO, Jhalawar sanctioned and transferred (March 2009) ₹ 1.38 crore from NRHM flexi pool to *Nagar Parishad*, Jhalawar. Thereafter, the DC, Jhalawar requested (February, March and December 2010) the Principal Secretary, Medical and Health Department to allow DHS to spend ₹ 1.38 crore from NRHM funds on land purchased for SB. The MD, NRHM, Jaipur, however, informed (February 2011) the DC, Jhalawar that the NRHM frame work had no provision for purchase of land as such sanction for purchase of land could not be issued. Audit observed that the transfer of NRHM funds for purchase of land was not permissible, yet DC, Jhalawar spent ₹ 1.38 crore on purchase of land. Consequently, despite lapse of more than three years, the irregularly diverted amount has not been deposited in the NRHM funds (August 2012).

CMHO, Jhalawar while accepting the facts stated (March 2012) that the decision to purchase land at a cost of ₹ 1.38 crore was taken in the meeting of the DHS (February 2009) chaired by the DC, Jhalawar. The reply was not acceptable as expenditure on purchase of land was incurred from NRHM funds. Further, this unauthorized diversion resulted in non-construction of model sub-health centres and labour rooms.

Thus, funds of ₹ 10.25 crore meant for strengthening the delivery of services under NRHM were unauthorisedly diverted for construction of administrative buildings (*Swasthya Bhawans*) and purchase of land.

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4. Ajmer, Alwar, Baran, Chittorgarh, Dausa, Dholpur, Jaipur, Jhalawar, Karauli, Sawaimadhopur and Udaipur.

The matter was referred to the State Government in July 2012; a reply is awaited (December 2012).

## Public Health Engineering Department

### 3.1.3 Less/delayed deduction of royalty from contractors' bills

**Executive Engineers extended undue benefit to contractors by allowing full payment in violation of orders of Mines Department and by less/delayed deduction of royalty of ₹ 1.53 crore. Besides, non-invoking of the penal provision of recovering 10 times of royalty for unauthorised mining further benefited the contractors. EEs of PHED Divisions were liable to deposit interest on this delayed deduction of royalty.**

As per Government circular order of 08 October 2008<sup>5</sup>, a contractor had to obtain Short Term Permission (STP) from Mines Department, for the minerals to be used in the works, before commencement of a work. An attested copy of the same was to be furnished along with the first Running Account Bill (RAB) to the concerned Executive Agency, for deducting the royalty at prescribed rate<sup>6</sup>, failing which no payment was to be allowed to the contractor. Moreover, he should be liable to pay 10 times of royalty due to be recovered, considering the minerals utilised in the works as unauthorised mining. The Executing Agency had to deduct royalty from contractor's bills and deposit the same with Mines Department within 15 days, failing which Executing Agency was liable to deposit the same along with interest in Mines Department, as per Land Revenue Act (LRA).

Test check (June 2010 to May 2012) of records of five Public Health Engineering Department (PHED) Divisions<sup>7</sup> revealed that 13 works of Water Supply Projects were allotted to 13 Contractors for ₹ 463.30 crore during December 2007 to February 2011 (*Appendix 3.1*). However, none of the contractors submitted the required STP with the first RAB. While six contractors submitted STP during February 2009 to January 2012, though work orders were issued during July 2008 to February 2011, seven contractors did not submit it at all. Despite non-submission/belated submission of STP by the contractors, they have been allowed full payment of ₹ 434.04 crore as of June 2012. Further, respective EEs of five Divisions deducted from subsequent RABs and remitted royalty to Mines Department of ₹ 0.65 crore<sup>8</sup> only as against ₹ 2.17 crore (at 0.5 per cent on payments made of ₹ 434.04 crore) due to be deducted from contractors bills, extending undue financial aid to the contractors to that extent. Consequently, not only the release of full

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5. Further, amended in February 2010.

6. For road construction 1.75 per cent; building construction one per cent; road renovation 0.75 per cent and other works 0.5 per cent.

7. Executive Engineers, PHED, Barmer, Jodhpur II & III, Dudu-II and Dungarpur.

8. Includes ₹ 1.12 lakh adjusted from contractors deposits by EE, PHED, Dungarpur and credited in June 2012.



payment to contractors was unjustified, less/delayed deduction of royalty of ₹ 1.53 crore<sup>9</sup> also made the respective divisions liable to deposit the same with interest at 15 per cent<sup>10</sup>, which was not deposited by any of the division.

As the contractors did not submit/submitted STP belatedly, they used the minerals unauthorisedly and were liable to pay 10 times of royalty due from them. This provision was also not invoked by the PHED Divisions.

State Government while accepting the facts in respect of EE, RIGEP<sup>11</sup>, Barmer stated (December 2012) that ACE, Jodhpur had been appointed (May 2012) as Inquiry Officer for fixing responsibility on defaulting officers for not deducting royalty from contractors from the first Running Account Bill. The State Government further stated that royalty of ₹ 17.80 lakh in case of District Division-II Jodhpur, ₹ 51.17 lakh in case of Bisalpur-Dudu Project, Division-II and ₹ 1.12 lakh with interest ₹ 0.34 lakh in respect of Division, Dungarpur had been recovered. However, Government did not intimate recovery of interest due on delayed recoveries. In respect of EE, PHED District Division-III, Jodhpur, Government intimated that final bill would be paid after receipt of no objection certificate from Mining Department, but no reasons were furnished for less recovery of royalty. Details of recoveries made were, however, not intimated.

Thus, the Executive Engineers extended undue benefit to the contractors by allowing full payment to contractors in violation of orders of Mines Department, which also resulted in less/delayed deduction of royalty of ₹ 1.53 crore. Besides, non-invoking of the penal provision of recovering 10 times of royalty for unauthorised mining further benefited the contractors. Moreover, EEs of PHED Divisions were also liable to deposit interest on this delayed deduction of royalty.

## **3.2 Audit against propriety and cases of expenditure without adequate justification**

### **Information Technology and Communication Department**

#### **3.2.1 Avoidable expenditure**

**The Department disbursed a grant of ₹ one crore to a private institution without assessing the need for setting up training facilities in partnership and also failed to protect the interest of the State by not taking over the assets created through the grant.**

The State Government sanctioned (March 2007) ₹ one crore as one time grant<sup>12</sup> for establishing an Advanced Bioinformatics Centre (ABC) at Jaipur in

9. Including ₹ 1.12 lakh deposited by EE, PHED, Dungarpur after two year in June 2012.

10. As applicable under Land Revenue Act.

11. Rajasthan Integrated Guiniaworm Eradication Programme.

12. Recurring expenditure on running of ABC was to be borne by BISR.

collaboration with Birla Institute of Scientific Research (BISR), a private institution, to make technical education job oriented in the State. ABC was to conduct two types of training programmes from the session 2007-08 viz. one year PG Diploma in Bioinformatics for post-M.Sc. candidates and 4-6 months short term training programmes (twice in a year) for candidates appearing for M.Sc. in different branches of science and also to provide regular training for health workers/Agriculture Researchers/Biotechnologists of the State so that they could get quality training in the cutting edge areas of Bioinformatics and Biotechnology and have added advantage of getting employment. A Memorandum of Agreement (MoA) was executed with BISR on 27 June 2007. According to the MoA the duration of the project was three years from the date of sanction of project (March 2007) and a State Level Committee headed by Principal Secretary, Department of Information Technology and Communication (DoIT&C) was to review the periodic progress of implementation of the project and proper utilisation of grant. The DoIT&C was empowered to terminate the grant at any stage, if it was convinced that grant had not been properly utilised or appropriate progress had not been made. In that event, the BISR should hand over all documents including technical details and equipments purchased related to the project to DoIT&C.

Scrutiny (June 2010) of records of Secretary, DoIT&C revealed that Finance Department stressed (January-February 2007) upon the need to examine the necessity of making available the grant to a private organisation when the courses related to Bioinformatics already existed in University of Rajasthan and Banasthali Vidhyapeeth and also suggested to examine the issue regarding employment opportunities to the graduates of this course in Rajasthan. However, the Department ignored the proposal and transferred (March 2007) ₹ one crore to BISR for meeting the capital cost of ABC.

BISR utilised the grant of ₹ one crore on acquiring hardware and software<sup>13</sup> during 2007-08 and 2008-09. However, during the sessions 2007-08 and 2008-09, BISR trained only 17 students against the targeted 40 students in the one year PG Diploma course and discontinued the course from the session 2009-10 on the ground that the same had become irrelevant as many institutions had started full-fledged Masters programme in Bioinformatics. Further, BISR imparted training to only 65 students as against the targeted 200 students in the ten short term courses<sup>14</sup> conducted in five sessions during 2007-08 to 2011-12.

The State Government accepted (December 2011) that the centre was set up with the main objective to provide training to young students and carrying out research in the field of Bio-informatics but due to starting of the PG courses by many other universities in Rajasthan, the focus of this course was changed to conduct short term training programmes and workshops. Setting up of ABC be assessed in terms of reaping long term benefits of the investment in creation of skilled manpower and its utilisation for research purposes.

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13. UPS (2); Computer with 24" LCD; Projector (1); Software – Discovery Studio, Exome Horizon, CLC combined works bench and CLC Cell, Genocluster Bio-informatics, Genowiz and UIRNA check, BIO BOX and Adobe Web Premium.

14. 2007-08: 13; 2008-09: 13; 2009-10: 8; 2010-11: 10 and 2011-12: 21.

The State Government also stated (July 2012) that the main purpose of the grant was to augment the research infrastructure in the area of Bio-informatics and to conduct research and training programmes. Apart from providing training to 65 students in short-term courses (four to six months), 500 other students had also been provided training (three days to six weeks) in the summer training/workshops. The reply was not acceptable as the infrastructure augmented by using Government aid was to be used for specific job-oriented courses. However, the placement-worthy PG Diploma courses were abandoned altogether and the augmented infrastructure was used for trivial/inconsequential summer training and workshops.

Thus, the Department disbursed a grant of ₹ one crore to a private institution without assessing the need for setting up training facilities in partnership and also failed to protect the interest of the State by not taking over the assets created through the grant in spite of inadequate progress of the project and even after the project period was over.

## Medical and Health Department

### 3.2.2 Non-utilisation of Machines

**Procurement of USG machines without ensuring qualified manpower was indicative of *ad hoc* planning and lack of coordinated efforts. This resulted in unfruitful expenditure of ₹ 1.01 crore, apart from depriving the beneficiaries from the intended benefit/USG facilities.**

Access to health care and equitable distribution of health services were the fundamental requirements for achieving Millennium Development Goals and the goals set under the National Rural Health Mission (NRHM) launched (April 2005) by Government of India. Taking health care to the doorsteps was the principle behind this initiative and was intended to reach underserved areas. Provision of Mobile Medical Unit (MMU) in each district was one of the initiatives under NRHM. For MMUs two types of vehicles (a) for staff and (b) for diagnostics containing equipments and accessories like X-Ray, ECG, USG machines etc., were to be procured.

Government of India sanctioned (September 2006) grant in aid of ₹ 22.33 crore<sup>15</sup> for establishing 52 MMUs<sup>16</sup> in the State under NRHM. The Department procured 52 diagnostic vehicles for MMUs between March 2009 and April 2011<sup>17</sup> for ₹ 13.80 crore @ ₹ 26.55 lakh per vehicle. Director (PH), Medical and Health Services, Rajasthan, Jaipur invited (March 2008) tenders for purchase of 52 Portable B/W Ultra Sound Imaging System (USG machine)

15. Capital expenditure: ₹ 13.13 crore (₹ 25.25 lakh per MMU); Recurring cost: ₹ 9.20 crore (₹ 17.70 lakh per MMU).

16. Two MMUs per district in 20 tribal, desert districts and one MMU each in 12 districts.

17. March 2009: 15, April 2009: six, September 2009: five, March 2010: five, August 2010: seven, March 2011: three and April 2011: 11.

for providing in MMUs (to support services like natal checkup and screening of breast cancer, cervical cancer etc.). The State Level store purchase committee under the Chairmanship of MD, NRHM approved (September 2008) the negotiated rate of M/s Blue Star Limited, Mumbai (firm 'A') for ₹ 1.94 lakh per USG machine<sup>18</sup>. After executing an agreement (October 2008) with the firm 'A' the MD, NRHM placed (November 2008) supply order with the firm. The supply order clearly mentioned that registration of USG machine is mandatory under Pre-Conception Pre-Natal Diagnostic Technique (PCPNDT) Act, 1994. For this, concerned Chief Medical and Health Officers (CMHOs) would obtain registration for USG machines supplied by the firm. The Mission Director, NRHM, Rajasthan, Jaipur also directed (January, April and August 2009) all the CMHOs to furnish registration certificates required under PCPNDT Act, 1994.

Test check (September 2011 to April 2012) of the stores records of Rajasthan State Health Society, Jaipur, revealed following irregularities:

- The MD, NRHM procured 52 USG machines (cost: ₹ 1.01 crore) from firm 'A' in February-March 2009 whereas only 15 mobile vehicles (Diagnostic) were available with the Department as on March 2009.
- All the 52 USG machines were procured without obtaining any inspection report from National Accreditation Board for Testing and Calibration Laboratories' (NABL) approved labs, as required. However, the firm 'A' submitted these reports after obtaining the same from M/s NEEL Engineers on 26 May 2009. Since M/s NEEL Engineers were authorized by NABL to issue inspection report upto 14 May 2009 only, all the 52 USG machines were returned to the firm in June 2009 and received back in July 2009 with the required certificate from M/s Sri Sai Precision Instrumentation and Research Centre, Nashik (NABL approved). Thus, the USG machines could not be utilised for about four months from March to July 2009.
- Despite repeated directions to CMHOs to furnish registration certificate for installing USG machines in MMUs, 16 registration certificates under PCPNDT Act were furnished by 15 CMHOs only and accordingly 16 USG<sup>19</sup> machines were issued to them between September 2009 to January 2011. Nine USG machines were issued to CHCs in July 2012. Remaining 27 USG machines were lying (November 2012) in the store since July 2009.
- Out of 16 USG machines issued during September 2009 to January 2011, only four USG machines<sup>20</sup> were being used and 12 could not be used due to non-posting of Sonologist. MD, NRHM decided (June 2011) to remove the provision of sonography services from MMUs and to transfer them to CHCs/District Hospitals after obtaining proposals from Director, Public Health (PH). After one year, the Director (PH) Medical and Health Services allotted (June 2012) these 52 USG machines to CHCs (50) and General Hospitals (2). Additional Director, Hospital Administration issued instructions

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18. ₹ 1,87,000+4 per cent VAT = ₹ 1,94,480.

19. Two machines were issued to CMHO, Bikaner.

20. Bikaner: two, Jhalawar: one and Tonk: one.

to all the CMHOs (July 2012) to ensure registration of these sonography machines under PCPNDT Act, 1994 and then take possession of USG machines from store of Director, RCH, Jaipur.

The Financial Advisor, NRHM stated (March 2012) that due to non-availability of qualified Sonologists the USG machines could not be operated in MMUs and, therefore, it was decided to remove sonography machines from MMUs. Project Director, NRHM intimated (November 2012) that position of allotment, utilisation and posting of Sonologists was not available with them indicating that no serious efforts were made by the Department either for registration of the machines or for appointment of Sonologists.

