

Chapter III 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.

Non-compliance with rules and regulations

Disaster Management and Relief Department

3.1 Inadmissible and irregular extra expenditure of ₹ 21.29 crore on agriculture input subsidy to farmers

By adopting incorrect norms, the Department incurred inadmissible and irregular extra expenditure of ₹ 21.29 crore towards payment of agriculture input subsidy to farmers.

Ministry of Home Affairs (Disaster Management Division), Government of India (GoI) prescribes from time to time, the items and norms for various categories of relief from the State Disaster Response Fund (SDRF) and the National Disaster Relief Fund (NDRF). GoI revised these norms of assistance¹ on 28 September 2012 with prospective effect. These norms were further revised² on 21 June 2013 with retrospective effect from First March 2013.

As per para No. 2 of Chapter 4 of 'Drought Management Manual' of Government of Rajasthan, in scarcity situations, the dates for announcement of the first and the final 'Girdavari Reports' for *Kharif* crop is 31 October and 30 November respectively. It follows from the above that the NDRF norms dated 28 September 2012 were applicable for the *Kharif* crop 2012 (period June to October 2012).

Test check (November 2014) of the records of Collector (Relief) Barmer revealed that on the basis of 'Girdavari Reports Samvat 2069', received from respective District Collectors³, Government of Rajasthan *inter alia* notified (January 2013) 1821 villages of Barmer District as scarcity areas for *Kharif* crop 2012 (*Samvat* 2069) for sanction of agricultural input subsidy. Accordingly, Collector (Relief) Barmer, deposited agriculture subsidy amounting to ₹ 41.93 crore in Barmer Central Co-operative Bank Limited,

¹ Agriculture crops: ₹ 3,000 per ha in rainfed areas; ₹ 6,000 per ha in assured irrigated areas and perennial crops: ₹ 8,000 per ha.

² Agriculture crops: ₹ 4500 per ha in rainfed areas; ₹ 9000 per ha in assured irrigated areas and perennial crops: ₹ 12,000 per ha.

³ Ajmer, Banswara, Barmer, Bikaner, Churu, Jaisalmer, Jhunjhunu, Jodhpur, Nagaur, Pali, Rajsamand and Sikar.

Barmer for disbursement to the affected farmers. Of this, an amount of ₹ 41.83 crore was disbursed to the affected farmers by 31 March 2014, under NDRF norms dated 28 September 2012 and remaining amount of ₹ 0.10 crore was returned to the State Government.

State Government, however clarified (July 2013) that the departmental orders for payment of subsidy for *Kharif* crop 2012 have been issued on 15 March 2013 and as the revised (21 June 2013) NDRF norms were effective from First March 2013, therefore agricultural subsidy may be disbursed as per these revised norms.

Accordingly, Collector, Barmer deposited the differential amount of ₹ 21.30 crore in Barmer Central Co-operative Bank Limited for disbursement to affected farmers. Of this, an amount of ₹ 21.29 crore was disbursed to the farmers and remaining amount of ₹ 0.01 crore was returned to the Government.

Audit observed that as per provisions of Draught Manual, date prescribed for final *Girdavari* Report of *Kharif* crop is 30 November every year. Accordingly subsidy for *Kharif* crop 2012 was required to be paid under the norms fixed by NDRF in September 2012 and not under the norms effective from March 2013. Therefore payment of differential subsidy of ₹ 21.29 crore for *Kharif* crop 2012 was irregular.

State Government stated (March & June 2015) that the revised norms issued (June 2013) by GoI, were effective from first March 2013, whereas the Department issued order for payment of agriculture subsidy on 15 March 2013, therefore, the payment of assistance under the revised norms was judicious towards relief to affected farmers and there was no contravention of Rules.

The reply was not acceptable as norms of assistance from the SDRF and NDRF were revised (June 2013) by GoI with effect from 01 March 2013 i.e. from *kharif* 2013 (*Samvat* 2070). Payment of agriculture input subsidy under revised norms (March 2013) for mitigating the draught situation of *kharif* crop 2012 was therefore irregular and in contravention of the decision of GoI. This is further confirmed by the fact that District Collector Rajsamand, did not disburse any differential amount on the ground that the crop loss pertains to the period prior to March 2013, though he had sought further clarification from State Government. Similarly, DC, Barmer also did not pay any differential amount of subsidy to the farmers for the crop damaged in February 2013 due to hailstorm.

Thus, by adopting incorrect norms, the Department has allowed inadmissible agriculture input subsidy of ₹ 21.29 crore to farmers.

Medical Education Department

3.2 Unfruitful expenditure on construction of Nursing College Building

Sardar Patel Medical College and Associated Group of PBM Hospital Bikaner, failed to submit to Government of India, the audited statement of expenditure along with utilization certificate, resulting in non-receipt of central assistance of ₹ 4.18 crore. This led to stoppage of construction work and rendered the expenditure of ₹ 2.52 crore on construction of nursing college building unfruitful.

Under the plan scheme 'Development of Nursing Services', Ministry of Health & Family Welfare (MHFW), Nursing Division, Government of India, issued (February 2010) guidelines for expenditure of ₹ six crore⁴ on upgradation of General Nursing Training Center, Sardar Patel Medical College and Associated Group of PBM Hospital (Medical College), Bikaner, into College of Nursing during the year 2009-10 (Plan). Of this, ₹ 5.20 crore was to be provided by GoI as non-recurring expenditure and ₹ 0.80 crore was to be borne by State Government as recurring expenditure. MHFW released ₹ 1.02 crore to Secretary, Rajasthan Medicare Relief Society (RMRS), PBM Hospital, Bikaner, in two installments (March 2010: ₹ 0.62 crore and September 2010: ₹ 0.40 crore). As per condition No. 4 (d) of sanction letter (February 2010), utilisation certificates (UCs) and audited expenditure statement, along with quarterly progress report were to be submitted to MHFW within 12 months of release of funds.

Test check (February-March 2015) of records of Principal, Sardar Patel Medical College and Associated Group of PBM Hospital, revealed that after a lapse of about one and half year of receipt of funds, District Collector Bikaner, who was also the Vice President of RMRS as well as the Chairman of Urban Improvement Trust (UIT) Bikaner, decided (September 2011) to get the work of construction of nursing college building executed through Rajasthan State Road Development & Construction Corporation Limited (RSRDCC), Bikaner. The amount received from GoI, was deposited with UIT Bikaner, as UIT had already (August 2011) signed a Memorandum of Understanding (MoU) with RSRDCC for construction of Janana Hospital in PBM Hospital Campus and therefore, construction work of Nursing College at a cost of ₹ 3.20 crore was incorporated (November 2011) in that MoU.

