

OVERVIEW

This Report contains three Performance Audits i.e. (i) Rural and Urban Water Supply Schemes; (ii) National Programme of Mid Day Meals in Schools; and (iii) Framework for setting up of Private Colleges and Private Universities and 27 paragraphs relating to excess, irregular, unfruitful expenditure, avoidable payment, loss to State, shortcomings in implementation of rules and programmes, etc; involving ₹ 528.64 crore. Some major findings are mentioned below:

The total expenditure of the State increased by 62 *per cent* from ₹ 33,063 crore to ₹ 53,677 crore during 2010-15, the revenue expenditure of the State Government increased by 74 *per cent* from ₹ 28,310 crore in 2010-11 to ₹ 49,118 crore in 2014-15 while capital expenditure decreased by eight *per cent* from ₹ 4,031 crore to ₹ 3,716 crore during the period 2010-15.

PERFORMANCE AUDIT

A performance audit of "**Rural and Urban Water Supply Schemes**" was conducted. Some major findings are given below:

- A five year comprehensive water security plan was not prepared. Only annual plans were prepared on demand basis. Further, 455 habitations were water deficient and no plan was prepared to provide potable water in 73 towns.

(Paragraphs 2.1.6.1, 2.1.6.3 and 2.1.6.4)

- Out of 5003 rural water supply schemes, only 3145 schemes were completed (63 *per cent*) leaving 1858 schemes incomplete as of March 2015. Taking up of schemes without ensuring availability of raw water, obtaining prior clearances from concerned authorities, clear title of land, selection of unsuitable sites for water works, inaction of the departmental officers against contractors, execution of works without ensuring the availability of pipes resulted in non-completion of 25 schemes and unfruitful/wasteful expenditure of ₹ 30.46 crore.

(Paragraphs 2.1.8.1 to 2.1.8.5 and 2.1.8.7)

- The component of sustainability of water resources under National Rural Drinking Water Programme was not implemented properly as funds of ₹ 17.47 crore meant for this component were spent on water supply schemes. Further, no arrangement was made for maintenance of assets created for water sustainability.

(Paragraph 2.1.8.8)

- Out of 354 urban water supply schemes, only 213 schemes were completed (60 *per cent*) as of March 2015. Three schemes were lying incomplete for want of permission from railways, non-availability of land for Storage and

Sedimentation tanks and non-resolving of land dispute with land owners resulting in blocking of funds/unfruitful expenditure of ₹ 26.82 crore.

(Paragraphs 2.1.8.10 to 2.1.8.13)

- Against the target of testing 2,19,000 samples of water, only 1,08,593 (50 per cent) samples were collected and tested in selected districts, of which 13 per cent were found unfit. Further, as per data of Health Department, out of 15,481 samples checked for bacteriological examination, 5,818 samples (38 per cent) were found unfit for human consumption.

(Paragraph 2.1.8.14)

- Internal control system was not adequate as records of asset created were not maintained properly, internal audit system was not in place and various reports were not being utilised as managerial tools for taking remedial action.

(Paragraphs 2.1.9.1 to 2.1.9.3)

A performance audit of "**National Programme of Mid Day Meals in Schools**" was conducted. Some major findings are given below:

- Plans for implementation of scheme were prepared without conducting proper survey or obtaining data from school level.

(Paragraph 2.2.6)

- Unspent balances of ₹ 9.83 crore and interest earned amounting to ₹ 0.65 crore were lying in bank accounts of District Elementary Education Officers.

(Paragraph 2.2.7.3)

- Coverage of students under the scheme had decreased from 99 to 95 per cent during 2010-15. There was huge deficit in lifting of foodgrains by schools ranging between 21 and 44 per cent.

(Paragraphs 2.2.8.1 and 2.2.8.2)

- The work of supply of MDM was assigned (September 2006) to the ISKCON in Kurukshetra district. The ISKCON had lifted 5,761 quintals of foodgrains valuing ₹ 1.23 crore in excess and submitted UCs showing whole quantity as consumed. This was due to release of foodgrains without verification of number of meals by the Department.

(Paragraph 2.2.8.4)

- The Department had not evolved any system for testing of food samples to ensure quality of meals served to the children. Further, the system to ensure supply of foodgrains of fair average quality was not followed in Hisar, Kurukshetra and Sirsa districts.

(Paragraphs 2.2.8.5 and 2.2.8.6)

- As against the sanction for construction of 11,483 Kitchen-cum-store during 2006-10, only 8,825 were completed, 903 were in progress and construction of 1,755 was not started.

(Paragraph 2.2.8.10)

A performance audit of "**Framework for setting up of Private Colleges and Private Universities**" was conducted. Some major findings are given below:

- Private colleges were being recognised without obtaining the comments of State Government/affiliating universities, universities were granting affiliation to the colleges having inadequate infrastructure, faculty, etc. There was no provision for regular inspection by universities.

(Paragraphs 2.3.6.1 to 2.3.6.3)

- The Higher Education Department had not maintained proper records of Government receipts. Absence of provision for charging processing fee for setting up of private colleges for the period 2008-14 resulted in loss of revenue of ₹ 97 lakh to the Government.

(Paragraph 2.3.7.1)

- No objection certificates were issued by Medical Education and Research Department after obtaining bank guarantee of ₹ one crore instead of ₹ three crore. Similarly, no objection certificates were issued to three private colleges without obtaining bank guarantees of ₹ three crore by Higher Education Department.

(Paragraph 2.3.7.2)

- Because of failure of Higher Education Department in exercising proper control, a B.Ed college got recognition on the basis of fake documents and by concealing facts.