Thus, procurement of USG machines without ensuring qualified manpower was indicative of *ad hoc* planning and lack of coordinated efforts. This resulted in unfruitful expenditure of ₹1.01 crore apart from depriving the beneficiaries from the intended benefit/USG facilities (natal checkup and screening of breast cancer, cervical cancer etc.).

The matter was referred to State Government in July 2012: reply was awaited (December 2012).

### **3.3 Persistent and pervasive irregularities**

#### **Finance Department**

##### **3.3.1 Persistent excess payment of pension**

**Failure of the treasury officers to exercise prescribed checks led to excess/irregular payment of pension/family pension amounting to ₹93.59 lakh.**

Rule 9 of Appendix VI of Rajasthan Civil Services (Pension) Rules, 1996 stipulates that Treasury Officer (TO) will check the correctness of the payments made by the Banks with reference to the records maintained by him and thereafter incorporate the transaction in his accounts.

Cases of excess payments of pension/family pension have been mentioned in the earlier Audit Reports (Civil)<sup>21</sup>. The Public Accounts Committee (2010-11) while taking a serious view recommended (February 2011) that the department should take effective steps to stop excess and irregular payment and inform PAC and the Principal Accountant General. Department issued (June 2011 and

21. Paragraph 3.7 of 1999-2000, paragraph 4.4.1 of 2002-03, paragraph 4.2.5 of 2003-04, paragraph 4.4.1 of 2004-05, paragraph 4.1.3 of 2005-06, paragraph 4.5.7 of 2006-07, paragraph 4.4.3 of 2007-08, paragraph 3.3.2 of 2008-09, paragraph 3.4.1 of 2009-10 and paragraph 3.3.1 of 2010-11.

January 2012) instructions to the TOs for checking of the Banks for ensuring correct payment of pension.

Test check (April 2011 to March 2012) of records relating to pension payments made by 113 banks and 253 treasuries/sub-treasuries, however, revealed that excess/irregular payments of superannuation/family pensions were made to 278 pensioners, amounting to ₹ 93.59 lakh during September 1997 to February 2012 of which ₹ 8.38 lakh was recovered as detailed below:

(₹ in lakh)

S. No.	Particulars	Excess payment made		Recoveries effected at the instance of audit	
		Number of cases	Amount	Number of cases	Amount
1.	Family pension not reduced after expiry of the prescribed period (Rule 62 of Rajasthan Civil Services (Pension) Rules 1996).	158	57.18	20	5.76
2.	Family pension not stopped after attaining the age of 25 years/ marriage/ employment of dependents (Rule 67).	1	0.53	-	-
3.	Pension not reduced after its commutation (Rule 28).	38	6.65	03	0.75
4.	Pension paid after death of pensioners.	4	1.79	01	0.38
5.	Dearness relief paid to pensioners during the period of their re-employment (Rule 164).	4	2.92	01	1.49
6.	Dearness Pay wrongly paid.	20	7.50	-	-
7.	Pension and Dearness Relief paid at higher rate than admissible.	13	3.94	-	-
8.	Non-recovery of dues from gratuity payments (Rule 92).	37	8.03	-	-
9.	Miscellaneous	03	5.05	-	-
	<b>Total</b>	<b>278</b>	<b>93.59</b>	<b>25</b>	<b>8.38</b>

The irregularities, therefore, continued to persist as the Finance Department failed to enforce the maintenance of pension check register by the TOs which could help in conducting concurrent checks of payments made by banks and thus avoid excess payment of pension.

State Government stated (August 2012) that ₹ 39.49 lakh has further been recovered as of July 2012.

### 3.4 Failure of oversight/governance

#### Environment Department

#### 3.4.1 Diversion of funds/idle work

**Rajasthan State Pollution Control Board spent only 25 per cent ( ₹ 7.31 crore) of water cess on pollution control activities during 2005-12 (excluding 2010-11). Besides, there was slow progress in setting up of Regional Laboratories inspite of available manpower and idle funds.**

State Government constituted (February 1975) Rajasthan State Pollution Control Board (RSPCB) for prevention and control of pollution through implementation of different Environment Acts in the State. As per Section 8 of Water (Prevention and Control of Pollution) Cess Act, 1977 enacted for augmenting the resources of the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) by levying Water Cess on local bodies, industrial units etc., based on water consumed by them, the Cess so collected by the SPCBs is credited to the Consolidated Fund of the Government of India (GoI). As per Ministry of Environment and Forests, GoI order of December 1998, upto 80 per cent of the Cess so credited is reimbursed to the SPCBs with the stipulation that the expenditure incurred on establishment and office operations of the SPCBs should not exceed 25 per cent (revised to 50 per cent in December 2010) of the amount of Water Cess so reimbursed. As such atleast 75 per cent of the reimbursed amount of Water Cess upto 2009-10 and 50 per cent thereafter, was to be spent on prevention and control of pollution activities and programmes

Test check (May 2012) of the records of Member Secretary, RSPCB, Jaipur and information collected thereafter revealed the following:

- Of ₹ 45.17 crore (*Appendix 3.2*) water cess reimbursed by GoI to RSPCB during 2005-06 to 2011-12 (excluding 2010-11 when expenditure on pollution control activities was 50 per cent), ₹ 29.74 crore was to be spent on prevention and control of pollution activities and programmes. An analysis of the budget documents of RSPCB revealed that though RSPCB made a provision of ₹ 54.01 crore<sup>22</sup> in the budget for 2005-10 and 2011-12, on pollution control activities, it spent only ₹ 7.31 crore. While actual expenditure under advertisement and publication was 80 per cent, expenditure under Research & Development and Laboratory Expenses remained 10.6 per cent and seven per cent respectively. However, Audit observed that utilisation certificates (UCs) for full amount of Cess received from GoI for 2005-10 and 2011-12, were submitted by RSPCB to CPCB, mentioning that funds have been utilised on the schemes for which they were sanctioned (office

22. Research and Development: ₹ 46.65 crore; Laboratory Expenses: ₹ 4.84 crore and Advertisement and Publication: ₹ 2.52 crore.

expenditure and establishment). Further, surplus funds of ₹ 216.78 crore<sup>23</sup> received from overall activities of RSPCB as of August 2012 remained unutilised in fixed deposits and Personal Deposit Account of RSPCB compromising the prevention and control of pollution preparedness activities.

State Government endorsing the reply of the Member Secretary, RSPCB stated (September, October 2012) that expenditure on establishment and office expenses was always in excess of its ceiling of 25 per cent of water cess receipt therefore it was increased to 50 per cent by GoI in December 2010 as per request of Board in May 2006 and 2007. Accordingly, ₹ 22.82 crore (₹ 6.03 crore project expenditure and ₹ 16.79 crore capital expenditure) have been spent against ₹ 25.66 crore (50 per cent of total water cess receipt of ₹ 51.32 crore) during 2005-12. The reply was not acceptable as ceiling of 50 per cent on establishment and office expenses was applicable from 2010-11 onwards and not on earlier periods. In fact, the Board spent ₹ 11.25 crore as capital expenditure (land and building, furniture and fixtures, computer and others) during 2005-06 to 2011-12 (excluding ₹ 5.54 crore of 2010-11) which was not directly related to pollution control activities. This expenditure was also not classified according to identified activities (establishment and office expenditure, prevention and control activities and programmes) under cess as per information provided by the Board.

● In December 2009, State Government accorded sanction for establishing eight<sup>24</sup> new Regional Laboratories (RLs) for analysing samples of air and water as part of restructuring and strengthening of RSPCB. 49 posts (Technical staff: 41 and LDC cum Data Entry Clerk: 8) were also sanctioned for managing these RLs. Against this, eight Senior Scientists and 27 Junior Scientists were posted between March 2010 to July 2010 and ₹ 1.46 crore was spent on their pay and allowances for the period from March 2010 to June 2012. Test check of the records of RSPCB revealed that new RLs were not established as of August 2012. Audit also observed that the Board did not stipulate time frame for allotment of land by Rajasthan Housing Board (RHB), Rajasthan State Industrial Development and Investment Corporation (RICCO), Urban Improvement Trust (UIT) and Municipalities for construction of RLs. Land for five RLs<sup>25</sup> was got allotted from RHB/RICCO/Nagar Palika/ UIT during August 2010 to August 2011. Tenders for chemicals, glassware and general items invited by Member Secretary, RSPCB in March 2011, were finalised in January 2012 (after 10 months) for glassware only. Even purchase process was not completed in more than two years and no work order was issued as of June 2012. Thus, setting up of infrastructure and other activities like posting of staff was not synchronized. Posting of staff without providing laboratory buildings, equipments, indicated defective planning resulting in idle manpower and expenditure (₹ 1.46 crore) during March 2010 to June 2012 on pay and allowances.

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23. Component wise details of total surplus receipts of ₹ 216.78 crore into cess, consent fee and interest were not available.

24. Balotra (Barmer), Bharatpur, Bhilwara, Bikaner, Chittorgarh, Kishangarh (Ajmer), Pali and Sikar.

25. Balotra (Barmer), Bharatpur, Chittorgarh, Kishangarh (Ajmer) and Sikar.



State Government while endorsing the reply of the Member Secretary, RSPCB stated (September, October 2012) that services of the technical staff were being utilised for collection of test samples and inspection of industries at the respective RLs. The reply was not acceptable in view of the fact that the services of the technical staff posted at new laboratories were being utilised only for collection of test samples which were sent to old laboratories for testing, which was not the purpose of the staff posted in new labs as they were required to conduct test themselves at new RLs. Besides, the buildings of new RLs have not been completed and equipped with requisite equipment and material even after more than two years.

Thus, the facts remained that in the absence of a comprehensive action plan, RSPCB spent only 25 per cent ( ₹ 7.31 crore) of water cess on pollution control activities during 2005-12 (excluding 2010-11). Besides, there was slow progress in setting up of RLs inspite of available manpower and idle funds.

## Labour Department

### 3.4.2 Non-availing of UNICEF Assistance

**Benefit of assistance of ₹ 1.03 crore from UNICEF could not be availed of due to inaction of the Department defeating the very objective of eliminating child trafficking in the border blocks of Udaipur.**

For elimination of child labour especially child trafficking for labour in BT cotton seed production fields in Gujarat from bordering blocks of Udaipur District, the Project Director, Child Labour Project Society, Udaipur sent (July 2010) a project proposal for ₹ 1.52 crore to the Labour Commissioner, Rajasthan, Jaipur for establishing Child Labour School. Labour Commissioner, Rajasthan, Jaipur forwarded (July 2010) the project to Project Officer, UNICEF, Jaipur for sanction as there was no budget available with the Labour Department. Accordingly, UNICEF (Rajasthan Field Office) agreed to support the Project for a period of one year and finally approved (November 2010) budget of ₹ 1.03 crore<sup>26</sup> for one year and ₹ 31.38 lakh for the period of three months (December 2010 to February 2011). UNICEF released (December 2010) initial amount of ₹ 11.59 lakh with the condition that balance would be released in February 2011 and the tranche for next three months were to be released based on progress report and utilisation in prescribed form. Project was to be implemented in Udaipur District by Labour

26. Social mobilisation for community action against child labour ( ₹ 31.20 lakh); capacity building related to child protection issues ( ₹ 10.05 lakh); creating and / or strengthening child protection structures ( ₹ 4.55 lakh); linking the families with the schemes ( ₹ 7.50 lakh); support towards rehabilitation of children rescued from child labour ( ₹ 12 lakh); Honorarium to Skill Development ( ₹ 3.30 lakh); increase access to quality education ( ₹ 3.33 lakh) and project management and monitoring ( ₹ 30.93 lakh).

Department under the supervision and guidance of the District Collector. Project activities *inter alia*, included increase in awareness on harms of Child Labour, importance of education and social protection schemes among families, develop child tracking system at district and block level, increase access of the children from the remote villages to schools and create model of rehabilitation of the rescued children from labour.

Test check (April 2012) of records of Labour Commissioner, Rajasthan, Jaipur revealed that Labour Commissioner sent (18 March 2011) ₹ 11.59 lakh to the District Collector, Udaipur. However, District Collector, Udaipur was requested (April 2011) to return the aforesaid amount as the Divisional Joint Labour Commissioner, Udaipur was made responsible to implement the project under his guidance. Accordingly, the funds received back (April 2011) from District Collector were made available (May 2011) by Additional Labour Commissioner to Divisional Joint Labour Commissioner, Udaipur. This showed that funds of ₹ 11.59 lakh released by UNICEF in December 2010 and to be settled in three months i.e. upto 6 March 2011, were actually made available belatedly (May 2011) to the Divisional Joint Labour Commissioner, Udaipur. Audit observed that no survey was conducted by the Department regarding child trafficking and targets were not fixed for reduction in child trafficking. Only ₹ 0.50 lakh<sup>27</sup> were spent on advertisement and training as of August 2011. Unutilised amount of ₹ 11.09 lakh was returned (August 2011) by Divisional Joint Labour Commissioner and was lying in Personal Deposit Account of the Department since August 2011. This confirms that there was no plan in place for proper assessment regarding the issue of child trafficking to utilise the UNICEF assistance.

State Government stated (September 2012) that the programme could not be implemented as UNICEF demanded the UC of ₹ 11.59 lakh and to return the unutilised balance only after one and half months of its making available and the balance amount was remitted to UNICEF. The reply is not factually correct as the UNICEF made available ₹ 11.59 lakh to the Labour Commissioner, Jaipur in December 2010 with the stipulation that balance funds would only be released if the assistance was utilised in three months i.e. upto 6 March 2011. Whereas Labour Commissioner, Jaipur himself retained the amount till March and made available the same to Divisional Joint Labour Commissioner, Udaipur in May 2011.

Thus, benefit of assistance of ₹ 1.03 crore from UNICEF could not be availed of due to inaction of the Department defeating the very objective of eliminating child trafficking in the border blocks of Udaipur.

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27. Advertisement: ₹ 0.06 lakh, Training: ₹ 0.43 lakh and photo copy and stationary: ₹ 0.01 lakh.

### 3.4.3 Functioning of Rajasthan Building and Other Construction Workers Welfare Board

#### 3.4.3.1 Introduction

Government of India (GoI) enacted (August 1996) Building and Other Construction Workers (Regulation of Employment and Condition of Services) Act, 1996 (Act) to provide and monitor social security schemes and welfare measures for the benefit of building and other construction workers. The Act, *inter alia*, provided constitution of a Building and Other Construction Worker's Welfare Board to exercise the powers conferred under the Act. GoI framed (November 1998) Building and Other Construction Workers (Regulation of Employment and Condition of Services) Central Rules 1998.

The Labour Department, Government of Rajasthan (GoR), in exercise of the powers conferred under Section 40 and 62 of the Act, framed and notified (30 April 2009) 'Rajasthan Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2009' (Rules, 2009) and constituted (27 July 2009) Rajasthan Building and Other Construction Workers Board (Board) under Section 18 of the Act for implementation of the Act/Rules.

The Board consists of Labour Minister as Chairman, the Principal Secretary, Labour Department, Principal Secretary, Finance Department and Chief Inspector are nominated under Section 42(2) of Act, representatives of GoI alongwith representatives of building employers and construction workers (three each). Labour Commissioner is the Secretary of the Board and is also the Chief Executive Officer of the Board. Further, a Joint Labour Commissioner has been appointed as the Joint Secretary of the Board to assist the Secretary.