Secretary, RMRS, transferred ₹ 1.02 crore (₹ 0.63 crore on 21 September 2011 and ₹ 0.39 crore 16 March 2012) towards construction of Nursing College to UIT, Bikaner and submitted (19 March 2012) UC of this amount to

⁴ **Non-recurring grant-in-aid of ₹ 5.20 crore** (Furniture: ₹ 1 crore; Additions & Alterations of the School & Hostel Building: ₹ 3.20 crore; Laboratory equipments etc.: ₹ 0.65 crore and Teaching Aid & Books: ₹ 0.35 crore).

Recurring grant-in-aid of ₹ 0.80 crore (Salary of teaching staff: ₹ 0.68 crore and contingency: ₹ 0.12 crore).

MHFW. While acknowledging the receipt of the UC, MHFW observed (April 2012) that the statement of expenditure was not furnished by the Secretary RMRS for settling the UC. The said statement of expenditure was, however, not submitted to MHFW till date (May 2015), due to which the balance grant of ₹ 4.18 crore was not released even after a lapse of more than three years.

RSRDCC, the executing agency, after incurring an expenditure of ₹ 2.52 crore (₹ 1.02 crore from GoI and ₹ 1.50 crore from UIT funds), stopped construction work (March 2013) and repeatedly requested (April 2013, September 2013, May 2014, June 2014) Principal, Medical College, Bikaner for releasing the balance amount, but no funds were released. Since then, the college building is lying incomplete for want of funds, rendering the expenditure of ₹ 2.52 crore, already incurred, unfruitful.

State Government stated (September 2015) that UCs/SoE and bank details of ₹ 1.02 crore were sent (August 2012 and August 2013) to MHFW by Medical College, after which there was no need to send any UC/SoE/audited SoE. It was further stated that provision for sanction/allotment of funds with fresh proposals for Nursing College Bikaner have been made (December 2014) under 12th Plan, by GoI, which implies that no more formality requires to be completed on this account.

Reply is not acceptable as the Medical College had sent only UC and not the audited SoE to GoI. Copy of SoE was also not made available to Audit. GoI sanction of December 2014 simply conveys the allotment of funds and it does not exempt the State Government from fulfilling the conditions of earlier sanctions that is the reason that GoI has not released any amount under this sanction.

Thus, failure of Medical College to submit the audited statement of expenditure along with utilization certificate, resulted in unfruitful expenditure of ₹ 2.52 crore and non-receipt of central assistance of ₹ 4.18 crore.

Public Health Engineering Department

3.3 Irregular and unauthorised sanction

Approving of irregular and unauthorised expenditure of ₹ 7.24 crore on execution of additional works in contravention of financial rules.

Serial No. 24 of Appendix XIII of Rajasthan Public Works Financial and Accounts Rules (PWF&ARs) confers the power of sanction, execution and payment of additional quantities of items existing in Schedule 'G' or Bills of Quantities (BOQ) of a particular work to:

- (i) Administrative Department- up to 50 *per cent* of original quantity of each item subject to 50 *per cent* of the tendered amount of work sanctioned.
- (ii) Chief Engineer (CE)/Additional Chief Engineer (ACE)/ Superintending Engineer (SE)/Executive Engineer (EE)- up to 5 *per cent* of the original

quantity of each item subject to 5 per cent of tendered amount of work sanctioned by the authority concerned. In case, the above limits are exceeded, the powers shall be exercised by the next higher authority assessing the prevalent tender premium, site and market conditions by more than 5 per cent and up to 25 per cent of the original quantity and also more than 5 per cent and up to 25 per cent of the tendered amount of work sanctioned.

During test check (December 2014 and March 2015) of records of EEs, Public Health Engineering Department (PHED), Pali and Barmer (North), it was noticed that the Department entered into annual rate contracts with M/s Jain Jal (contractor) for three works⁵ costing between ₹ 0.40 crore and ₹ 0.80 crore, during the period 2009-12. The contracts were valid for one year.

Test check of the records revealed that after exhausting the tendered/work order value of these works, executing authorities, without inviting fresh tenders, continued to release more works under these contracts, for which approval of the higher authorities for sanctioning additional works was obtained. The approving authorities approved execution of extra/additional work costing between ₹ 1.20 crore and ₹ 4.34 crore as shown below:

(₹ in crore)									
S. No	Work sanctioning authority	Date of work order	NIT amount	Approving Authority (additional work)	Total approval	Financial limit of additional works (25 percent of NIT)	Excess approval (per centage)	Total expenditure incurred	Date upto which work carried out
1	SE, Pali	14.04.2009	0.65/ 0.40*	CE (HQs)	4.99	0.16	4.34 (668)	4.98	May 2013
2	SE, Barmer	08.04.2011	0.80	ACE, Jodhpur	2.00	0.20	1.20 (150)	1.78	Feb. 2012
3	ACE, Jodhpur	27.01.2012	0.80	ACE, Jodhpur	2.50	0.20	1.70 (213)	2.12	March 2013
	Total		2.25		9.49	0.56	7.24 (322)	8.88	

*Work order of ₹ 0.40 crore issued against NIT amount of ₹ 0.65 crore.

The table shows that against the total NIT value of ₹ 2.25 crore for three contracts, approving authorities issued approval of excess expenditure of ₹ 7.24 crore (150 to 668 per cent) against the permissible financial limit of ₹ 0.56 crore (25 per cent of the tendered amount) as delegated to them under PWF&ARs *ibid*. Moreover, the works under two rate contracts (S. No. 1 and 3) were carried out for more than one year against the validity period of the contract for one year. The work at S. No. 3 was executed without extending the validity period of contract.

EE, PHED, North Division, Barmer stated (March 2015) that expenditure was incurred as per the sanctions and financial limits of the works, issued by SE, Barmer and ACE, Jodhpur.

⁵ (i) Drilling of Boreholes for hand pumps by combination and DTH rig machine in various cities, villages and dhanies in Pali circle (NIT No. 120/2008-09); (ii) construction and commissioning of Boreholes for hand pumps under Panchayat Samitti, Baitu (NIT No. 2011-12/11) and (iii) construction and commissioning of Boreholes for hand pumps under Panchayat Samitti, Baitu (NIT No. 2010-11/07).