(Paragraph 2.3.8.1 (a))

- Annual returns to ensure that reservation and fee concession for students of Haryana was being provided by Private Universities, were not being sent regularly to Higher Education Department.

(Paragraph 2.3.8.5)

- The private colleges were running with inadequate infrastructure. Four private universities had appointed 51 faculty members without fulfilling eligibility criteria.

(Paragraphs 2.3.8.6 and 2.3.8.7)

Compliance Audit

Animal Husbandry and Dairying Department failed to create infrastructure for providing veterinary services despite availability of funds. Modernization project was closed without achieving laid down objectives. 19 mobile diagnostic laboratory vans, after incurring expenditure of ₹ 1.79 crore remained unutilized due to not purchasing diagnostic equipment. Irregularities were noticed in running of Pet Clinic and there was under utilisation of veterinary infrastructure.

(Paragraph 3.1)

Haryana State Pollution Control Board did not get itself registered as Charitable Institution under Income Tax Act, 1961 and thereby failed to get the benefit of exemption resulting in avoidable payment of ₹ 60.35 crore as Income Tax and interest thereon.

(Paragraph 3.4)

Food and Supplies Department paid interest of ₹ 15.93 crore due to delay in realization of bills from FCI in eleven districts during 2010-15.

(Paragraph 3.5)

Non-conduct of physical verification of stock regularly, allotment of paddy in excess of millers' capacity, non-obtaining of proper guarantee, coupled with lack of appropriate action against defaulting millers by Food and Supplies Department facilitated the non-delivery of rice valuing ₹ 115.48 crore by millers. There were also cases of non-recovery of ₹ 24.46 crore from millers on account of short supply of rice, non-recovery of ₹ 2.40 crore on account of value cut and moisture cut from millers and non-adherence of guidelines in number of cases.

(Paragraph 3.6)

District Red Cross Societies (DRCS) had spent ₹ 18.38 crore on pay and allowances and only ₹ 6.63 crore on its main aims and objectives. An expenditure of ₹ two crore was incurred on the activities not covered under its objectives. There were cases of embezzlement, non-imparting of training to handicapped persons, non-levy of penalty on the supplier, non-approval of constitution and uniform service rules of DRCS.

(Paragraph 3.9)

Crime and Criminal Tracking Network and Systems project has not been completed even after a lapse of three years. The Home Department failed to provide hardware to investigating officers, training to police personnel, digitise/migrate the legacy data, application software and network services among police stations, higher offices and National Crime Record Bureau for sharing real time information. Department also failed to provide citizen centric services to improve police functioning in maintaining law and order.

(Paragraph 3.11)

Non-implementation of Outdoor Surveillance System, a crucial and vital project for maintenance of law and order and crime control by Home Department, resulted in blockade of funds amounting to ₹ 8.24 crore for more than four years, wasteful expenditure of ₹ 14.48 lakh and loss of interest of ₹ 2.04 crore.

(Paragraph 3.12)

Jammers could not be procured and funds of ₹ 5 crore remained unutilised for more than six years due to indecisiveness of Jail Department. Objective of improving security infrastructure in four jails remained unachieved besides department suffered loss of interest of ₹ 1.20 crore.

(Paragraph 3.13)

A Performance Audit Report on ‘Working of Irrigation Department’ was incorporated in Report of the Comptroller and Auditor General of India on Social, General and Economic Sectors (Non-Public Sector undertakings) for the year ended March 2012. A follow-up audit conducted to examine the corrective actions taken by the Department brought out that out of six recommendations in the Performance Audit, one recommendation was fully implemented; one recommendation was partially implemented and four recommendations were not implemented. Further, out of other 23 observations, the department had not taken significant steps in respect of eight observations; substantial progress was made in respect of nine observations and full progress was made in intended areas in respect of six observations.

(Paragraph 3.17)

Due to improper formulation of estimate and non-revision of the estimate as per codal provisions by Public Works Department (Buildings and Roads), extra expenditure of ₹ 5.57 crore was incurred on Nizampur-Narnaul-Dadri Road (SH-17) in Km 13.88 to 27.60. Besides the road between km 15.010 to 18.200 was not as per specifications and an avoidable expenditure of ₹ 39.57 lakh was incurred on maintenance.

(Paragraph 3.22)

There was inadequate financial control in Rural Development Department in respect of implementation of Backward Region Grant Fund scheme leading to short release of funds by GOI, delay in release of funds to the Implementing Agencies and deficiency in redressing of regional imbalances. Funds were not allocated for priority programmes under SC/ST development plans.

(Paragraph 3.23)

Social Audit Unit was not made fully functional by Rural Development Department as against 44 sanctioned posts, 32 were lying vacant. Resource persons were not identified, trained and deployed to Gram Panchayats to facilitate social audit. As against the requirement of conducting 12,280, only 6,771 social audits were conducted. Social Audit Calendar was not prepared by Social Audit

Unit. Social Audit Reports were not being uploaded on the official web site. The instances of non-conduct of social audit verification, non-recording of videography of social audit Gram Sabha proceedings, non-preparation of social audit reports, annual reports, etc. were also noticed.

(Paragraph 3.24)

There were cases of delays in construction and handing over of stadiums. Further, the stadiums were abandoned and were not being maintained properly. Basic facilities and sports items were not being provided in the stadiums besides shortage of coaches and other staff. Cases of parking of funds and irregular payment to a chief coach were noticed in Sports and Youth Affairs Department.

(Paragraph 3.25)

Cases of delay in procurement of Pre-School Education kits, excess purchase of furniture, extra expenditure on purchase of utensils, diversion of funds and irregular purchase were noticed in Women and Child Development Department.

(Paragraph 3.27)