Audit scrutiny of the records of the Board, Jaipur for the period 2010-12 was conducted (May-July 2012) to assess the adequacy and effectiveness of the Board in performing its statutory duties.

#### 3.4.3.2 Delay in framing rules

**Delay of about nine years in framing Rules.**

A scrutiny of the process of framing the Rules revealed that after the Labour Department framed first draft of the State Rules (2000), the matter regarding finalisation of Rules, 2009 kept moving between various departments between 2000-01 and 2008-09 as depicted in the table below and the Rules were finally notified in April 2009 after about nine years.

**Table No. 1: Time taken by various departments in framing Rules, 2009**

S. No.	Name of Department	Pendency	Period of pendency	Total time taken
1	Labour Department	1/ 2000 to 7/2001 8/ 2001 to 11/ 2002 4/ 2003 to 11/ 2003 5/ 2004 to 2/ 2005 10/ 2005 to 12/ 2005 6/ 2006 to 10/ 2006	1 year 7 months 1 year 4 months 8 months 10 months 3 months 5 months	5 years 1month

S. No.	Name of Department	Pendency	Period of pendency	Total time taken
2	Law Department	12/ 2002 to 3/ 2003 9/ 2008 to 1/ 2009	4 months 5 months	9 months
3.	Finance Department	12/ 2003 to 4/2004 3/ 2005 to 9/ 2005 11/ 2006 to 8/ 2008	5 months 7 months 1 year 10 months	2 years 10 months
4.	Chief Secretary	1/ 2006 to 5/ 2006		5 months
5.	Rules notified	4/ 2009		
		<b>Total</b>		<b>9 years 1 month</b>

State Government accepted (October 2012) the delay and stated that the Rules were notified in April 2009 only after acceptance of final draft by Labour, Law and Finance Departments. However, the delay resulted in non-enforcement of various provisions of the Act upto 2009-10.

Besides, as per Section 4 of Act, the State Government was to constitute a committee called "the State Building and other Construction Workers Advisory Committee (State Advisory Committee)" to advise the State Government on such matter arising out of the administration of the Act as may be referred to it by State Government. Labour Department constituted (December 1999) State Advisory Committee with the Labour Commissioner as Chairman, two MLAs, one member nominated by GoI, Chief Inspector, Labour and representatives (between seven to 11 numbers) of employers, labourers, architecture association, engineers and insurance company.

Scrutiny revealed that neither any meeting was convened by State Advisory Committee nor any matter referred to it by State Government (September 2012). Government accepting the fact stated (November 2012) that in the absence of enactment of State Rules upto July 2009, no matter could be referred to the Committee and no meeting could be organised.

It was, however, observed that no meeting of State Advisory Committee was held even after July 2009 till date (November 2012).

### 3.4.3.3 Manpower management

**Insufficient posting of staff on deputation basis.**

Rule 41 (2) of the Rules 2009, stipulates that Board may, with the prior approval of State Government, appoint as many officers including its Secretary and other employees as it considers necessary to assist it in efficient discharge of its functions entrusted under the Act.

● After more than two years of setting up (July 2009) of the Board, the Labour Department sanctioned (October 2011) 11 posts<sup>28</sup> to be filled-up on deputation basis from Labour Department for managing the work of the Board (head office at Jaipur). Audit observed that only the post of Accounts Officer was filled up and 10 posts remained vacant (31 March 2012). State

28. Assistant Labour Commissioner: 1, Accounts Officer: 1, Accountant: 1, Labour Inspectors : 2, Personal Assistant : 1, Senior Clerk (UDC) : 1, Junior Clerks (LDC) : 2, Class IV : 2.

Government replied (November 2012) that five<sup>29</sup> more posts have now been filled up.

- Under Rule 38 (Rules 2009), the Board may with the approval of State Government open district and tehsil level offices as it may consider desirable for the purpose of implementing the welfare schemes under the Act. It was observed that the Board did not propose opening of its own offices at District/Tehsil level and district level officials of Labour Department were performing the duties of Board in addition to their regular charge. State Government accepting this fact, stated (November 2012) that opening of district and Tehsil level offices would be considered after further increase in number of beneficiaries. The reply was not convincing as the State Government had stated in reply to another para (3.4.3.7) that there was a notable increase in number of beneficiaries in 2012-13.

- The Labour Department vide notifications of July 2009 and January 2010 entrusted the work of registration, assessment, collection, inspection, appeal etc. of the Board to 127 officers/officials<sup>30</sup> of Labour Department in addition to their regular charge. Audit observed that, of these, 60 posts were lying vacant (July-August 2012). Further, in 13 districts<sup>31</sup> all posts of Labour Inspectors (18) were also lying vacant.

State Government while accepting (October/November 2012) the fact, stated that the function of Board were being carried out by employees of Labour Department as the Finance Department did not accept the proposal for filling up the posts and advised to fill up the same on deputation basis, action for which is being taken.

### ***Functioning of the Board***

#### ***3.4.3.4 Registration of the Employers***

**Only 1,192 employers were registered in two years (2010-12).**

Section 7 of the Act, stipulates that every employer undertaking construction of establishment<sup>32</sup> shall make an application to the registering officer of the District for registration of the employer and the workers within 60 days from commencement of the work. Rules 17 to 19 of the Rules, 2009, specify the manner and conditions of registration of the establishments/employers.

- From the data collected from District Labour offices, Audit observed that 1,192 employers<sup>33</sup> in 33 Districts were registered during 2010-12 and there were 443 unregistered employers (***Appendix 3.3***). Analysis of the information disclosed that total registered and unregistered employers of

29. Assistant Labour Commissioner: One, since 11 June 2012; Accountant: One, additional charge; Labour Inspectors: Two since 25 July 2012 and LDCs: two, full time charge.

30. Additional Labour Commissioners: 3; Joint Labour Commissioners (Divisional): 9; Deputy Labour Commissioners: 5; Assistant Labour Commissioners: 5; Labour Welfare Officers: 14; and Labour Inspectors: 91.

31. Banswara, Balotra (Barmer), Churu, Dausa, Dungarpur, Dholpur, Jalore, Jaisalmer, Jhunjhunu, Karauh, Sawaimadhopur, Sirohi and Sriganganagar.

32. Total cost of construction of such establishment would be more than ₹10 lakh.

33. Government and Semi Government including PSUs: 230, Private: 915 and others: 47.

Jaipur, Udaipur and Ajmer districts were 197, 83 and 17 respectively as of 31 March 2012, while the information collected from Jaipur Development Authority and Nagar Nigams of Jaipur, Udaipur and Ajmer on permission granted for construction of buildings, disclosed the number of prospective employers<sup>34</sup> as 409, 261 and 35 respectively as of March 2012.

● Audit also observed that the Board did not maintain any consolidated database of construction works undertaken in the State. Besides, the Divisional Joint Labour Commissioner, Jaipur asked (December 2010 and January 2011) Jaipur Development Authority (JDA) to provide details of construction works but the information was not received. Thus, the data available with Labour Offices were not co-related with that available in JDA/Nagar Nigam/Nagar Palika/Nagar Parishad and were not comprehensive in the absence of implementation of laid down system of ensuring registration of employers.

State Government confirming (November 2012) the facts stated that due to excessive and extensive nature of the establishments engaged in construction works and also due to shortage of manpower, registration of all the establishments was not possible and that necessary directions have been issued to Department of Urban Development and Local Bodies to ensure registration and collection of cess under the Act. This indicates that no mechanism was devised for registration of employers.

**No action taken by the Board against un-registered employers.**

● The Board has not taken any punitive action against any of the unregistered employers as per Section 50 of the Act. This resulted in non-collection of penalty and cess from defaulted employers and also non-compliance of the provision of required amenities to the workers according to the Act. State Government accepted (November 2012) the facts and stated that action for imposing penalty under Act has to be taken by Chief inspector appointed under Labour Department. The fact remains that the penalty was not imposed against the erring employers by the Department.

#### **3.4.3.5 Registration of the beneficiaries**

**Only 82,913 beneficiaries were registered in two years (2010-12).**

As per Sections 11 and 12 of the Act, every building worker between 18 to 60 years of age engaged in construction work for not less than 90 days during the preceding 12 months shall be eligible for registration as a beneficiary under this Act, and be entitled for the benefits provided by the Board from its Fund. It, therefore follows that only a registered worker is entitled to receive benefit of the schemes under this Act. Every registered worker is to be provided an identity card by concerned District Labour Officers

● The details of targets fixed for registration of beneficiaries and achievements depicted in table below revealed that achievement was 12.73 and 14.68 *per cent* only during 2010-12.

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34. Departments/bodies/individuals, executing building construction works by engaging labourers.

Table No. 2: Details of targets/achievements of registration

S. No.	Year	Targets fixed for Registration	Achievement	Targets short Achieved	Percentage of Achievement
1.	2010-11	1,51,000	19,222	1,31,778	12.73
2.	2011-12	4,34,000	63,691	3,70,309	14.68
	<b>Total</b>	<b>5,85,000</b>	<b>82,913</b>	<b>5,02,087</b>	

Source: Information provided by the Board

● It was observed that against the budget provision of ₹ 26.50 lakh and ₹ 2.90 crore for advertisement/publicity the Board spent ₹ 0.87 lakh (0.03 *per cent*) in 2010-11 and ₹ 48.20 lakh (16.62 *per cent*) in 2011-12 respectively on advertisement/publicity of the schemes and balance amount was lying with the Board.

● Details of applications of workers received for registration and processed were asked for (June 2012) from Board. Joint Secretary, Board replied (July 2012) that the registration of beneficiaries is done by subordinate district offices. It reflects that the necessary data is not maintained at the Board level. Information called for (October 2012) from District Officers, was also not received. State Government admitted (November 2012) that targets could not be achieved due to shortage of manpower.

#### 3.4.3.6 Assessment, collection and distribution of cess

GoI enacted (August 1996) Building and Other Construction Workers Welfare Cess Act, 1996 for levy and collection of a Cess on the cost of construction incurred by employers with a view to augment the resources of the Board and framed (March 1998) Building and Other Construction Workers Welfare Cess Rules, 1998 (Cess Rules, 1998).

Rules 4 and 5 of the Cess Rules 1998, provided for levy and collection of the cess at the rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer and transferring the cess proceeds so collected by the State Government, Public Sector Undertakings, Local Authority or Cess Collector to the Board within thirty days of its collection after deducting cost of collection (not exceeding one *per cent* of the cess collected).

#### Non-collection of Cess

**Cess ₹ 2.77 crore not collected from State Government agencies.**

The Labour Department issued guidelines and directed (July 2010) all the Government Departments/Chief Executive Officers of Public Sector undertakings to collect Cess at the rate of one *per cent* of the total construction cost of the project from the bills of the contractors working under them and deposit the same in the State Revenue. For levy and collection of cess, 27 July 2009<sup>35</sup> was to be taken as the cut off date. Scrutiny of running/final bills (July 2009 to December 2011) of 25 divisions of Public

35. The date on which Board came into existence.

Health and Engineering Department (PHED), six Local Bodies<sup>36</sup> under Local Self Government Departments and 12 Water Resources Department divisions (August 2009 to March 2012) revealed that Cess amounting to ₹ 2.04 crore, ₹ 0.15 crore and ₹ 0.58 crore respectively (total ₹ 2.77 crore) was not recovered by the Departments from various contractors working under them indicating that even the State Government agencies were not implementing the provisions of the Act regarding collection of cess.

This indicates that there was no proper monitoring for deduction and collection of cess even in the State Government agencies.

State Government while accepting the facts, informed (November 2012) that all Departments have now been instructed to compulsorily deduct cess at the rate of one *per cent*.

### ***Short achievement of targets of cess collection***

**Cess collection was less than 30 per cent of the targets fixed.**

● While no target were fixed for 2010-11, the Board fixed district-wise targets of total ₹ 219 crore towards Cess collection for 2011-12 and conveyed the same to Divisional Officers. Against this, net collection was ₹ 154.01 crore (70 *per cent*) during 2011-12 including ₹ 22.26 crore collected from 440 private and other employers. Non-achievement of targets of cess collection was mainly due to failure of the Board to ensure the registration of all the employers and to take action against non-registered employers through inspection of their establishments and imposing penalty under Rule 12 of Cess Rules 1998 and Section 50 of Act. While accepting the facts State Government stated (November 2012) that the reason for short collection of cess was not the non registration of all the establishments but shortage of manpower. It further stated that in case of any default, action was to be taken by Chief Inspectors and necessary instructions have been issued to all Assessing Officers to take action as per provisions of the Act. The facts remain that collection of cess was 30 *per cent* less than the targets.

### ***Non-remittance of Cess collected by the State Government to Board***

**Cess ₹ 229.03 crore collected from the employers remained credited in consolidated fund of the State.**

As per Rule 5(3) of cess Rules, 1998 the cess collected shall be transferred to the Board within 30 days of its collection. It was observed in audit that ₹ 239.53 crore towards Cess was deposited in the Consolidated Fund of the State during 2010-11 (₹ 85.52 crore) and 2011-12 (₹ 154.01 crore). No cess was collected in 2009-10. Of this, ₹ 10.50 crore (₹ 0.50 crore in June 2010 and ₹ 10 crore in July 2011) only was transferred from State Revenue to the Board by the State Government. Thus, ₹ 229.03 crore remained (March 2012) with the State Government in contravention of the provisions of the Act.

The State Government confirmed (November 2012) that the collection of cess under revenue head of the State Government and transfer to PD account of

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36. Nagar Nigam, Kota; Nagar Palika, Nimbaheda; Nagar Parishad, Banswara; Nagar Palika, Rani (Pali); Nagar Parishad, Pali and Nagar Palika, Mount Abu (Sirohi).



Board was being done under a policy decision. It was also informed that the balance amount of ₹ 229.03 crore has since been transferred to the Board.

***Submission of incomplete details of beneficiaries***

**The employers were furnishing incomplete details of beneficiaries.**

As per Rule 46 (1) and (2) of the Rules, every employer shall, within 15 days from the commencement of these Rules and before the 15<sup>th</sup> day of every month send consolidated return in forms IX and X to the Secretary of the Board showing the particulars of the building workers entitled to be registered viz. their wages, allowances and the amount being spent for the free supply of food, if any, and details of workers who left the service during the preceding month.

As per Section 50 of GoI Act, 1996, a fine upto ₹ 1000 for every such failure can be imposed and a fine at ₹ 100 for every day till continuance of failure be imposed. Penalty is to be imposed by District Level Officers (DLOs).

It was observed that during 2009-12, none of the employers filed the return in the prescribed format. The Board did not ensure its compliance by issuing notices and taking action against employers. This resulted in non-availability of data regarding workers and consequent non-registration of the eligible beneficiaries and payment of cess/fees.

State Government accepted the fact and stated (October/November 2012) that employers did not furnish information in prescribed format for which action is being taken. State Government further stated that registration of beneficiaries is being done by inspecting the offices of the employers.

***Non-assessment of information furnished in Form I***

**Information furnished by the employers were not assessed.**

Rule 6 of the Cess Rules, 1998, stipulates that every employer, within thirty days of commencement of his work or payment of Cess, as the case may be, furnish to the Assessing Officer, information in prescribed Form regarding the estimated cost of construction and details of Cess deposited. Rule 7 *ibid*, empowers the Assessing Officer to scrutinise such information.