State Government, in respect of PHED Division Pali, stated (November 2015) that SE, PHED Circle, Pali, extended the monetary limit first to ₹ 1.20 crore and then to ₹ 2 crore due to urgency of work of Contingency Phase-II. Thereafter, for execution of emergent augmentation of work and with the consent of the contractor, the monetary limit was extended (July 2012) upto ₹ 4.99 crore and time limit was extended upto May 2013 by CE HQ Jaipur as per recommendation of SE Pali. It was further stated that the Department invited tenders for new rate contract for subsequent years but due to non finalisation of the tenders, and need for immediate execution of Contingency Phase-II, to provide immediate relief to public, monetary limit was extended and the Department did not fail in assessing the quantities.

The reply is not tenable as by keeping the tender value as low as ₹ 0.65 crore and ₹ 0.80 crore, the executing authorities not only failed to estimate the work requirements of their respective Divisions during the year but also deprived the Department from receiving competitive rates for high value works. This resulted in approving of irregular and unauthorised expenditure of ₹ 7.24 crore.

3.4 Unfruitful expenditure

Non-completion of works rendered expenditure of ₹ 1.33 crore unfruitful which was irregularly incurred without prior A&F sanctions.

As per Rule 286 (1) of the Public Works Financial and Accounts Rules, it is necessary to obtain the concurrence of competent authority of the Administrative Department. This involves preparation of technical estimate for the work in advance and sending it to the Administrative Department along with the proposal of Administrative and Financial (A&F) sanction for approval.

Test check (August 2014) of records of Executive Engineer, PHED, Taranagar (Churu) and further information obtained (April 2015) revealed that Superintending Engineer (SE), Operation and Maintenance (O&M), Project Management Cell (PMC), PHED, Circle Churu approved and awarded following two works:

(₹ in crore)							
S. No.	Name of the work	Name of contractor	Date of award	Stipulated date of completion	Contract value	Payment made (till date)	Current status (May 2015)
1.	Construction of Raw Water Reservoir at Pandusar Head Works	M/s Gaur Enterprises, Sriganganagar	February 2011	August 2011	1.00	1.00 (February 2012)	Incomplete
2.	Modernisation of recycling tank at Pandusar Head Works	M/s Chauhan Construction Company Jhunjhunu	March 2011	June 2011	0.32	0.33 (June 2011)	Completed
	Total					1.33	

The work of construction of Raw Water Reservoir (RWR) at Pandusar was lying incomplete for more than three years. Though the work of Modernisation

of recycling tank has been completed, it cannot be utilised, until the work of construction of RWR is completed as recycling tank would get water from RWR for onward transmission to pump house.

Scrutiny by audit revealed that both these works were awarded without obtaining A&F sanction from State Level Scheme Sanctioning Committee (SLSSC) in contravention of the provisions *ibid*. Further, the expenditure was met from National Rural Drinking Water Programme (NRDWP) funds unauthorisedly i.e. without getting approval of detailed project report from SLSSC.

On submission of (August 2013) proposal to SLSSC for ex post facto sanction, it set up a committee headed by Additional Chief Engineer, Bikaner, to examine the reasons for execution of works without A&F approval and their essentiality. The committee in its report stated that the scheme was necessary and it was functional partially, through a small raw water sump cum recycling tank. It advised completion of the main work of RWR which would add to storage capacity. After completion of remaining works, 34 habitations of Pandusar, Dhansiya and Ratusar clusters would be benefitted. SLSSC accorded (September 2014) ex-post facto A&F sanction of ₹ 1.65 crore⁶ with the condition that defaulting officers, who executed the works without competent sanction, should be charge sheeted under Classification, Control & Appeal Rules.

From the A&F sanction accorded *ibid*, it was evident that the balance work of construction of RWR, were essential for the above two works to become complete and operational for which a provision of ₹ 0.19 crore and ₹ 0.09 crore respectively was made in A&F sanction.

On being directed from time to time (June 2013, June, August, September 2014) by the Department for completion of the work, the contractor replied (January 2014) that he had already executed the work allotted to him and refused to execute balance work due to undue delay in obtaining sanction for extra work done by the him (₹ 1.18 crore against ₹ one crore). The department neither took any action against the contractor under clause 3⁷ of Public Works Financial and Accounts Rules, nor withdrew the work so as to award the same to another contractor.

Thus, the Department irregularly executed works without prior A&F sanctions. In addition, the expenditure of ₹ 1.33 crore incurred on RWR and Modernisation of recycling tank proved unfruitful as the works executed have no utility unless the balance/supporting works are completed. The work

⁶ Construction of Raw Water Reservoir (RWR): ₹ 0.96 crore; balance work of RWR: ₹ 0.19 crore; Mordernisation of Recycling tank: ₹ 0.33 crore; providing, installation of pump sets: ₹ 0.05 crore; construction of pump house: ₹ 0.04 crore and contingency charges (5 per cent): ₹ 0.08 crore.

⁷ The clause *inter alia* empowers the Engineer-in-charge, in respect of any delay or inferior workmanship or otherwise, forfeit the earnest money/security deposit, employ labour and supply material by debiting the contractor with the cost of labour/material and give the unexecuted work to another contractor in which case the excess amount will have to be borne by the original contractor.

already executed runs the risk of getting damaged due to non-maintenance. Besides, the residents of 34 villages of Pandusar, Dhansiya and Ratusar clusters remained deprived of piped drinking water. Action taken against defaulting officers has also not been intimated to audit.

State Government while accepting the facts, stated (August 2015) that the agenda note for approval of SLSSC was submitted (January 2011) to CE (Rural) Jaipur, by ACE, PHED Bikaner. An advance Technical Sanction of the work was issued (January 2011) by ACE, PHED Bikaner. In anticipation of A&F sanction and in response to directions of Principal Secretary (PS), SE (O&M) PMC, PHED invited tenders on 15 December 2010. Due to slow progress on the above matter, tenders were re-invited on 24 February 2011. As the rates received were 25.77 per cent below the tendered (G schedule) rates, work order was issued, considering the delay occurring in issue of A&F sanction by SLSSC and possible backing out of the contractor in absence of non issue of work order. Hence audit observation that the work was undertaken without sanction of SLSSC was not correct as PS of the Department is the chairman of the SLSSC, under whose direction the work was started. The proposal was approved by SLSSC in its thirteenth meeting (September 2014) and A&F was issued.

It was further stated that the work of modernisation of recycling tank at Pandusar Head Works was completed and the same is being utilised, hence the amount incurred (₹ 0.33 crore) cannot be held as unfruitful. The work of construction of RWR at Pandusar Head Works, though complete from financial angle, some works were not completed by the contractor due to which RWR was not being used. Notices have been issued to the contractor for not completing the work. SE, PHED, Churu has invited NIT for completion of remaining work.

The reply was not acceptable as the concurrence of competent authority (SLSSC) was not obtained and the work was started in contravention of codal provisions. The Department should have made efforts to get early approval of SLSSC in the meeting subsequent to award of work (February-March 2011). The SLSSC itself noticed the delay and proposed action against defaulting officers, who executed the works without competent A&F sanction. Moreover, the work of construction of RWR etc., was required to be executed for the above two works to become operational which have not been allotted till date (December 2015). Hence, mere completion of the work of modernisation of recycling tank was not sufficient.

Thus, due to non-completion/partial completion of the two works, drinking water could not be provided to the beneficiaries till date (October 2015) even after incurring an expenditure of ₹ 1.33 crore, thereby rendering the expenditure unfruitful.

Audit against propriety and cases of expenditure without adequate justification

Medical Education Department

3.5 Non-utilisation of grant

Non-utilisation of grants-in-aid of ₹ 27.29 crore resulting in non increase of 84 post graduate seats even after lapse of 4 years of receiving funds.

Under a centrally sponsored scheme “Strengthening and upgradation of State Government Medical Colleges for starting new Post Graduate (PG) disciplines and increasing PG seats”, Ministry of Health and Family Welfare (MoHFW), Government of India (GoI) sanctioned (March 2009) grant-in-aid of ₹ 87.05 crore with 75 per cent central share (₹ 65.30 crore) and 25 per cent state share (₹ 21.75 crore) for starting new PG courses and increasing 234 PG seats in four Government Medical Colleges (Bikaner: 35 seats; Jaipur: 109 seats; Kota: 61 seats and Udaipur: 29 seats). MoHFW released its share of ₹ 65.05 crore in two instalments⁸. As per terms and conditions of the sanction issued by GoI, the State Government/Institute was to furnish utilization certificate to GoI and in case of non-creation of stipulated number of PG seats, return unutilized/mis-utilized funds along with interest. State Government allotted its share of ₹ 21.81 crore.

Test check (January 2015) of records of Principal and Controller (P&C), Medical College, Kota, and information collected from other three Medical Colleges revealed the position of the grants received and expenditure incurred for strengthening and upgradation of these four Medical Colleges upto March 2015, as follows:

S. No.	Name of the Medical College	Medical Seats (in numbers)		Grant received		Interest earned	Total funds available	Expenditure incurred	Total unutilised amount
		Demanded	Approved by MCI	From GoI	From GoR				
1	Medical College, Kota	61	23	17.26	5.76	1.27	24.29	11.68	12.61
2	Medical College, Bikaner	35	16	17.11	5.71	1.25	24.07	16.41	7.66
3	SMS Medical College, Jaipur	109	94	20.64	6.95	0.83	28.42	23.88	4.54
4	RNT Medical College, Udaipur	29	17	10.04	3.39	0.70	14.13	11.65	2.48
	Total	234	150	65.05	21.81	4.05	90.91	63.62	27.29

Medical Council of India (MCI) observed inadequacies in teaching faculty, infrastructure, lab, instruments/ equipments, books/journals etc., and therefore recognized 150 PG seats (against 234) only. On the other hand, four medical colleges could spend ₹ 63.62 crore against available funds of ₹ 90.91 crore till

⁸ ₹ 32.66 crore: August 2010 and ₹ 32.39 crore: September/October 2012.

March 2015. Thus, due to non-developing of infrastructure facilities by the Medical Colleges and non appointment of teaching faculties by the State Government, the objective of strengthening and upgradation of Medical Colleges could not be achieved.

It is worthwhile to mention that the Central Government relaxed⁹ the norms of teacher-student ratio and advised (May 2012) the State Government to take advantage of the liberalised MCI regulations by applying for increase of PG seats from the academic year 2013-14. Medical colleges, however, did not avail these regulations for recognition of remaining PG seats. This resulted in non utilization of the available funds of ₹ 27.29 crore (including accrued interest of ₹ 4.05 crore). Medical Colleges, Kota and Bikaner did not draw the state share of ₹ 11.47 crore, while Medical Colleges, Jaipur and Udaipur drew state share of ₹ 4.85 crore only against available of ₹ 10.34 crore. Medical colleges, Kota and Bikaner did not return the unutilized central funds of ₹ 8.80 crore (₹ 6.85 crore plus ₹ 1.95 crore) to MHFW, as required under the terms and conditions of the sanction.

State Government stated (September 2015) that the tendering process for purchase of equipments has been completed. Approval of increase in PG seats was not granted by MCI due to shortage of staff and shortcomings in other norms of MCI which are being complied with. Government further stated that efforts are being made for obtaining of essential infrastructure, equipment and purchase of equipments as per norms of MCI. However, reasons for shortage of staff were not intimated.

Fact remains that medical colleges failed to utilise grant-in-aid of ₹ 27.29 crore resulting in non increase of 84 PG seats even after lapse of 4 years of receiving funds due to lack of infrastructure and non appointment of teaching facilities.

Public Health Engineering Department

3.6 Creation of extra liability due to approving higher rates

Non-observance of principles of financial propriety by the department in approving rates for identical items of two works on the same date, resulted in incurring of an extra liability of ₹ 1.56 crore.

Rule 10 of General Financial and Accounts Rules (GF&ARs) stipulates that every Government servant incurring or authorising expenditure from public funds should be guided by high standards of financial propriety and should also enforce financial order and strict economy at every step.

⁹ Maximum limit of admitting PG students in broad and super-specialty courses was increased from 04 to 05 PG students in each unit per year and in certain disciplines of postgraduate and super-specialty courses, the teacher-student ratio was increased to 1:3 for Professor and 1:1 for other cadres subject to a maximum of 06 students in each unit per year.