It was observed that during 2010-12, only 39 prescribed Forms were received by five Assessing Officers<sup>37</sup>. However, assessment of only four forms was done by the Divisional Joint Labour Commissioners of Jaipur and Kota and short assessment of Cess ₹ 32.41 lakh pointed out. Recovery pointed out in Jaipur (₹ 3.57 lakh) was recovered but the same was yet to be recovered (₹ 28.84 lakh) in Kota (September 2012).

State Government accepted the fact and stated (October/November 2012) that necessary efforts were being made in this regard and Assessing Officers have been instructed to follow the provision of cess Rules, 1998.

37. Bhilwara: 16, Baran: 1, Jhalawar: 3, Jaipur 3 and Kota: 16.

### ***Inspection of the premises***

**Inspection of premises of the employers was not done.**

The Principal Secretary, Labour Department issued (September 2011) instructions to the Labour Inspectors to conduct 20 inspections per month of the premises of the employers to check the record of deposit of cess/construction work, registration of beneficiaries and employers etc. Review of data revealed that the number of inspections done by Labour Inspectors in all the districts (except Jhalawar, Udaipur and Chittorgarh) during the year 2011-12, ranged between zero to 18 only. However, no information relating to results of the inspections and action taken was available with District Labour Officers.

State Government while accepting the fact, stated (October/November 2012) that short fall in inspection was due to shortage of Labour Inspectors and that subordinate offices have been instructed to conduct inspection as per norms.

### ***Non-crediting of registration fee and contributions to Welfare Fund***

**Amount received against registration fee and contributions were not credited to Welfare Fund.**

Section 24 of Act provides for constituting a Building and Other Construction Workers Welfare Fund by the Board wherein grant and/or loan made to the Board and all contributions made by beneficiaries and all other sums received from other sources were to be credited. The fund was to be used for meeting the expenses of the Board in discharging its functions under Section 22<sup>38</sup> of the Act 1996 and on salaries, allowances and other remunerations of the members, officers and other employees of the Board. The construction worker deposits ₹ 25 for registration as beneficiary of the Board schemes and contribute at the rate of ₹ 5 per month (₹ 60 per annum) in welfare fund to continue his membership as decided by State Government (June 2010).

Accordingly, Worker's Welfare Fund was created in January 2010 and a bank account for this purpose was opened.

The Secretary of the Board instructed belatedly (June 2011) all District Labour Officers to credit beneficiaries contribution recovered @ ₹ 60 per beneficiary per year into the Board's Bank account. However, no directions were given for depositing the registration fees in the Board's account.

It was observed that the District Labour Officers received ₹ 3.62 crore<sup>39</sup> during 2010-12 on account of registration fee of beneficiaries, registration fee of employers and annual contribution of beneficiaries (upto June 2011). However, the receipts were deposited irregularly in the Consolidated Fund of State through challans instead of crediting the same to welfare fund.

State Government stated (October/November 2012) that registration fees is being deposited in Consolidate Fund of State (account head 0230-800-05) as

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38. Assistance in accidents, pension, loan and advances, group insurance, assistance for education of children, medical expenses and maternity benefits and for other welfare measures as may be prescribed.

39. Registration fees of employers and beneficiaries and contribution received from beneficiaries during 2010-11 (₹ 1.59 crore) and 2011-12 (₹ 2.03 crore) is shown under Budget Head 0230-800-05.

per policy decision and beneficiary contribution is being deposited in bank account of Board. However, action taken to transfer the beneficiary contribution, deposited in Consolidated Fund prior to June 2011 was not intimated.

### 3.4.3.7 Implementation of Welfare Schemes

Slow progress in implementation of the scheme.

In exercise of the powers conferred under Rules 57 and 58 of the Rules, the Board announced (2010-12) 10 schemes<sup>40</sup> for welfare of building and other construction workers.

As per the guidelines of various welfare schemes, a beneficiary registered under Section 11 and 12 of the Act is to apply either through District Labour Officer or directly to Board in the prescribed format for getting benefits under the schemes. The DLO or Board, after checking the application provides the financial assistance to the beneficiary by cheque.

- During scrutiny of records, it was observed that the Board spent only a sum of ₹ 0.89 crore on the assistance provided under the schemes during the period 2010-12, as per details given below:

**Table No. 3: Details of assistance provided under the schemes**

S. No.	Year	Cess amount collected	Funds received by the Board from the State Government	(₹ in crore)	
				Name of Scheme	Expenditure
1.	2010-11	85.52	0.50	Accident	*
				Group Insurance (Janshree)	0.02
				<b>Total</b>	<b>0.02</b>
2.	2011-12	154.01	10.00	(i) Maternity	0.09
				(ii) Education	0.08
				(iii) Marriage	0.05
				(iv) Death/ Grace	0.01
				(v) Accident	0.02
				(vi) Group Insurance (Janshree)	0.62
<b>Total</b>	<b>0.87</b>				
<b>Total</b>		<b>239.53</b>	<b>10.50</b>		<b>0.89</b>

\* ₹ 0.16 lakh only.

Source: Information furnished by Joint Secretary, Board

The assistance provided was only 8.48 *per cent* of the amount received from the State Government and 0.37 *per cent* of the Cess collected.

The balance amount of ₹ 235.53 crore remained with the Board (₹ 6.50 crore)/Consolidated Fund of the State (₹ 229.03 crore).

40. September 2010 (2): Janshree Bima Yojana (Group Insurance), Immediate Relief in Accidents; April 2011 (2): Delivery Assistance Scheme (Maternity), Education Assistance (Scholarship); August 2011 (2): Marriage Assistance, Relief in Funeral and Death cases and December 2011 (4): Medical Reimbursement for Serious illness, Financial Assistance/Grant on loan for construction of houses, Cash Prize to meritorious students and Night Shelter Scheme.

The Board accepted (June 2012) that insufficient publicity of welfare schemes led to non coverage of more beneficiaries though no beneficiary who applied was left out from getting financial assistance.

State Government stated (October/November 2012) that due to wide publicity in 2011-12 and 2012-13 there is a notable increase of number of beneficiaries in 2012-13. However, information regarding number of applications received and processed was not furnished.

#### **Blocking of funds**

**Funds of ₹16.50 lakh remained blocked with Collectors and DLOs.**

The Board notified (September 2010) guidelines for implementation of Immediate Relief in Accident Scheme (Scheme) which, *interalia*, provided release of immediate relief<sup>41</sup> within one week in accident cases to the construction workers died/injured due to natural calamity or by accident. As per condition No. *gha* (1) & (2) of the guidelines *ibid*, to ensure early payment of relief, the Board would transfer the funds in advance to District Collectors who are the competent authority for sanction of the relief.

It was observed that the Board advanced (December 2010) ₹16.50 lakh to 33 District Collectors (₹0.50 lakh each) for implementation of the scheme during 2010-11. As per the information provided (June 2012) by the Board, the District Collectors did not show any interest in extending the benefit to the affected beneficiaries, so the same was received back (September 2011). Subsequently, the board transferred (September/October 2011) this amount to District Labour Officers (DLOs). Audit observed that only 14 DLOs sanctioned relief of ₹2.25 lakh to beneficiaries during 2011-12 and ₹14.25 lakh (86 *per cent*) were lying unutilised as of July 2012 indicating lack of interest of implementing agencies towards the welfare scheme. Besides, transfer of funds to DLOs without amending the scheme guidelines was irregular as District Collectors only were competent to sanction the relief.

State Government while accepting the fact, stated (October 2012) that due to difficulties in implementation of the scheme through District Collectors, the DLOs were authorized to release assistance to avoid delay in extending benefit to the beneficiaries. However, information about efforts made to arouse interest among beneficiaries was not intimated.

#### **3.4.3.8 Financial Management.**

##### **Non-investment of Surplus Funds**

**Surplus funds were not invested in Nationalised Banks.**

As per Rule 50 of the Rajasthan Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2009', all money belonging to the Fund was to be invested in Nationalised Banks or scheduled banks or in Government approved securities. It was observed that of the amount ₹10.50 crore transferred by the State Government during 2010-12 to the Board, ₹6.50 crore was lying in non-interest bearing Personal Deposit (PD) account, ₹87.37 lakh in savings bank account of the Board and ₹32.08 lakh in the current account of the Board as on 31st March 2012.

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41. In case of deaths (₹10,000), serious injuries (₹5000) and ordinary injuries (₹500 to 1,000).

However, the Board did not frame any policy for investment of the surplus funds resulting in loss of interest that could have been earned by investing the surplus funds.

State Government informed (October/November 2012) that due to expenditure on administrative works and welfare schemes, sufficient funds were not left for investment in bank and securities. However, the surplus amount has now been invested in Nationalised Bank. Reply is silent about framing the investment policy.

### **3.4.3.9 Internal Control**

#### ***Meetings of the Board***

**Short fall in meetings of the Board.**

As per Rule 30 and 35 of the Rules, the Board shall ordinarily meet once in two months and decision taken in the meeting of the Board shall be recorded in a minutes book at the same meeting and signed by the Chairpersons.

During test check of the records of the Board, it was revealed that ten meetings (2009-10: one; 2010-11: four and 2011-12: five) were held by the Board. Hence, there was shortfall of three meetings in 2009-10, two meetings in 2010-11 and one in 2011-12. It was also noticed that the Board in its meetings pointed out slow progress of registration of employers/beneficiaries and stressed for effective implementation and publicity of Welfare Schemes. Though the same was found communicated by Commissioner, Labour Department (June 2011) and Principal Secretary (September 2011) to all District Labour Officers but impact was not visible on ground level.

State Government accepted (October/November 2012) the fact of short fall in meetings and assured that the target would be achieved in 2012-13.

#### ***Internal Audit of Records***

**Internal audit wing was not established in the Board.**

It was observed that no internal audit was conducted during 2009-12. The State Government accepted the facts and stated (October/November 2012) that there is no system/ arrangement of internal audit of Board and no internal audit wing has been established in the Board because there is no such provision in the Acts or Rules.

Reply of State Government was not convincing as for enforcing financial discipline, effective internal control including internal audit has to be established.

#### ***Accounts and Audit of the Board***

The rules and regulations of the Board required the secretary to finalise the annual accounts and submit the same to the office of the Principal Accountant General (G&SSA), Rajasthan by 30 June every year. This time frame had not been adhered to as the accounts for the year 2010-11 was submitted only on 2 November 2011 and the accounts for the year 2011-12 are awaited (December 2012).

### **Monitoring**

**Vigilance Mobile Cell did not inspect any office since its constitution.**

● The State Government, Labour Department constituted (November 2010) a Vigilance Mobile Cell (five members) headed by Labour Commissioner, two Additional Labour Commissioners, one Deputy Labour Commissioner and one Labour Inspector for on the spot inspection/monitoring of the activities of subordinate offices pertaining to assessment and realisation of Cess. The cell was required to submit its report to Labour Commissioner. It was informed by the Department (July 2012) that the Mobile Cell did not inspect any office since its constitution.

● For effective functioning of the Board and implementation of the welfare schemes, returns/reports were to be prescribed so as to take conclusive action. Audit observed that no such returns/MIS were prescribed under Rule/Act.

● DLOs were also not preparing and submitting any MIS/ returns to the Board. Thus, adequate monitoring and inspection of DLOs for the purpose of assessing the cess and recovery was not done defeating the very purpose of setting up of Vigilance Cell.

State Government accepted (October/November 2012) the fact and stated that instructions were being issued to Labour Commissioners to make the vigilance cell functional.

#### **3.4.3.10 Conclusion**

The State Government framed "Rajasthan Building and Other Construction Workers Rules, 2009 and constituted Rajasthan Building and Other Construction Workers Welfare Board for welfare of construction workers. However, State Government took nearly thirteen years to frame the Rules and to constitute the Board. State Government has also not ensured availability of sufficient manpower and funds at the disposal of the Board for its proper functioning. Consequently, the Board has not been able to achieve its objectives as complete registration of employers and building construction workers could not be ensured. There was large variation in the actual number of works going on and the data maintained by the Board. Further, the number of beneficiaries covered under the benefit of various welfare schemes by the Board was negligible.

#### **3.4.3.11 Recommendations**

- The Board should be provided with necessary manpower and financial resources for effective discharge of its statutory duties,
- The Board should take effective measures to bring all eligible employers under the ambit of the Act. For this suitable mechanism need to be derived among the construction approval agencies and the Board.
- The Board should take effective measures to bring all eligible workers under the ambit of the Act by effective information education and communication of the benefits of registration among workers and details of welfare schemes being implemented by it, and
- The Board should put in place internal control and MIS for effective and proper enforcement of Act/Rules.

## Medical Education Department

### 3.4.4 Central funds not utilised

**Assistance of ₹ 3.51 crore from Government of India/Rajasthan Medical Relief Society for procuring sophisticated equipments for the treatment of cancer patients remained idle/unutilised for more than one/two years in absence of proper planning for their operation.**

In response to the request (January 2010) of Acharya Tulsi Regional Cancer Treatment and Research Institute, Bikaner (ATRCTRI), an associated hospital of Sardar Patel (SP) Medical College, Bikaner, for sanctioning financial assistance for procurement of Cobalt Teletherapy Machine-Bhabatron-II (CT machine) for treating cancer patients, Department of Atomic Energy, Government of India (DAE) approved (March 2010) grant-in-aid of ₹ 1.63 crore<sup>42</sup> to ATRCTRI.

During test check (March 2012) of records of ATRCTRI, Bikaner it was observed that ATRCTRI purchased CT machine in July 2010 at a cost of ₹ 1.81 crore from M/s Panacea Medical Technologies Private Limited, Bangalore. The warranty period of the machine was 18 months from the date of installation. While the machine could be installed only after one year (July 2011) for want of suitable space, it still has not been put to use in absence of cobalt radiation source of 200 RMM. Audit observed that in October 2011, the HoD, Radiotherapy Department, ATRCTRI, Bikaner sent a demand of ₹ one crore to Principal, SP Medical College, Bikaner for procurement of radiation source but the same was still awaited.

On this being pointed out the ATRCTRI accepted (March 2012) that the machine could not be made operative for want of budget for radiation source.

Similarly, test check (December 2011) of records of Principal and Controller, Sawai Man Singh (SMS) Medical College (P&C, MC), Jaipur, revealed that pursuant to request made (August 2010) by Department of Radiotherapy, SMS Medical College, Jaipur for financial assistance, DAE sanctioned (February 2011) grant-in-aid of ₹ 1.34 crore for procurement of CT machine for treating cancer patients and released (March 2011) the funds in favour of Rajasthan Medical Relief Society (RMRS) SMS, Hospital, Jaipur. However, as the actual cost of the CT machine was ₹ 1.70 crore, Head of the Department (HoD) Radiotherapy requested DAE and Principal Secretary, Medical Education Department, Government of Rajasthan, in September 2011 and November 2011 respectively for additional funds for purchase of the CT machine. Accordingly, Rajasthan Medical Relief Society (RMRS), SMS Hospital, Jaipur sanctioned (May 2012) ₹ 0.36 crore.

42. An additional grant of ₹ 18 lakh was also sanctioned (February 2012) for payment of excise duty and Central Sales Tax.

Audit observed that CT machine has not been purchased so far and the amount was lying unutilised as additional funds of ₹1.05 crore were further demanded (July 2012) by P&C, MC for purchase of cobalt radiation source of 200 RMM (₹ 0.90 crore) necessary to make the cobalt unit operative and for de-commission of old Cobalt machine (₹0.15 crore).