Policy Planning Committee (PPC) of Rajasthan Water Supply and Sewerage Management Board (RWSSMB), Public Health Engineering Department (PHED) issued (April 2007) administrative and financial (A&F) sanction of ₹ 183.97 crore (revised to ₹ 221.34 crore in October 2008) for water supply project of Ajmer-Peesangan tehsil. The work of the project was distributed (October 2008) in eight packages¹⁰.

Additional Chief Engineer (ACE), PHED Ajmer, invited Tenders (17 October 2012) for execution of work 'providing, laying, jointing of DI trunk main/rising main, cluster distribution and village distribution networks and its dhans etc.' amounting to ₹ 39.87 crore and ₹ 12.95 crore for Jethana (15 villages) and Lamana (nine villages) clusters respectively, in Ajmer-Peesagan Tehsil. Finance Committee (FC) RWSSMB, in its meeting (1 February 2013), approved the lowest tenders of M/s Dara Construction Co., Jodhpur (contractor 'A') for the work of Jethana cluster (₹ 35.74 crore) and of M/s S.B. Enterprises, Jodhpur (contractor 'B') for Lamana cluster (₹ 10.99 crore). Accordingly, ACE, PHED Ajmer, issued (11 February 2013) work orders to contractor 'A' and 'B' with stipulated date of completion as 20 August 2014 and 20 February 2014 respectively.

Test check (October 2014) of records of Executive Engineer (EE), PHED, District Rural Division Ajmer, and further information collected (January 2015) revealed that though the FC approved both the contracts on the same date (01 February 2013), rates of a number of common items (supply and laying and jointing of pipes, sluice valves, RCC valve chambers etc.) were approved at higher rates for Jethana cluster (*Appendix 3.1*). The difference ranged between ₹ 15 and ₹ 26,000 per item. As these items under the two works were common and to be executed in the same period, accepting higher rates for Jethana cluster without any negotiation with L-1, was not financially prudent. This resulted in incurring of an extra liability of ₹ 1.56 crore (*Appendix 3.1*) for this work. Had a negotiation been conducted with contractor 'A' to lower his rates, the extra expenditure of ₹ 1.56 crore could have been avoided.

State Government stated (September 2015) that the rate quoted by the tenderer was already below the estimated amount, hence considered reasonable and not called for negotiation. It was also stated that the work relating to the Jethana Cluster is planned for 15 villages while the work relating to Lamana Cluster is planned only for 9 villages and were having different periods of completion and different quantities of items, common as well as uncommon to be executed.

The reply is not acceptable as both the works were similar in nature having common items, except the volume of work. This was evident from the fact that a single estimate was prepared for rising main pipeline for Peesagan Tehsil (including Jethana and Lamana Clusters). A comparison of rates of such similar items under both the contracts was therefore desirable. As the FC approved both the contracts in the same meeting, observance of the principles

¹⁰ **Peesangan Rural Sector:** Lamana, Jethana, Peesagan, Bhanwta and Ganhera; **Ajmer Rural Sector:** Gangwana, Hatoondi and Sederiya.

of financial prudence by making such a comparison would have had resulted in lowering down of rates by contractor 'A', if negotiated.

Thus, non-observance of principles of financial propriety by the department and approving higher rates for common items without negotiation with L-1, resulted in incurring of an extra liability of ₹ 1.56 crore.

3.7 Extra liability to Government exchequer

Extra liability of ₹ 52.95 crore on procurement, installation and commissioning of Reverse Osmosis plants in the state owing to approval of plants at higher cost.

Chief Engineer (CE), Rural, PHED, Jaipur invited (16 January 2013) tenders for providing, installation and commissioning of 35 Reverse Osmosis (RO) plants (output capacity of 1000 litre per hour) in 3 regions¹¹ on rate contract basis. The contract involved seven years operation and maintenance (O&M) after installation and a payment schedule of 65 per cent on providing, installation/commissioning of the plant and the remaining 35 per cent during the O&M period @ five per cent per year. The work was awarded (April-May 2013) to contractors, M/s Doshion Veolia Water Solution Private Limited, Ahmedabad (15 plants) and M/s Water Life India Private Limited Secunderabad (20 plants) at ₹ 13.39 lakh¹² (total dissolved solid upto 5000 ppm) and ₹ 13.73 lakh¹³ (total dissolved solid more than 5000 ppm) per plant.

Test check (July 2014) of records of the Executive Engineer (EE), PHED District Division, Phalodi and further information collected (October 2014 and January 2015) from the Department, revealed that while the above work was in progress, the State Government decided (6 March 2013) to install 1000 RO plants in rural areas of Rajasthan, for providing safe drinking water in quality affected habitations. Accordingly, CE (Rural), invited (26 April 2013) tenders for providing, installation and commissioning of 1000 RO plants for five regions¹⁴ on similar terms and conditions as *ibid*.

However, rate received by CE were high and after considering the approved base rates for similar work and after adding the impact of appreciation in US Dollar for imported parts, payment terms (65/35 per cent), additional scope of IEC, logistic cost etc. and submitted the same to Standing Negotiation Committee (SNC) for consideration/negotiation.

The SNC observed (July 2013) that the lowest quoted rates under all five regions were much higher. It was also observed by SNC that work orders for similar works were awarded in recent past to the M/s Doshion Veolia Water Solution Pvt. Ltd., Ahmedabad and M/s Water Life India Pvt. Ltd., Secunderabad at around ₹ 13.50 lakh per RO. However, these firms had also quoted very high rates this time. The representatives of these contractors

¹¹ Bharatpur, Jaipur and Jodhpur

¹² Providing of RO plant: ₹9.05 lakh; installation and commissioning etc.: ₹ 4.34 lakh.

¹³ Providing of RO plant: ₹ 9.05 lakh; installation and commissioning etc.: ₹ 4.68 lakh.

¹⁴ Jodhpur : 370 (NIT 1,2 and 3); Bharatpur : 330 (NIT 4 and 5); Ajmer : 140 (NIT 6); Jaipur : 120 (NIT 7) and Udaipur : 40 (NIT 8).

clarified that the referred work was a small pilot work and first of its kind in Rajasthan (based on Punjab model) and at that time they could not make a realistic assessment of prevailing conditions, terms and conditions and they quoted a lower price for entry into the State. During actual working on the project, the situation in the state was found to be quite different than that in Punjab in terms of distances involved, scattered population, availability of skilled labour, means of transport, logistics and lesser public interest. They requested that the rates quoted by them earlier should not form a basis for justification of the cost quoted by them now.

During negotiation, all the bidders initially expressed their inability to reduce the rates as about 80 per cent of parts of RO plant are imported and the price of these parts was on a rising trend due to devaluation of the rupee. Further, terrain where the work was to be executed was very difficult, technically skilled labour was not available locally and payment conditions provided for 65 per cent payment on installation and the rest @ 5 per cent in seven years O&M period. They finally agreed to slightly reduce their rates/prices. SNC compared the negotiated rates with the justified rates proposed by CE (Rural), and finding them a little higher than the justified rates, recommended to the FC for approval. On receipt of final approval (August 2013) from FC, work orders were issued (24 August to 11 September 2013) to six successful bidders¹⁵.

A comparison of the approved rate (April 2013) under existing contract and rates approved in August 2013 for 1000 plants is as under:

(₹ in lakh)								
NIT S. No	Name of District/Region	Name of Bidder	TDS level (PPM)	Rate approved in April 2013	Rate approved in August 2013	Difference	No. of RO ordered	Extra Liability
1	2	3	4	5	6	7 (6-5)	8	9 (7*8)
1	Barmer (Jodhpur)	M/s Doshion Veolia Water Solution Pvt. Ltd., Ahmedabad	< 3000		18.53	5.14	55	282.70
			3000-5000	13.39	19.07	5.68	101	573.68
			5000-8000	13.73	19.58	5.85	04	23.40
2	Jalore, Jaisalmer (Jodhpur)	M/s Water Life India Pvt. Ltd., Secunderabad	< 3000		18.60	5.21	67	349.07
			3000-5000	13.39	19.08	5.69	11	62.59
			5000-8000	13.73	19.60	5.87	02	11.74
3	Jodhpur (Jodhpur)	M/s GA Infra Pvt. Ltd., Sirohi	< 3000		18.54	5.15	113	581.95
			3000-5000	13.39	19.07	5.68	14	79.52
			5000-8000	13.73	19.58	5.85	03	17.55

¹⁵ ACE Jodhpur: M/s Doshion Veolia Water Solution Pvt. Ltd., Ahmedabad (160 plants); M/s Water Life India Pvt. Ltd., Secunderabad (80 plants) and M/s GA Infra Pvt. Ltd., Sirohi (130 plants); ACE Bharatpur: M/s LVJ Project Pvt. Ltd. Ahmedabad (150 plants) and M/s Hi-Tech Water Solutions Pvt. Ltd., Surat (180 plants); ACE Ajmer: M/s SR Paryavaran Engineers Pvt. Ltd., Panchkula (140 plants); ACE Jaipur: M/s Hi-Tech Water Solutions Pvt. Ltd., Surat (120 plants) and ACE Udaipur : M/s Doshion Veolia Water Solution Pvt. Ltd., Ahmedabad (40 plants).

NIT S. No	Name of District/ Region	Name of Bidder	TDS level (PPM)	Rate approved in April 2013	Rate approved in August 2013	Difference	No. of RO ordered	Extra Liability
1	2	3	4	5	6	7 (6-5)	8	9 (7*8)
4	Bharatpur (Bharatpur)	M/s LVJ Project Pvt. Ltd. Ahmedabad.	< 3000 3000-5000 5000-8000	13.39 13.73	18.58 19.09 19.58	5.19 5.70 5.85	140 05 05	726.60 28.50 29.25
5	Bharatpur, Karauli (Bharatpur)	M/s Hi-Tech Water Solutions Pvt. Ltd., Surat	< 3000 3000-5000 5000-8000	13.39 13.73	18.57 19.09 19.58	5.18 5.70 5.85	172 07 01	890.96 39.90 5.85
6	Nagaur (Ajmer)	M/s SR Paryavaran Engineers Pvt. Ltd., Panchkula	< 3000 3000-5000 5000-8000	13.39 13.73	18.56 19.09 19.59	5.17 5.70 5.86	85 40 15	439.45 228.00 87.90
7	Jaipur, Sikar, Churu Jhunjhunu (Jaipur)	M/s Hi-Tech Water Solutions Pvt. Ltd., Surat	< 3000 3000-5000 5000-8000	13.39 13.73	18.56 19.09 19.59	5.17 5.70 5.86	116 02 02	599.72 11.40 11.72
8	Chittorgarh (Udaipur)	M/s Doshion Veolia Water Solution Pvt. Ltd. Ahmedabad	< 3000 3000-5000 5000-8000	13.39 13.73	18.53 19.07 19.58	5.14 5.68 5.85	26 11 03	133.64 62.48 17.55
Total							1000	5295.12

It may be seen from the above that the rates approved for each RO plant, were higher by ₹ 5.14 lakh to ₹ 5.87 lakh than the rates approved previously. Hence, the action of the Department was not justified. It was also noticed that the rates quoted by all the bidders and reasons explained by them for quoting higher rates were almost similar, indicating some cartelisation among the bidders.

State Government stated (November 2015) that the tenders were invited online for fair, reasonable and competitive rates. As audit has not commented adversely on tendering process, the rates arrived at after negotiation should be accepted as fair and reasonable. The whole process was completed by respective ACEs and justified rates were also submitted to CE (Rural). After considering the analysis, the justified rates were submitted to Secretary RWSSMB before opening financial bids. The rates received were higher than the justified rates and the matter was submitted before Finance Committee (FC) of RWSSMB. As per decision of FC, negotiations were conducted with the lowest bidder in each tender by SNC and the rates were lowered down to near the justified rates, which were approved by FC.

It was further clarified that the estimated cost of ₹ 14.80 lakh was based on average of maximum and minimum cost received in pilot project tender of 35 RO plants and the effect of depreciation in exchange rates of US dollar, resulting in increase in cost of imported parts, logistic cost, provision of IEC etc. was not taken into account while estimating this cost. Reasons for rate

quoted by bidders were almost identical because they quoted for RO plants of prescribed specification. Explanation given by bidders for quoting higher rates was almost similar because nature of work was same and almost similar difficulties were likely to be faced by bidders in the field. Therefore, it could not be considered a ground for indication of cartelisation.