P&C, MC stated (May 2012) that the Hospital and the MC administration had not made any demand for financial assistance for procurement of CT machine. The funds have been received by RMRS on the recommendation/request of the HoD, Radiotherapy. P&C, MC also stated that presently there existed one cobalt machine, one Brachy therapy machine and a Linear Accelerator in the Hospital which were providing adequate treatment facilities to cancer patients. However, the Superintendent, SMS Hospital, Jaipur intimated (September 2012) that the new machine is required to replace one old CT machine and also due to heavy work load on the existing machine, lifespan of which is also near completion.

In spite of the above status, assistance of ₹3.51 crore<sup>43</sup> taken from Government of India/RMRS for procuring sophisticated equipments for the treatment of cancer patients, remained idle/unutilised for more than one/two years in absence of proper planning for their operation. As observed from records, since Bhabha Atomic Research Centre normally takes two years for supply of radiation source after deposit of advance, there is remote possibility of use of the equipment/funds during next two years which is again detrimental to the welfare of the patients.

The matter was referred to the State Government in August 2012. A reply is awaited (December 2012).

## Medical and Health Department

### 3.4.5 Funds lying idle

**Due to weak monitoring, primary health infrastructure was not strengthened despite availability of Central assistance of ₹ 3.18 crore which remained unutilised with Public Works Department since January 2001.**

Mention was made in paragraph 3.2.6.6 (c) of the Report of the Comptroller and Auditor General of India for the year ending 31 March 2000 (Civil)-Government of Rajasthan regarding non-utilisation of Central grants of ₹ 17.10 crore received during 1994-96 for the Centrally Sponsored Scheme "Family Welfare Programme" for strengthening primary health infrastructure in demographically poor performing districts and lying in Personal Deposit Account of Additional Director (Family Welfare) since March 1998. The Public Account Committee (PAC), 2002-03 recommended (March 2003) to

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43. Central assistance: ₹3.15 crore; RMRS, SMSH, Jaipur: ₹ 0.36 crore.



complete the 432 construction works early and to start the remaining 54 construction works<sup>44</sup>. Out of 486 construction works, 51 works (Phase-III; 30 and Phase - IV; 21) could not be started as intimated by the Department to PAC. The PAC in 2005-06 imposing responsibility for completion of rest of the construction work on the department, recommended (March 2006) that latest progress regarding completion of remaining construction works be intimated to the Principal Accountant General (PAG) from time to time.

Scrutiny (June 2011) of records of the Director (Family Welfare), Medical and Health Services, Rajasthan, Jaipur (Department) revealed that of 486 works sanctioned (July and September 2000) in 171 Primary Health Centres, only 446 works were completed by Public Works Department (PWD) at a cost of ₹ 13.02 crore (against ₹ 17.10 crore transferred in January 2001) and handed over to Medical and Health Department. Of the remaining 40 works, 21 works<sup>45</sup> were shown as “already exists”. The Department, however, was not aware of these 21 works and in response to audit query wrote (May 2012) to the Chief Medical Health Officers calling for details of the schemes under which the works were completed. 19 works<sup>46</sup> of eight PHCs in seven districts had not been started due to non-availability of land/land disputes. The PWD authorities were submitting progress report to Directorate, Jaipur. Audit observed that the abstract exhibited only the overall status of the work and no details about date of award of work, scheduled date of completion and actual date of completion etc. Of the unspent balance of ₹ 4.08 crore, only ₹ 0.90 crore have been refunded (December 2009) by the PWD and ₹ 3.18 crore continued to remain unutilised with PWD as of May 2012.

Further, Department was not aware as to whether these PHCs had been equipped with the stipulated facilities<sup>46</sup> under other schemes. The Director (RCH) CMHO, Jaipur intimated that information was being called for (August 2012) from concerned CMHOs. As such Audit could not ensure whether these PHCs were able to provide intended health care and medical services to the people in the rural areas.

The State Government stated (October 2012) that efforts are being made to recover the unspent balance of ₹ 3.18 crore from the PWD.

The facts remain that the Department did not monitor the completion of the work pending since 1994-96 and utilize the Central assistance, inspite of the commitment made before the PAC in March 2006. This ultimately resulted in non-providing of primary health infrastructure in eight PHCs of seven districts<sup>47</sup> in rural areas and funds of ₹ 3.18 crore remained unutilised with PWD since January 2001.

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44. Three works have been completed between March 2003 and March 2006.

45. Operation theatre (six), Observation ward (two), Labour room (six), Quarters for Doctors (three) and ANMs (four).

46. Operation theatre (five), Observation ward (two), Labour room (five), Quarters for Doctors (two) and ANMs (five).

47. Bundi: 1, Barmer: 1, Banswara: 2, Dausa: 1, Jhalawar: 1, Sawaimadhopur: 1 and Udaipur: 1.

### 3.4.6 Irregular/excess payment

**The Department, by not acting as per provisions of Request for Proposal, extended undue favour and benefit to Ziqitza Health Care Limited, Mumbai. Further, the Department was not able to put in place a proper regulatory framework to measure the service delivery by Ziqitza Health Care Limited, Mumbai, which resulted in payment of unverified claims of the emergency service provider.**

State Government (Medical and Health Department) launched (September 2008) 'Emergency Response Services' popularly known as '108 Ambulance Service Project' (Scheme) to provide access to medical and health care, particularly attending to emergency situations relating to pregnant women, neonates, parents of neonates, infants and children and thereby reducing infant and maternal mortality rates and in general reduce the vulnerability of the general population to all other emergencies. These services were operated by Emergency Management Research Institute, Hyderabad till June 2010. Meanwhile, the State Government awarded (March 2010) the contract for operating these services to the consortium of M/s Ziqitza Health Care Limited and International Centre for Emergency Techniques, Mumbai (ZHL).

The State Government (Medical and Health Department) executed (April 2010) an agreement with ZHL. As per the Request for Proposal (RFP) appended with the agreement, the contract period was for three years<sup>48</sup> from the date of signing of the agreement and during this period ₹ 94,899 per ambulance per month was payable to ZHL. An average of four trips per day per ambulance was expected in first three months of operation after fully taking over the project, thereafter, a minimum average of five trips per day per ambulance was to be maintained. If this level of service was not maintained, proportionate deduction from the claims of ZHL was to be effected. In other cases of defaults, penalty was also recoverable from the claims submitted by the company.

The Rajasthan State Health Society (RSHS) incurred expenditure of ₹ 40.96 crore and ₹ 34.25 crore towards services provided by ZHL during 2010-11 and 2011-12 respectively. Scrutiny (September 2011 to February 2012) of the records of RSHS, Jaipur revealed that:

(i) The various provisions of RFP/instructions were not being observed by the Department as detailed below:

S. No.	Number and details of provision of RFP	Audit findings
1.	As per para 2 of part A (3) GPRS system was to be installed by ZHL in each ambulance.	GPRS system was installed only in 197 out of 386 ambulances as of November 2011. In absence of GPRS on ambulances the location of the ambulance and its timely reaching (within 30 minutes of the call being received in the call centre) to the needy public could not be monitored. Also, the verification of average trips per day per ambulance could not be ascertained which might have resulted in excess payment to ZHL.

48. To be extended upto two years with mutual consent of both parties.

S. No.	Number and details of provision of RFP	Audit findings
2.	As per para 6(4) of part A (3) NRHM/Government of Rajasthan was responsible to lay down guidelines and operating procedure for ambulance services.	NRHM/Government of Rajasthan was yet to lay down guidelines and operating procedure (April 2012). Formulation of effective operating procedure and guidelines were necessary for ensuring operation and maintenance of fully equipped ambulances, however in absence of the guidelines and operating procedure, effective control and monitoring on the service provider could not be ensured.
3.	As per para 9 of part A (3) there was a provision for financing against bank guarantee and was limited to ₹ two crore. This advance was to be adjusted necessarily from subsequent claims.	The firm was benefitted by the Department as the advance was allowed to be adjusted in 36 instalments by the MD, NRHM instead of adjusting against subsequent monthly claims resulting in loss of interest of ₹ 0.20 crore.
4	As per para 11 of part A (3) Four trips per new ambulance per day was to be allowed for first three months after taking over of the project. In case this level of service is not maintained, proportionate deductions from the claims will be effected.	ZHL has been allowed by MD, NRHM four trips per day per new ambulance added <sup>49</sup> even after three months of taking over of the project in July 2010. Thus, undue benefit was extended to ZHL and excess payment was made.
5	As per para 12 (a) of part A (3) the performance of the project was to be reviewed monthly and quarterly by the Director and Secretary of the Department respectively.	While this was not done, the PD, NRHM decided (July 2010) that monthly services provided by ZHL would be verified by the CM&HO concerned and a copy of the same sent to the Project Director, NRHM and ZHL was to submit claims on the basis of these reports. However, the claims of ZHL have been paid without obtaining even the verification reports from respective CM&HOs.
6.	As per para 12 (d) of part A (3) the performance of the project was to be evaluated by an external agency.	Performance has not been evaluated by any external agency (April 2012).

Further, 'on account payment' ranging between 50 per cent to 80 per cent of the claims raised by the ZHL was being allowed since July 2010 and had not been finalised as of June 2012. Audit further observed that RSHS made an excess payment of ₹ 4.75 crore during September 2010 to August 2011 due to multiple trips<sup>50</sup> exhibited by ZHL in its claims. The excess payment was, however, ordered by MD, NRHM (December 2011 and January 2012) to be adjusted in 10 instalments from November 2011. This undue benefit to ZHL led to loss of ₹ 0.34 crore as interest to the State Government (June 2012).

(ii) As per RFP a minimum average of five trips per ambulance per day was to be maintained. However, trip was not defined. Dispute settlement committee constituted in accordance with RFP felt that trip refers to picking up patients/injured persons from point of location and dropping them at the nearest hospital and returning to base location and modified (November 2011) the definition of trip as "a distance of 30 km from base location as one trip, 31 to 45 km as 1.5 trip and 46 to 60 km as two trips and so on". This modification of trip, the journey undertaken for attending/transporting a patient to the nearest hospital, into kms., was in contravention to the para 14 of Part A-3 of RFP, which envisages that 'basic conditions of agreement shall not be modified'. As there was no basis for these parameters, NRHM did not take any corrective measure for the same and continued to admit claims accordingly from December 2011. Audit, thus observed that the basis for

49. November 2010: 25; January 2011: 25; March 2011: 40; April 2011: 11; May 2011: 16; June 2011:64; July 2011: 21 and November 2011: 20.

50. ZHL equated number of patients carried in ambulances as equal to the number of trips for its claims.

adopting these distances for calculation of trips *vis-à-vis* RFP had not been justified.

(iii) In spite of knowing the fact that ZHL had made modifications in the software and the formats of reports on the basis of which bills were raised without even informing the Government, MD, NRHM did not enforce any regulatory mechanism to safeguard the financial interest of the Government.

(iv) As per the para 4 of part A (3) of RFP the State Government was to provide only vehicles duly fabricated as ambulances and other procurements (except medical/non-medical consumables) required for implementation of the project was to be borne by ZHL. Contrary to this, ₹ 0.65 crore towards salary of the staff provided by the State Government for the month of July 2010 (₹ 0.56 crore) and October 2010 (₹ 0.09 crore) was borne by the State Government. Audit observed that the MD, NRHM decided to recover the amount in November 2011 (after one year) in instalments<sup>51</sup> instead of lumpsum which amounted to extending undue financial benefit to ZHL.

Mission Director, NRHM stated (April 2012) that GPRS system has been installed in all the ambulances, Standing Operating Procedure is at final stage of approval, the matter regarding calculation of trips has been finalised (November 2011) by the Dispute Settlement Committee and CM&HOs have been instructed to sent monthly monitoring reports. The facts remain that the Department has not acted as per provisions of RFP and extended undue favour and benefit to ZHL by not recovering the excess payment in lump sum. Further, the Department has not been able to put in place a proper regulatory framework to measure the service delivery by ZHL, which has resulted in payment of unverified claims of the emergency service provider.

The matter was referred to the State Government in July 2012, a reply is awaited (December 2012).

### **3.4.7 Non-utilisation of funds**

**The State Government failed to utilise Central assistance of ₹ seven crore for more than four years which contributed to short achievement of sterilization targets.**

Government of India (GoI) has been procuring contraceptive materials (including laparoscopes)<sup>52</sup> for effective implementation of National Family Welfare Programme (FWP) and providing the same to State Government for distribution to district hospitals/health centres as per their demand. In December 2006, Government of India (GoI) sanctioned grant-in-aid of ₹ seven crore under FWP to the State Government as it showed its willingness to procure 100 laparoscopes by itself for the year 2006-07 as per the specification finalised by the Ministry of Health and Family Welfare (MoH&FW), GoI.

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51. December 2010: ₹ 0.01 crore; December 2011: ₹ 0.08 crore and 10 instalments of ₹ 5.56 lakh from November 2011.

52. An instrument to be used in laparoscopic sterilization of women for promoting birth control.

Scrutiny of records (May-June 2011) of Director (Family Welfare), Medical and Health Services, Jaipur revealed that Central grant received from GoI in December 2006 for procurement of laparoscopes was credited to Consolidated Fund of the State. However, neither the Department requested State Government to release the central funds nor initiated action for procurement of the laparoscopes by drawing any action plan for utilisation of the central grant during 2006-08. On the request of the State Government, GoI revalidated (April 2008) the sanction with the condition that interest accrued would also be utilised in procurement of laparoscope during 2008-09 and the unutilised amount be refunded with utilisation certificate.

As the Department did not utilise the Central Government grant during 2008-09, the GoI further emphasised (between February 2009 and October 2009) to take immediate action to procure laparoscopes and return the unutilised balance. The Director, Medical and Health Services, Rajasthan, Jaipur invited (October 2009) tenders for procurement of instruments and equipments (including laparoscopes) for distribution in district hospitals/health centres under the FWP and a rate contract for the purchase of the laparoscopes was finalised (June 2010) with M/s Karl Storz Endoscopy India Limited, New Delhi. Though the funds were available with the State Government, Director (RCH) requested (between June 2009, February and December 2010) Director, MoH&FW, GoI to revalidate and transfer the funds to the Rajasthan State Health Society so as to use the same in 2010-11 as the laparoscopes available in the State were very old and needed replacement and for want of this the FWP was being affected adversely. On a specific query by GoI on delay in procurement (January 2011) the State Government informed (January 2011) GoI that there was no rate contract at State/National level in the last year which resulted in delay in procurement. However, GoI while releasing (March 2011) the grant of ₹ 17.96 crore for 2010-11 under the FWP for infrastructure maintenance to the State, adjusted the amount of ₹ seven crore for payment of salary of health workers in the field engaged in implementation of FWP and did not further revalidate the grant (₹ seven crore) for procurement of laparoscopes.

The State Government informed (August 2012) that due to non-execution of rate contract, non operation of budget head and non-finalisation of the tender process, the laparoscopes could not be purchased. The reply confirms lack of preparedness of the State Government to utilise Central grant for more than four years.

Thus, though the State Government obtained Central grant of ₹ seven crore by giving its willingness to procure laparoscopes at its level, it failed in drawing up action plan to utilise the same. Consequently, on one hand the Central assistance remained unutilised for more than four years, hospitals/health centres on the other hand, continued to remain deprived of new supply of laparoscopes which contributed to short achievement of sterilization targets by 37 to 30 *per cent*<sup>53</sup> during 2006-11. The State Government was also deprived of the central assistance for infrastructure maintenance to this extent during 2010-11.