The reply was not acceptable as justified rates for comparison were prepared after considering the approved base rates for similar work and after adding the impact of appreciation in the US Dollar for imported parts. Parts used in RO plants are mostly manufactured in India and the RO plants are manufactured either by the contractor himself or manufactured by a consortium of service providers. The rate of RO plants that were approved by FC were 38 to 43 *per cent* higher, whereas the rupee devalued by only 11 *per cent* during the period January 2013 to July 2013.

Moreover, the argument that bidders have quoted identical rates/explanations because of similar nature of work and similar difficulties likely to be faced by them was not acceptable as Rajasthan, being a big state, have different ground conditions in each region, as such similarity in their rates and explanations given by them, indicate a possible cartelisation among the bidders.

Thus, accepting very high rates for the same work within a period of three months, was irregular and resulted in extra liability of ₹ 52.95 crore to Government exchequer.

3.8 Unusual delay in execution of work

Due to laxity of the department, the work could not be completed even after incurring an expenditure of ₹ 246.86 crore and a lapse of more than 6 years defeating the objective of providing safe and potable drinking water to targeted population.

The area of Rajasthan, comprising Sawai Modhopur and Karauli districts is mostly dependent on ground water for providing safe and potable drinking water. The ground water has high nitrates, chlorides and total dissolved solid (TDS) contents and is not fit for human consumption. To solve this problem, an integrated project 'Chambal-Sawai Madhopur-Nadoti Water Supply Project' for 926 villages and four towns of these districts, was conceived in June 2002. The infrastructure such as main transmission pipe line, intake pumping station and pump houses were designed for estimated population of 2031.

Policy Planning Committee (PPC), Rajasthan Water Supply and Sewerage Management Board of Public Health Engineering Department (PHED) accorded (June 2002) administrative and financial sanction (A&F) of ₹ 240.88 crore for the Project. The cost of the project was revised (September 2004) to ₹ 478.91 crore, with a rider that all necessary statutory sanctions from Central Government/State Government and other departments should be obtained prior to starting the work. The technical committee (TC) of PHED decided

(October 2004) to split the Project into four packages and accorded technical sanction of ₹ 289.31 crore for package-I (main transmission system).

Test check of the records (July 2014 and April 2015) of Executive, Engineer (EE), PHED, Project Division-I Sawai Madhopur, revealed the following:

- Additional Chief Engineer, (Bisalpur and Special Project) PHED, Jaipur invited tenders for package-I¹⁶ in March 2005. The Finance Committee (FC) approved (September 2005) the lowest tender (₹ 269.30 crore) of M/s Subhash Projects and Marketing Limited, New Delhi (contractor). Work order was issued on 23 September 2005 with stipulated date of commencement and completion of work as 3 October 2005 and 2 October 2008 respectively and with five year's operation and maintenance after completion of the work.
- As intake well was to be constructed in forest land of Chambal Sanctuary, proposal for obtaining permission for diversion of forest land was sent to Ministry of Environment and Forest (MoEF) New Delhi, on 10 May 2006 and permission was granted by MoEF on 05 April 2010. This permission was conveyed to EE by the Additional Principal Chief Conservator of Forest Jaipur, on 12 April 2010.
- As per condition no. 9 of 'Special Conditions of Contract', the contractor was responsible for obtaining necessary clearances of drawings and design of the work, which were to be approved by competent authority within 15 days. The department directed the contractor on 30 May 2011 to prepare drawings and design for intake well and approach bridge and forwarded the same to Indian Institute of Technology (IIT) Delhi, on 16 January 2012, which were approved by IIT New Delhi on 11 December 2012.
- Due to paucity of funds, re-phasing of the work was approved by FC and the contractor was granted time extension upto 31 March 2013. FC granted (February 2014) further time extension upto 31 March 2015 on grounds of delay in handing over of site for intake well and approach bridge, non availability of environmental and forest clearance and approval of design and drawing by IIT, Delhi.
- As of March 2015 the contractor was paid ₹ 194.87 crore (72.4 per cent of tendered value of ₹ 269.30 crore), for the work executed by him. Of this, ₹ 192.46 crore was paid (during June 2006 to March 2015) for the works for which there were no hindrances (laying and jointing of pipes, water treatment plant, raw water reservoir, clear water reservoir, pumping station, head works etc.) and ₹ 2.41 crore only was paid for the works for which there was hindrances/delay on the part of the department in obtaining approval/permission of the competent authorities (intake well, approach bridge, intake head works and switch yard).

¹⁶ Construction of intake structure, pumping stations, MS/PSCC pipelines, water treatment plant, GSS/switchyard etc.

- In addition, ₹ 23.37 crore was paid to the contractor on account of price escalation (up to the period of December 2011) due to delay at various stages of execution of work.
- The work has still not been completed.

It was further revealed that the department did not take necessary measures for speedy completion of the work. The tenders for work were invited without obtaining prior permission/environmental clearances from respective authorities in contravention to the directions of PPC. Proposal for environmental clearance was sent on 10 May 2006 after a delay of 18 months from technical sanction. It took 65 months in obtaining environmental clearance from MoEF from the date of technical sanction (October 2004). Efforts made by the department for obtaining clearance of MoEF were not provided though, called for in October 2014 and May 2015. Had the department sent the proposal to MoEF immediately after receipt of technical sanction and pursued it vigorously, the delay could have been reduced. Moreover, the progress of the work, not falling under hindrances, was not monitored, which resulted in non completion of that part of the work within stipulated time.

State Government stated (September 2015) that parallel activities of seeking permission from CEC Delhi, as area falls under Ghariyal Sanctuary on Chambal river and issuing work order was carried out in anticipation of the permission. But due to consideration of the matter by Supreme Court and CEC, it got extra ordinarily delayed which was beyond the control of the department. The department directed the contractor to submit drawings and design on 16 April 2010, just after getting permission from Supreme Court on 12 April 2010 and these were sent to Central Water Commission (CWC) for approval. The CWC raised so many observations before starting vetting of drawings of Intake Well. Finally, to expedite the issue it was decided to get approval of drawing and design from IIT Delhi, instead of CWC. The drawing and design was approved on 11 December 2011. The work of Transmission Main is almost complete and Intake well, RWR, WTP, PH, etc. is in progress. The firm has assured the department to complete the work by June 2016.