53. As per information furnished (January 2012) by the Department.

**Medical and Health and  
Women and Child Development Departments**

**3.4.8 Non/delayed completion of Sub-Health Centres and  
Anganwadi Centres**

**Failure of the Departments to monitor construction and handing over of Sub-Health/Anganwadi Centres within stipulated period led to denying of the intended benefits to the beneficiaries despite release of sanctioned funds of ₹13.85 crore.**

● State Government, Medical and Health Department (Department) sanctioned (September 2008) ₹13.68 crore for construction of 152 Sub-Health Centres (SHCs) buildings (₹ nine lakh per SHC) in five districts<sup>54</sup> under Dev Narayan Yojana (DNY)<sup>55</sup> to provide primary health care services to the community at the grass-root level. The sanction stipulates that executing agencies for construction of these SHCs was to be decided by the District Collector and the construction works were to be completed within the financial year. Accordingly State Government, Finance Department transferred ₹9.54 crore<sup>56</sup> during 2009-10 to 2011-12 in the PD account of *Zila Parishads* (ZPs) (Rural Development Cell (RDC)) concerned for execution of the works.

During test-check (May 2012) of records of Director, Medical and Health Services, Jaipur and information collected (May 2012) from the ZPs (RDC), it was revealed that against ₹ 9.54 crore transferred during 2009-12 for construction of 152 SHCs, an expenditure of ₹ 1.95 crore only has been incurred (April 2012) on seven SHCs<sup>57</sup> completed (information regarding their handing over was not provided to audit) and construction of 69 SHCs<sup>58</sup> was in progress. Remaining 76 works of SHCs were not taken up due to land dispute (nine), non-receipt of *pattas* from CMHOs (49) and non start of work (18) as reported by respective Chief Executive Officer (CEO) of ZPs. ₹ 7.59 crore<sup>59</sup> were lying unutilised in the Personal Deposit accounts of ZPs (RDC).

● *Anganwadi* Centres (AWCs) are the main delivery point of the Integrated Child Development Services (ICDS) Scheme for providing supplementary nutrition, immunization, health check-up, referral services, pre-school, and non-formal education. State Government, Women and Child Development Department (Department) further sanctioned (2009-10 to

54. Alwar:31; Dholpur:28; Jhalawar:38; Karauli:29; Sawaimadhopur: 26.

55. Being implemented by Social Justice and Empowerment Department for progressive development of highly backward Gurjar community, residing in remote areas such as river valleys, forest valley areas etc.

56. 2009-10: ₹ 2.70 crore (March 2010); 2010-11: ₹ 2.70 crore (December 2010) and 2011-12 : ₹ 4.14 crore (December 2011).

57. Alwar: one and Jhalawar: six.

58. Alwar: 10; Dholpur: eight; Jhalawar: 28; Karauli: 16 and Sawaimadhopur: seven.

59. Alwar: ₹ 1.41 crore; Dholpur: ₹ 1.68 crore; Jhalawar: ₹ 1.45 crore; Karauli: ₹ 1.49 crore and Sawaimadhopur: ₹ 1.56 crore.

2010-11) under Dev Narayan Yojana (DNY) and transferred ₹ 4.31 crore<sup>60</sup> for construction of 139 *Anganwadi* Centres (AWCs) in three districts<sup>61</sup> to *Zila Parishads* (ZPs) (Rural Development Cell). As per the terms and conditions of the sanction order, the construction work of AWCs was to be completed within three months of commencement of the work.

During test-check (April 2011) of records of Deputy Director, ICDS, Alwar and further information collected (May 2012 and September 2012) from Director, ICDS, Sawaimadhopur, Karauli and Jaipur it was revealed that out of 139 AWCs sanctioned during 2009-11, only six AWCs<sup>62</sup> have been handed over, 14 AWCs<sup>63</sup> completed but not handed over and 48 AWCs<sup>64</sup> were under progress (September 2012) after incurring an expenditure of ₹ 1.30 crore<sup>65</sup> as of September 2012. There were no reasons on record about non-starting of construction of 71 AWCs<sup>66</sup> and delay in handing over of 14 completed AWCs.

Both Departments while accepting the facts stated (May 2012) that reasons for delay would be intimated after collecting the same from ZPs. However, the same was awaited (November 2012).

State Government, in case of Medical and Health Services, Stated (December 2012) that necessary instructions/directions have been issued to District Collectors and CMHOs concerned for starting of construction of the remaining works. In case of Women and Child Development Department, it was stated (September 2012) that the responsibility for completion of construction works rests with ZPs and the Department provides necessary assistance and monitor the works.

The replies confirms that both the Departments failed to effectively monitor the construction works despite availability of funds of ₹ 13.85 crore thereby depriving the beneficiaries of the intended benefits of SHCs/AWCs.

## Public Health Engineering Department

### 3.4.9 Delay in completion of Water Supply Scheme

**Inadequate planning and implementation by the Department not only resulted in delaying the Urban Water Supply Scheme by two and half years but after incurring an expenditure of ₹ 19.15 crore, water supply reduced to the level of 56 lpcd once in 72 to 96 hours against earlier supply of 61 lpcd in 24 to 48 hours. Besides, delay in awarding work of packages 01 and 03 resulted in cost overrun of ₹ 3.10 crore.**

The Technical Committee (TC) of Rajasthan Water Supply and Sewerage Management Board approved (August 2008) technically 're-organisation of

60. 2009-10: 69 AWCs ( ₹ 2.00 crore); 2010-11: 70 AWCs ( ₹ 1.99 crore) and 2010-11: ₹ 0.32 crore (Additional sanction in March 2012).

61. Alwar: 91; Karauli: 26 and Sawaimadhopur: 22.

62. Alwar: five (sanctioned in 2009-10) and Sawaimadhopur: one (sanctioned in 2010-11).

63. Alwar: four (sanctioned in 2009-10) and Sawaimadhopur: 10 (sanctioned in 2010-11).

64. Alwar: 38; Karauli: seven and Sawaimadhopur: three.

65. 2009-10: ₹ 0.88 crore and 2010-11: ₹ 0.42 crore.

66. Alwar: 44; Karauli: 19 and Sawaimadhopur: Eight.

Urban Water Supply Scheme (UWSS) Makarana Town' for ₹47.28 crore (three packages<sup>67</sup>: Package (01)- construction of 14 tube wells; Package (02)- construction of ten tube wells etc.; and Package (03) - construction of ten tube wells etc). As per the project report, the UWSS was designed for the year 2041 with designed capacity of 135 litre per capita daily (lpcd) for nine zones of Makarana Town through construction of 34 new tube wells as the existing supply level of UWSS, Makarana was 61 lpcd with 7,290 kilo litre daily (KLD) water available from 27 Tube wells (20 hrs pumping) and water was being provided in some areas of Makarana Town once in 24 to 48 hours. The UWSS was scheduled to be completed by December 2010. The funds were to be shared between Central and State Government/Urban Local Bodies in the ratio of 80:20.

The Executive Engineer, (EE), Public Health Engineering Department (PHED), Division Makarana took up (June 2009) departmentally construction of four tube wells out of 14 (package 01) but as the three tube wells failed due to insufficient discharge, the site of remaining 10 tube wells was changed to Anandpura (package 02) and package 02 was got revised (July 2009) to ₹ 28.33 crore<sup>68</sup>. The NIT was issued in December 2009, which remained under frequent revision upto June 2010 and bids were opened in August 2010. Additional Chief Engineer (ACE), PHED, Region Ajmer issued after more than a year (October 2010) the work order in favour of contractor 'A' for ₹7.90 crore (tubewells constructed departmentally and pipes to be supplied by the Department) with stipulated completion of work by January 2012. The contractor 'A' completed the works (except distribution pipeline in 1000 metres) at a cost of ₹6.27 crore as of November 2011. ₹19.15 crore<sup>69</sup> have been incurred on the UWSS (package 02) including cost of pipes procured by the Department and tube wells constructed departmentally.

Test check (April 2012) of the records of Executive Engineer (EE), PHED Division, Makarana revealed that inspite of the recommendations (December 2008) of Ground Water Department (GWD) that the region being already over exploited, is not sustainable for long term planning, EE, PHED, Makarana got drilled four out of 14 tube wells of package 01 from GWD of which three tube wells proved unsuccessful due to insufficient yield of water. Therefore, remaining 13 tube wells were transferred to package 02 (ten) and Package 03 (three). This led to revising the technical sanction of Package 02 (October 2011) and packages 01 and 03 (January 2012) reflecting improper planning on the part of PHED. Further, the distribution pipeline in a stretch of 1000 metre under package 02 has not been laid for want of permission from Railways and

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67. Package (01): construction of 14 tube wells including inter connections; 12 km Rising pipelines (300 mm Duct Iron); one Pump house; two OHSRs for zones 2&7; one CWR; distribution pipeline for zones 1 to 5 and 7 at Makarana Town: ( ₹11.65 crore); Package (02): construction of ten tube wells; two CWRs; two Pump houses; 30 km Rising pipelines (500 mm DI K-7); two OHSRs; distribution pipeline for zones 8 and 9 ( ₹31.24 crore); and Package (03): construction of ten tube wells; one OHSR and distribution pipeline for zone 6 ( ₹4.39 crore).

68. Further revised in October 2011 to ₹26.71 crore.

69. Package 02: construction of 20 tube wells, two pump house, two CWRs, two OHSRs, laying and jointing of 30,400 metre rising pipelines and 1,933 metre distribution pipelines. ( ₹6.27 crore), cost of pipes, construction of 20 tubewells etc. ( ₹12.88 crore).



BSNL as its alignment was passing across Railway track and Telephone lines. Audit observed that though the scheme was approved in August 2008, department took up the matter with Railways in December 2009 and BSNL in September 2011 for granting permission. Further, in the absence of effective pursuance permission was still awaited as of August 2012. The system developed under package 02 is being used jointly with the old/existing system and water supply level of 56 lpcd was being maintained by supplying water to public once in 72 to 96 hours which is less than what was being supplied (61 lpcd) from the old system in 24 to 48 hours.

Further, the Department did not take action for taking up the remaining work of package 01 and the package 03 alongwith package 02. Consequently, the cost of these packages (₹11.65 crore and ₹4.39 crore) was revised (January 2012) to ₹10.49 crore<sup>70</sup> and ₹10.71 crore respectively. ACE, PHED, Region Ajmer issued (July 2012) the work orders of these packages to two contractors 'B' and 'C' for ₹11.85 crore and ₹12.45 crore respectively with scheduled completion by July 2013. Allotment (July 2012) of the work of packages 01 and 03 for ₹24.30 crore against technically approved cost of ₹21.20 crore led to extra burden of ₹3.10 crore towards cost escalation on the State ex-chequer due to delay of four years in awarding the work.

The State Government accepted (November 2012) the delay in changing the site of tube wells and taking time in tendering process and stated that the project on completion would provide adequate benefits. The facts remain that the scheme scheduled to be completed by December 2010 was still incomplete.

Thus, inadequate planning and implementation by the Department not only resulted in delaying the UWSS by two and half years but after incurring an expenditure of ₹19.15 crore, water supply reduced to the level of 56 lpcd by supplying water to public once in 72 to 96 hours which is less than what was being supplied (61 lpcd) from old system in 24 to 48 hours. Besides, delay in awarding work of packages 01 and 03 resulted in cost overrun of ₹3.10 crore.

### **3.4.10 Infructuous expenditure**

**Lack of planning of the Department in executing Banswara Sewerage Scheme led to its non-commissioning, denying the beneficiaries of Sewerage facility for the last 25 years and rendering the expenditure of ₹4.81 crore infructuous.**

The Policy Planning Committee (PPC) of Rajasthan Water Supply & Sewerage Management Board (RWSSMB), Public Health Engineering Department (PHED) accorded (September 1987) Administrative and Financial (A&F) sanction of ₹1.02 crore<sup>71</sup> for Sewerage Scheme, Banswara (scheme).

70. Excluding 10 tube wells transferred to package 02.

71. For providing laying and jointing pipeline: ₹0.78 crore; land acquisition: ₹0.05 crore and T&P and sanitary blocks: ₹0.05 crore, contingency and pro rata charges: ₹0.14 crore.

Since the proposal did not include Sewerage Treatment Plant (STP), while according A&F sanction, the PPC stated that STP should be an integral part of the scheme so that pollution problem may not be created and directed the Department to submit a separate proposal for STP. The PPC revised (February 1995) the A&F sanction to ₹ 2.34 crore in view of the increased land prices and reiterated that a separate proposal for construction of STP be put up for consideration within a period of four months. The A&F sanction was again revised to ₹ 2.69 crore (January 2002).

Against the sanction of ₹ 2.69 crore for laying of sewerage pipe line, 18,661 metre pipeline was laid at a cost of ₹ 2.62 crore. Of this, 2,872.50 metre sewerage pipeline was handed over to the Municipality, Banswara in April 2000 and another 10,922.24 metre in May 2005. The remaining 4,866.26 metre pipeline though laid was not handed over/transferred as of May 2012 due to land disputes and various other reasons. Further, the pipeline handed over in April 2000/May 2005 to the Municipality, Banswara, was lying in damaged condition as reported by Executive Officer, Municipality, Banswara (January 2012) and the scheme cannot be commissioned without getting the pipeline repaired. While taking over (May 2005) the possession of pipeline, the Executive Officer, Municipality, Banswara showed inability to maintain it without STP.

Audit observed (October 2011) that despite repeated directions of PPC for submitting proposals for STP in September 1987 and February 1995, the Department did not take any action. The Finance Committee (FC) of RWSSMB separately accorded A&F sanction (August 2006) of ₹ 1.37 crore for construction of 6.34 Million Litre per Day (MLD) STP at Banswara. Against this, the work order for ₹ 2.44 crore was issued (July 2007) by the Department without obtaining revised A&F sanction. Therefore the FC had to accord revised A&F sanction (June 2010), as *fait accompli*, of ₹ 2.85 crore in June 2010. The FC also directed the CE (HQ), PHED, Jaipur to fix responsibility against the officers who recommended and placed the work order before obtaining revised A&F sanction. Thus, STP, which was scheduled to be completed in June 2008 had not been handed over to the Municipality as of August 2012<sup>72</sup>. There were no reasons on record for non-completion of STP within stipulated time. The EE (July 2012) attributed the same to slow progress of work by contractor, budget constraints and delay in issue of revised sanction of ₹ 2.85 crore.

State Government while accepting the facts stated (August 2012) that the work of STP was completed and connected with the outfall sewerage pipeline and would be handed over to the Municipality shortly. It was also informed that the ACE, PHED Region, Udaipur had been appointed (July 2012) Investigating Officer to look into the matters of delay in completion of the Scheme and handing over of the same to the Municipality and also to fix responsibility. The facts remain that the Department did not include the proposals for construction of STP alongwith the laying of sewerage pipeline despite repeated directions from PPC and thus did not synchronise various

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72. Completed in March 2012, contractor has been paid ₹ 2.19 crore and his final bill was pending for approval of time extension as reported by the State Government.

components of the scheme while planning the implementation of the scheme. Further, while the construction of STP was inordinately delayed, the scheme can not be commissioned even after seven years of laying the sewerage pipeline in view of sewerage pipelines lying in damaged condition and non handing over of 4866.26 metre sewerage pipeline rendering the expenditure of ₹ 4.81 crore<sup>73</sup> infructuous.

### Department of Technical Education

#### 3.4.11 Non-recovery of development fee from affiliated Colleges

**Lack of internal control and monitoring regarding collection of outstanding development fee by RTU from the affiliated colleges resulted in delayed/non-recovery of development fee of ₹ 4.24 crore for the years 2006-07 to 2009-10 from 157 affiliated colleges extending them undue benefit.**

The Rajasthan Technical University, Kota (RTU) was established in April 2006. The Finance Committee of RTU decided (April 2007) to charge development fee of ₹ 1000 and ₹ 500 from each student every year who seeks admission in Engineering<sup>74</sup> and other Technical courses<sup>75</sup> respectively for establishment and development of basic infrastructure facilities. The Board of Management (BoM) of RTU approved (June 2007) the aforesaid decision with a modification that the development fee for engineering courses for subsequent years would be charged at ₹ 500. The development fee so collected by the affiliated colleges was to be deposited in the account of the University. The University's notification (January 2009) directed that the development fee (session 2006-07 to 2007-08) should be deposited by 14 March 2009 and last date for depositing the development fee in future would be 30 September of each year failing which a late fee of ₹ 5000 per course would be payable by the respective colleges. The BoM further decided (October 2011) to continue the existing development fee structure for 2010-11 onwards.

Test check (April-May 2012) of records of the Registrar, RTU, Kota for the years 2008-09 to 2011-12 revealed that development fee amounting to ₹ 7.60 crore collected by 153 affiliated colleges from the students during the years 2006-07 to 2009-10, was not deposited with RTU. The data of all the affiliated colleges for 2010-11 and 2011-12 was not available with RTU. The Registrar, RTU informed (August 2012) that there was no system to obtain any monthly/quarterly/half-yearly/annual report from affiliated colleges in respect of updated position of development fee. Further, it was seen that records/registers regarding the college wise and year wise position of the total number of students, fees due from the students, recovered and outstanding was

73. Laying of sewerage pipeline and cost of land for STP ₹ 2.62 crore; Payment made to contractor for construction of STP ₹ 2.19 crore.

74. BE, B.Tech, BHMCT and B.Arch.

75. MBA, ME, M.Tech and MCA.

not being maintained by RTU. During audit of the accounts of RTU, Chartered Accountant has also not objected about non-recovery of development fee. This was indicative of absence of internal control in monitoring the deposit of development fee from the affiliated colleges. In the absence of these details audit also could not verify the correctness of the dues.

The State Government, while accepting the facts, stated (September and December 2012) that the information regarding outstanding development fee of ₹ 7.60 crore provided to audit was interim and against this an amount of ₹ 3.60 crore had been recovered/adjusted and efforts were being made for recovering the outstanding development fees.

Thus, lack of internal control and monitoring in the absence of complete records regarding collection of outstanding development fee by RTU from the affiliated colleges resulted in delayed/non-recovery of development fee of ₹ 4.24 crore<sup>76</sup> (as of December 2012) (including late fee of ₹ 0.24 crore) for the years 2006-07 to 2009-10 from 157 affiliated colleges<sup>77</sup> extending them undue benefit.

## General

### 3.4.12 Lack of response to audit observations

**Audit is an aid to management for good governance. The failure of the Government in taking proper corrective action on audit findings indicated inadequate compliance mechanism.**

According to Rule 327(1) of General Financial and Accounts Rules, the retention period for various accounting records ranged between one and three years after audit. Owing to the failure of departmental officers to comply with the observations in inspections reports (IRs) within the prescribed retention period, the possibility of their settlement in the future appeared to be bleak due to non-availability of records.

As on 31 March 2012, there were 6,056 IRs containing 20,523 paragraphs issued during the period 1992-93 to 2011-12 (up to September 2011) which were pending for settlement. Year-wise pendency is as under:

Year	Numbers pending	
	IRs	Paragraphs
Upto 2005-06	1127	3099
2006-07	576	1582
2007-08	673	2203
2008-09	794	2314
2009-10	1068	3740
2010-11	1222	4765
2011-12 (upto September 2011)	596	2820
<b>Total</b>	<b>6,056</b>	<b>20,523</b>

76. (₹7.60 crore + ₹0.24 crore late fee) - ₹3.60 crore = ₹ 4.24 crore.

77. From four colleges only penalty was recoverable.

● For early settlement of outstanding Inspection Reports (IRs) and paragraphs, the State Government issued (August 1969) instructions to all departmental officers for sending the first reply to IRs within a month, and replies to further audit observations within a fortnight. These instructions have been reiterated from time to time. The instructions issued in March 2002 envisaged appointment of nodal officers and Departmental Committee in each of the Administrative Departments to ensure compliance to all the matters relating to audit. Latest instructions have been issued in January 2010.

● An analysis of 358 IRs issued to various units under Police Department (220) and Disaster Management and Relief Department (138) revealed that 1,245 paragraphs were outstanding as on 31 March 2012. Category-wise details of irregularities commented in IRs is given in *Appendix 3.4*. It was further noticed that first reply of four IRs of Police Department was pending for 10 to 16 months.

The Finance Department issued (November 2004) instructions for conducting four meetings per year, but no Department adhered to the instructions of the Finance Department and only 18 Audit Committee meetings were held by 11 Departments during 2011-12.

Audit is an aid to management for good governance. The failure of the Government in taking proper corrective action on audit findings indicated inadequate compliance mechanism. The Government should look into the matter and ensure that procedures are put in place to ensure submission of prompt and proper response to the audit observations, action is taken against the defaulting officials and recoveries of losses/outstanding advances/overpayments are made in a time bound manner.

**JAIPUR,  
The**

**(SUNIL BAHRI)  
Principal Accountant General  
(General and Social Sector Audit), Rajasthan**

**Countersigned**

**NEW DELHI,  
The**

**(VINOD RAI)  
Comptroller and Auditor General of India**

## Appendix 2.1

(Refer paragraph 2.1.7.3; page 21)

### Statement showing position of pending encroachment cases in test checked divisions as of March 2012

S.No	Name of division	No. of cases	Area involved (in hectare)	Period of pendency		
				Upto one year	One to three years	Above three years
1.	DCF, TP, Sariska	97	164.63	-Nil-	40	57
2.	DFO, Banswara	27	17.133	-Nil-	-Nil-	27
3.	DCF, Bhilwara	12	23.15	-Nil-	3	9
4.	DCF, Jaipur (C)	166	62.85	16	119	31
5.	DCF, Jaipur (N)	2	3.84	-Nil-	1	1
6.	DFO, Jodhpur	56	Not furnished	-Nil-	56	-Nil-
7.	DCF, Jhunjhunu	60	33.85	59	-Nil-	1
8.	DCF, Nagaur	15	1.18	-Nil-	15	-Nil-
9.	DCF, Sriganganagar	8	75.87	8	-Nil-	-Nil-
10.	DCF, RTP, Sawaimadhopur	34	156.25	12	-Nil-	22
11.	DCF, Udaipur (South)	3039	6093.85	-Nil-	-Nil-	3039
12.	Dy. CWLW, Udaipur	2001	1938.62	-Nil-	-Nil-	2001
13.	DFO, Jhalawar	397	219.91	392	5	-Nil-
	<b>Total</b>	<b>5,914</b>	<b>8,791.13</b>	<b>487</b>	<b>239</b>	<b>5,188</b>

Note: No cases were pending in DCF KNP Bharatpur, WL, Chittorgarh, WL, Kota and DNP, Jaisalmer

Source: As per information received from divisions

**Appendix 2.2**

(Refer paragraph 2.1.7.3; page 22)

**Statement showing position of cases of illegal mining in test checked divisions as of March 2012**

S.No.	Division	Pending as on 1 April 2009	2009-10			2010-11			2011-12			Pending cases as of March 2012					
			Total	Registered	Settled	Balance	Registered	Settled	Balance	Registered	Settled	Balance	Pending with		Period of pendency in department		
													Court	Department	Upto one year	One to three years	More than three years
1.	DCF, RTP, Sawaimadhopur	6	25	20	11	21	20	12	30	30	12	3	9	5	3	1	
2.	DCF, TP, Sariska	20	4	3	21	28	34	15	25	25	15	1	14	1	10	3	
3.	DCF, WL, Kota	153	6	4	155	19	17	157	13	13	157	60	97	2	12	83	
4.	DCF, Jaipur (Central)	161	110	109	162	81	79	164	42	41	165	11	154	10	36	108	
5.	DCF, Jaipur (North)	15	194	190	19	182	172	29	167	156	40	11	29	16	13	Nil	
6.	DCF, Udaipur(South)	Nil	9	6	3	25	25	3	Nil	Nil	3	1	2	Nil	2	Nil	
7.	DFO, Banswara	10	33	36	7	5	6	6	19	18	7	Nil	7	Nil	4	3	
8.	DFO, Jodhpur	86	14	57	43	26	25	44	12	23	33	Nil	33	14	19	Nil	
9.	DCF, Sriganganagar	1	2	1	2	5	5	2	2	3	1	Nil	1	1	Nil	Nil	
10.	DFO, Jhalawar	50	324	308	66	179	165	80	152	110	122	29	93	80	8	5	
11.	DCF, Bhilwara	6	23	20	9	37	38	8	25	23	10	4	6	Nil	5	1	
12.	DCF, Nagaur	Nil	7	6	1	27	27	1	7	6	2	Nil	2	2	Nil	Nil	
	<b>Total</b>	<b>508</b>	<b>751</b>	<b>760</b>	<b>499</b>	<b>635</b>	<b>613</b>	<b>521</b>	<b>494</b>	<b>448</b>	<b>567</b>	<b>120</b>	<b>447</b>	<b>131</b>	<b>112</b>	<b>204</b>	

DCF, WL, Chittorgarh and DCF, Jhunjhunu not furnished the information.

DCWLW KNP, Bharatpur, Deputy Director, DNP, Jaisalmer and Deputy CWLW, Udaipur intimated nil cases of illegal mining during the period 2009-12.

Source: As information intimated by divisions.

### Appendix 2.3

(Refer paragraph 2.1.7.3; page 22)

#### Statement showing position of cases of illegal grazing in test checked divisions as of March 2012

S.No.	Division	Pending as on 1.4.09	2009-10			2010-11			2011-12			Pending cases as of March 2012					
			Total	Registered	Settled	Balance	Registered	Settled	Balance	Registered	Settled	Balance	Pending with		Period of pendency in department		
													Court	Department	Upto one year	One to three years	More than three years
1.	DCF RTP, Sawaimadhopur	30	179	176	33	129	128	34	99	102	31	12	19	11	1	7	
2.	DCF, TP, Sariska	280	307	319	268	233	447	54	340	343	51	20	31	1	30	Nil	
3.	DCWLW, KNP, Bharatpur	27	80	80	27	29	31	25	10	10	25	Nil	25	Nil	6	19	
4.	Deputy Director, DNP, Jaisalmer	Nil	27	27	Nil	19	19	Nil	64	64	Nil	Nil	Nil	Nil	Nil	Nil	
5.	Deputy CWLW, Udaipur	1	417	415	3	786	787	2	862	860	4	Nil	4	4	Nil	Nil	
6.	DCF, WL, Kota	101	30	22	109	36	39	106	18	16	108	12	96	2	41	53	
7.	DCF, Jaipur (Central)	44	108	111	41	105	101	45	120	127	38	2	36	1	Nil	35	
8.	DCF, Jaipur (North)	6	64	61	9	22	30	1	11	12	Nil	Nil	Nil	Nil	Nil	Nil	
9.	DCF, Udaipur (South)	Nil	92	91	1	105	104	2	33	33	2	Nil	2	2	Nil	Nil	
10.	DFO, Banswara	14	116	115	15	71	78	8	83	79	12	Nil	12	7	5	Nil	
11.	DFO, Jodhpur	Nil	Nil	Nil	Nil	1	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
12.	DCF, Sriganganagar	Nil	2	2	Nil	9	9	Nil	7	7	Nil	Nil	Nil	Nil	Nil	Nil	
13.	DFO, Jhalawar	12	39	30	21	11	17	15	15	24	6	3	3	3	Nil	Nil	
14.	DCF, Bhilwara	4	359	349	14	296	301	9	288	293	4	2	2	1	Nil	1	
15.	DCF, Nagaur	Nil	55	54	1	32	32	1	25	26	Nil	Nil	Nil	Nil	Nil	Nil	
	<b>Total</b>	<b>519</b>	<b>1,875</b>	<b>1,852</b>	<b>542</b>	<b>1,884</b>	<b>2,124</b>	<b>302</b>	<b>1,975</b>	<b>1,996</b>	<b>281</b>	<b>51</b>	<b>230</b>	<b>32</b>	<b>83</b>	<b>115</b>	

DCF WL, Chittorgarh and DCF, Jhunjhunu not furnished the information.

Source: As per information intimated by divisions.



**Appendix 2.4**

(Refer paragraph 2.1.7.3; page 24)

**Details of cases of diversion of forest land in violation of Forest Conservation Act as of March 2012**

(₹ in crore)

S.No.	Name of Div.	Name of diversion case/ user agencies	Area (in hectare)	In-principle approval by GoI	Amount to be deposited as per in-principle Approval	Amount received	Balance amount	Final approval by GoI	Remarks
1.	DFO, Jodhpur	For Filter Plant Jhalamund Water Storage Tank, Forest Block –Vyas Ji Ki Bewari PHED	17.00	8B/Raj/08/22/2010 /FC- dated 25.05.2011	NPV 1.06 CA 0.15 Penal CA 0.25 Total 1.46	Nil	1.46	Not obtained	DFO Jodhpur vide letter No.18847/20.10.81 permitted for work to utilise world bank fund and due to importance of work . The work was completed in 2005.
2.	DFO, Jhalawar	For construction of Chhapi Irrigation Project, Jhalawar WRD	766.00	8-63/93-FC dated 07.01.1998	CA 0.82 Penal CA 21.93 NPV 61.51 Total 84.26	0.82 1.71 2.53	81.73	Not obtained	Work completed between 1980 to 1999 but condition of in-principle approval for deposit of penal CA and NPV was not fulfilled as of March 2012. Final approval awaited.
3.	DCF, Jaipur (North)	For Shikhargatta Irrigation Scheme, WRD	4.00	8-99/99-FC dated.25.04.2000 And revised 8B/Raj/02/13/2001/FC dated 21.03.2002	CA 0.02 Revised CA & NPV 0.29 Total 0.31	0.02 0.29 0.31	Nil	Not obtained	Project work was completed between 1998-99 to 2003-04 without final approval.
4.	DCF, Bhilwara	For Kota –Chittorgarh Broad gauge Railway line. Railways	60.64	Awaited	could not be calculated with out in-principal approval	Nil	Nil	Nil	Work completed between 1984 and 1989 in anticipation of approval and due to importance of work.
	<b>Total</b>		<b>847.64</b>		<b>86.03</b>	<b>2.84</b>	<b>83.19</b>		

Source: As per records of divisions.

**Appendix 2.5**

(Refer paragraph 2.1.7.6; page 26)

**Position of vacant posts of frontline staff during 2009-12**

Year	Sanctioned/Working	Ranger Gr-I	Ranger Gr-II	Forester	Assistant forester	Forest Guards/ game watchers
2009-10	Sanctioned	264	185	1000	919	4002
	Working	245	173	953	883	3040
	Vacancy	19 <i>(7 per cent)</i>	12 <i>(6 per cent)</i>	47 <i>(5 per cent)</i>	36 <i>(4 per cent)</i>	962 <i>(24 per cent)</i>
2010-11	Working	238	153	904	799	2735
	Vacancy	26 <i>(9 per cent)</i>	32 <i>(17 per cent)</i>	96 <i>(9 per cent)</i>	120 <i>(13 per cent)</i>	1267 <i>(32 per cent)</i>
2011-12	Working	176	137	857	805	3480
	Vacancy	88 <i>(33 per cent)</i>	48 <i>(26 per cent)</i>	143 <i>(14 per cent)</i>	114 <i>(12 per cent)</i>	522 <i>(13 per cent)</i>

Source: Administrative reports of Forest Department.

**Appendix 3.1**

(Refer paragraph 3.1.3; page 52)

**Details of non-recovery/short recovery of royalty from contractors bills**

											(₹ in lakh)
S. No.	Name of Office	Name of work	Name of contractor	Work order No. and date with stipulated date of completion	Short Term Permission if received no. and date	Payment made to contractors	Amount of royalty due (0.5 per cent)	Royalty deducted	Royalty short deducted	Royalty withheld in deposit V	Status of work
1	2	3	4	5	6	7	8	9	10	11	
1.	EE, PHED, RIGEP Division, Barmer	(1) RWSS of Umed Sagar Dhawa Samdari Khandap Part-III (package-3)	M/s Nagarjuna Construction Co. Ltd., Hyderabad	CE (Project) Jodhpur 5564-84 /17.7.2008 26.11.2009	318/ 28.7.2011	22721.45	113.61	13.22	100.39	26.57	Work in progress
		(2) RWSS Umed Sagar Dhawa-Samdari-Khandap Part -III(package -2)	M/s Devendra Construction Co. Jodhpur	CE (Project) Jodhpur 21551-67 18.3.2010, 27.3.2011	499/ 8.9.2011	598.94	2.99	0.09	2.90	0.78	Work in progress
2.	EE, PHED District Division-II, Jodhpur	(1) RWSS- RGLC RD-159.50 Khudiyala-Jiyabari-Agodia-Shindh-Balesar	M/s Tapi Prestressed (A)	CE (Project) Jodhpur 14677/8.02.2011 17.2.2013	51/18.01.2012	2921.49	14.61	0.57	14.04	-	Work in progress
		(2) RWSS-RGLC RD-134 Devania-Makadau Kanodia-Shergarh Chaba Project Part-II	M/s Devendra Construction Co. (B)	CE (Project) Jodhpur 8448/8.10.08 11.10.09	107/4.2.09	776.12	3.88	0.64	3.24	-	Completed
		(3) NRDWP Scheme Doli Sub-division Pipeline and Tanka work under sub-division Doli Construction of pipeline and GLR at SC/ST Dhani	M/s Jala Ram (C)	EE, Jodhpur 8037 /25.01.2011 3.5.11	Not received	55.78	0.28	0.17	0.11	-	Completed
		(4) Construction of GLR and pipeline in selected Bharat Nirman Dhani	M/s A.K Construction (D)	EE, Jodhpur 8043/25.01.2011 3.5.11	221 22.3.2011	64.46	0.32	0.04	0.28	0.08	Completed

S. No.	Name of Office	Name of work	Name of contractor	Work order No. and date with stipulated date of completion	Short Term Permission if received no. and date	Payment made to contractors	Amount of royalty due (0.5 per cent)	Royalty deducted	Royalty short deducted	Royalty withheld in deposit V	Status of work
1	2	3	4	5	6	7	8	9	10	11	
		(5) Construction of GLR and pipeline in Government School	M/s Vishnu Construction (E)	EE, Jodhpur 8049/25.01.2011 3.5.11	Not received	43.46	0.22	0.11	0.11	-	Work in progress
		(6) Construction of GLR and pipeline in Anganwadi	M/s Qualitech Construction (F)	EE, Jodhpur 8007/25.01.2011 3.5.11	Not received	31.23	0.16	0.13	0.03	-	Completed
3.	EE PHED District Division-III, Jodhpur	RWSS RGLC RD-177.5 Tiwari-Mathania-Osciya-Bavadi, Bhopalgarh	M/s Nagarjuna Construction	CE (Project), Jodhpur 9287/13.10.2010 20.10.2012	392/ 14.7.11	5152.18	25.76	7.03	18.73	-	Work in progress
4.	EE, PHED Bisalpur-Dudu Project Division-II, Dudu	(1) Bisalpur-Dudu Project RWSS-105 villages	M/s Ramky Infrastructure Ltd.	ACE (Bisalpur), Jaipur 1247/07.12.2007 16.06.2009	Not received	5317.77	26.59	19.40	7.19	6.00	Work in progress
		(2) Bisalpur-Dudu Project RWSS for 160 villages	M/s Ramky Infrastructure Ltd.	ACE, Udaipur 1259/07.12.2007	Not received	5426.73	27.13	21.78	5.35	-	Work in progress
5.	EE, PHED, Dungarpur	(1) Aug of Panchlasi under Som Kamla Amba Dam	M/s Dara Construction	SE, Udaipur 8793/25.02.2010 07.09.2010	Not received	161.62	0.81	0.81	Delayed recovery of 0.56 lakh by two year	-	Completed
		(2) RWSS, Thakarada	M/s Ambika pollution control	SE Udaipur 4037-41 25.07.2008 03.02.2009	Not received	132.99	0.66	0.66	Delayed recovery of 0.56 lakh by two year	-	Completed
		<b>Total</b>				<b>43404.22</b>	<b>217.02</b>	<b>64.65</b>	<b>152.37</b>	<b>33.43</b>	

### Appendix 3.2

(Refer paragraph 3.4.1; page 59)

#### Details of funds reimbursed by GoI and expenditure incurred thereof

(₹ in lakh)

Year	Amount reimbursed by GoI	Amount to be incurred on prevention and control of Pollution	Expenditure incurred on prevention and control of pollution				
			Research and Development	Laboratory	Advertisement and Publication	Total	Shortfall
2005-06	424.47	318.35	125.36	10.26	1.71	137.33	181.02
2006-07	357.54	268.14	104.55	3.97	7.37	115.89	152.25
2007-08	322.24	241.68	37.05	5.38	17.22	59.65	182.03
2008-09	790.79	593.08	97.91	7.84	27.45	133.20	459.88
2009-10	966.77	725.08	61.67	2.91	29.44	94.02	631.06
2010-11	2010-11 has been deleted as target of expenditure ceiling 50 per cent on activities of Pollution Control was achieved.						
2011-12	1655.37	827.68 (50% revised)	68.12	3.89	119.33	191.34	636.34
<b>Total</b>	<b>4,517.18</b>	<b>2,974.01</b>	<b>494.66</b>	<b>34.25</b>	<b>202.52</b>	<b>731.43</b>	<b>2,242.58</b>

i.e. ₹ 45.17 crore ₹ 29.74 crore

₹ 7.31 crore ₹ 22.43 crore

### Appendix 3.3

(Refer paragraph 3.4.3; page 65)

#### List of Registered Employers related to Building and other construction work

S.No.	District	Year	Total Registered (Employers)	Registered employers				Non Registered employers				Action Taken against non-registered employers
				Government	Private	Semi Government	Others	Government	Private	Semi-Government	Others	
1	Udaipur	2010-11	51	12	34	5		4	3	9		Notices issued
		2011-12	7		5	2		4	1	4		
		<b>Total</b>	<b>58</b>	<b>12</b>	<b>39</b>	<b>7</b>	<b>0</b>	<b>8</b>	<b>4</b>	<b>13</b>	<b>0</b>	
2	Pratapgarh	2010-11	10				10					
		2011-12	1				1					
		<b>Total</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
3	Dungarpur	2010-11										
		2011-12	3		3							
		<b>Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
4	Chittorgarh	2010-11	88	2	45	41						
		2011-12	41	1	35	5						
		<b>Total</b>	<b>129</b>	<b>3</b>	<b>80</b>	<b>46</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
5	Rajsamand	2010-11	14		14			3	3	8		Notices issued
		2011-12	24		24			3	3	8		Notices issued
		<b>Total</b>	<b>38</b>	<b>0</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>16</b>	<b>0</b>	
6	Kota	2010-11	5		5			1	8	5	2	Notices issued
		2011-12	38	2	36			2	2	9	2	Notices issued
		<b>Total</b>	<b>43</b>	<b>2</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>10</b>	<b>14</b>	<b>4</b>	
7	Bundi	2010-11	19	12	5	2		4	2	2	8	Notices issued
		2011-12	4		4			2	4		6	Notices issued
		<b>Total</b>	<b>23</b>	<b>12</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>2</b>	<b>14</b>	

S.No.	District	Year	Total Registered (Employers)	Registered employers				Non Registered employers				Action Taken against non-registered employers
				Government	Private	Semi Government	Others	Government	Private	Semi-Government	Others	
8	Jalore	2010-11	8	2	6							
		2011-12	1		1							
		<b>Total</b>	<b>9</b>	<b>2</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
9	Pali	2010-11	10		10							
		2011-12	4	1	3							
		<b>Total</b>	<b>14</b>	<b>1</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
10	Sirohi	2010-11	16		16							
		2011-12	3		3							
		<b>Total</b>	<b>19</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
11	Jaipur	2010-11	74		70	4						
		2011-12	59		56	3			64			
		<b>Total</b>	<b>133</b>	<b>0</b>	<b>126</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>64</b>	<b>0</b>	<b>0</b>	
12	Bharatpur	2010-11	24	1	7	15	1	8	6	25	5	Notices issued
		2011-12									2	Notices issued
		<b>Total</b>	<b>24</b>	<b>1</b>	<b>7</b>	<b>15</b>	<b>1</b>	<b>8</b>	<b>6</b>	<b>25</b>	<b>7</b>	
13	Dholpur	2010-11	13	9	4			4	9			Notices issued
		2011-12										Notices issued
		<b>Total</b>	<b>13</b>	<b>9</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>9</b>	<b>0</b>	<b>0</b>	
14	Karauli	2010-11	21		21				21			Notices issued
		2011-12	2		2				2			Notices issued
		<b>Total</b>	<b>23</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>	
15	Sawaimadhopur	2010-11	6	1	5							Notices issued
		2011-12										
		<b>Total</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
16	Banswara	2010-11										
		2011-12										
		<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
17	Dausa	2010-11	14		14							
		2011-12	9		9							
		<b>Total</b>	<b>23</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

S.No.	District	Year	Total Registered (Employers)	Registered employers				Non Registered employers				Action Taken against non-registered employers
				Government	Private	Semi Government	Others	Government	Private	Semi-Government	Others	
18	Jaisalmer	2010-11	14		14							
		2011-12	48		48							
		<b>Total</b>	<b>62</b>	<b>0</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
19	Balotra (Barmer)	2010-11	15	8	7							
		2011-12	3		2	1						
		<b>Total</b>	<b>18</b>	<b>8</b>	<b>9</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
20	Jodhpur	2010-11	10	1	8	1						
		2011-12	24		24							
		<b>Total</b>	<b>34</b>	<b>1</b>	<b>32</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
21	Bikaner	2010-11	15	3	7		5					
		2011-12	30	1	5		24					
		<b>Total</b>	<b>45</b>	<b>4</b>	<b>12</b>	<b>0</b>	<b>29</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
22	Hanumangarh	2010-11	22	4	14	4						
		2011-12	15	3	12							
		<b>Total</b>	<b>37</b>	<b>7</b>	<b>26</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
23	Sriganganagar	2010-11										
		2011-12	5				5					
		<b>Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
24	Bhilwara	2010-11	77	1	50	26			6		Notices Issued	
		2011-12	45	2	31	12		6			Notices Issued	
		<b>Total</b>	<b>122</b>	<b>3</b>	<b>81</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	
25	Alwar	2010-11	54		53	1			53	1		
		2011-12	21		20		1		20		1	
		<b>Total</b>	<b>75</b>	<b>0</b>	<b>73</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>73</b>	<b>1</b>	<b>1</b>	
26	Baran	2010-11	2		2				18	10		
		2011-12	21		19	2			15	7		
		<b>Total</b>	<b>23</b>	<b>0</b>	<b>21</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>33</b>	<b>17</b>	<b>0</b>	



S.No.	District	Year	Total Registered (Employers)	Registered employers				Non Registered employers				Action Taken against non-registered employers
				Government	Private	Semi Government	Others	Government	Private	Semi-Government	Others	
27	Jhalawar	2010-11	7			7		17	19	12		
		2011-12	28	3		25						
		<b>Total</b>	<b>35</b>	<b>3</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>17</b>	<b>19</b>	<b>12</b>	<b>0</b>	
28	Ajmer	2010-11	17		17							Notices Issued
		2011-12										
		<b>Total</b>	<b>17</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
29	Sikar	2010-11	5		5							
		2011-12	8		8							
		<b>Total</b>	<b>13</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
30	Nagaur	2010-11	28	1	25	2						
		2011-12	16		16							
		<b>Total</b>	<b>44</b>	<b>1</b>	<b>41</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
31	Tonk	2010-11	14		14							Notices Issued
		2011-12	18		18							Notices Issued
		<b>Total</b>	<b>32</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
32	Jhunjhunu	2010-11										
		2011-12	3	2	1							
		<b>Total</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
33	Churu	2010-11	34		34							
		2011-12	24		24							
		<b>Total</b>	<b>58</b>	<b>0</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
		<b>G. Total</b>	<b>1192</b>	<b>72</b>	<b>915</b>	<b>158</b>	<b>47</b>	<b>52</b>	<b>259</b>	<b>106</b>	<b>26</b>	

Source: Information collected from various District Labour Offices.

### Appendix 3.4

(Refer paragraph 3.4.12; page 89)

#### Statement showing category-wise details of irregularities commented in Inspection Reports pending as of March 2012

(₹ in crore)

S.No.	Category of irregularity	Police Department		Disaster Management and Relief Department		Total	
		Number of paragraph	Amount	Number of paragraph	Amount	Number of paragraph	Amount
1.	Fraud/ misappropriation/ embezzlement/losses/ theft of stores and cash	2	1.28	27	6.03	29	7.31
2.	Recoveries pointed out by audit and overpayments	97	62.60	41	17.92	138	80.52
3.	Violation of contractual obligation, undue favours to contractors	2	1.79	48	5.62	50	7.41
4.	Avoidable/excess expenditure	28	10.66	47	14.81	75	25.47
5.	Wasteful/ infructuous expenditure	13	224.93	46	38.36	59	263.29
6.	Regulatory issues	54	149.89	370	363.55	424	513.44
7.	Idle investment/ establishment/ stores equipment/ blocking of funds	23	10.48	19	10.68	42	21.16
8.	Delay in commissioning equipment	1	0.15	-	-	1	0.15
9.	Non-achievements of objectives	10	1.39	4	5.15	14	5.54
10.	Miscellaneous	322	3016.83	91	239.17	413	3256
	<b>Total</b>	<b>552</b>	<b>3,480.00</b>	<b>693</b>	<b>701.29</b>	<b>1,245</b>	<b>4,180.29</b>