The reply was not acceptable as revised A&F, issued on September 2004 clearly mentioned that all necessary statutory sanctions from Central Government/State Government and other departments should be obtained prior to starting the work, whereas the department sent the proposals to GoI only in May 2006 i.e. after a lapse of 18 months. Further, Ministry of Environment and Forest, issued in principle sanction on 10 December 2009, but the department directed the contractor for preparing drawing and design on 30 May 2011 (a delay of 17 months) and not on 16 April 2010 as contended by State Government in their reply. Moreover, as per work order, the work was to be completed within three years (October 2008) while the drawing and design of the work was approved on December 2012 (and not in December 2011 as stated by State Government) and after a lapse of 4 years the work is still incomplete.

Thus, due to laxity of the department, the work could not be completed even after incurring an expenditure of ₹ 246.86 crore¹⁷ and after a lapse of more than six years from the stipulated date of completion. The PPC has further revised (September 2013) the cost of package-I to ₹ 303.82 crore and the final cost may go up, considering the pace of work and cost escalation. This defeated the purpose of providing safe and potable drinking water to target population of Sawai Madhopur and Karauli district even after lapse of eleven years.

Urban Development and Housing Department

3.9 Unfruitful expenditure

Imprudent decision of the Department to start the construction for a landfill site within 10 kms radius from Aerodrome Reference Point without obtaining NOC from Air Force Station and environment clearance from State Environment Impact Assessment Authority, resulted in incurring of unfruitful expenditure of ₹ 0.73 crore.

For Solid Waste Management (SWM) of the Jaisalmer city, the District Collector, Jaisalmer allotted (October 2004) 300 bighas land¹⁸ to Municipal Board (MB) Jaisalmer, at village Bada Bag. As per order of the Collector, the land was to be used for collection, segregation, storage, transportation, processing, treatment and disposal of solid waste as per the Municipal Solid Waste (Management & Handling) Rules 2000, after obtaining no objection certificates (NOCs) from line Departments¹⁹, Air Force Station (AFS) Jaisalmer and Rajasthan State Pollution Control Board (RSPCB).

Test-check (February and October 2014) of the records of Project Director (PD), Rajasthan Urban Infrastructure Development Project (RUIDP), Jaipur and further information collected (March 2015) revealed that MB Jaisalmer did not obtain environment clearance (EC) from State Environment Impact Assessment Authority (SEIAA) and NOCs from AFS. The AFS intimated (20 November 2004) that construction of refuse dumps would not be permitted within a radius of 10 kilo metres (kms) from Aerodrome Reference Point (ARP) due to the bird hazard. Further, during the physical visit of the site, Flying Officer, AFS, found that the earmarked area did not adhere to the policies laid down by the Indian Air Force for safe conduct of flying and requested (25 November 2004) the Commissioner, MB Jaisalmer, that the earmarked area may be shifted by at least five kms for obtaining NOC. In a subsequent discussion (17 December 2004), the Wing Commander reiterated (20 December 2004) that the site should not be within a radius of 10 km

¹⁷ ₹ 194.87 crore: Execution of work; ₹ 23.37 crore: Price escalation; ₹ 28.62 crore: payments to Forest Department (diversion of forest land), National Highways Authority of India, Indian Railways (for crossing railway line), Electricity Board (electric connection) etc.

¹⁸ Khasara nos. 69/465, 70/464, 71 and 72

¹⁹ Forest Department, Ground Water Department, Public Health & Engineering Department, Irrigation Department and Village Panchayat.

around the ARP and issued a conditional NOC. A fresh NOC was to be obtained by MB Jaisalmer before commencement of any construction work at the designated site.

The Work Finalisation Committee of RUIDP approved (June 2007) a work plan for 'Development of sanitary landfill site including installation of weigh bridge and construction of transfer station and procurement of equipments' with an estimated cost of ₹ 1.50 crore for Jaisalmer town under Asian Development Bank (ADB) funded project 'Rajasthan Urban Sector Development Investment Programme (RUSDIP)'. The bids for the work 'Development of sanitary landfill site at Jaisalmer'²⁰ were invited (December 2008) and the Tender Approval Committee of RUSDIP accepted (July 2009) the sole bid of M/s Durgaa Impex, Udaipur. Accordingly, Executive Engineer (EE), RUSDIP, Jaisalmer awarded (August 2009) the work to the firm at ₹ 0.90 crore with stipulated date of commencement and completion of work as 24 August 2009 and 23 August 2010 respectively.

As RUSDIP could not obtain NOC from AFS Jaisalmer, necessary EC from SEIAA could not be obtained by RUSDIP. In view of this, after completion of around 90 *per cent* work and incurring an expenditure of ₹ 0.73 crore²¹, RUSDIP instructed (November 2010) the firm to stop the work for want of EC as instructed by ADB. Since then the work is lying incomplete.

Subsequently, on the request (11 June 2014) of the MB Jaisalmer for providing clearance on the ground that allotment of additional land was under progress, the Wing Commander again advised (July 2014) the Commissioner, MB Jaisalmer that the present earmarked site is within 10 kms of the air field and also requested to shift the entire site beyond 10 kms from the air field and submit a fresh request for NOC along with the layout plan of the new site. It was evident from the facts of the case that the work of development of sanitary landfill site was carried out at a wrong site which was within a radius of 10 kms from ARP in spite of clear instructions (December 2004) from AFS and therefore the expenditure of ₹ 0.73 crore incurred on this work was rendered unfruitful.

State Government stated (March 2015) that the matter for allotment of additional land is under process and construction work on land fill site would be utilised after allotment of additional land for dumping the solid waste. As of now (March 2015), the District Collector, Jaisalmer had allotted (January 2015) 250 bighas land at Ramgarh road, village Bada Bag for SWM in Jaisalmer area.

The reply was not acceptable as the additional allotted land was also adjacent to existing site and the Air Force Authority had advised the MB Jaisalmer to shift the entire site beyond 10 kms radius of the air field. Since, the NOC had not been issued by AFS, Jaisalmer (July 2015) as such the collected solid

²⁰ Construction of trenches, office building, watch man building, installation of weighbridge, digging of tube wells etc.

²¹ Work of office building, excavation of trenches, tube well, plantation was completed. Weigh bridge work was incomplete and HDPE Geomembrance and clayliner procured at site.

waste was presently being dumped at previously allotted site which is hazardous to AFS as well to the environment. Moreover, no norms for disposal of collected solid waste were available at MB, Jaisalmer.

Thus, imprudent decision of the Department to start construction for a landfill site within 10 kms radius from ARP without obtaining NOC from AFS and environment clearance from State Environment Impact Assessment Authority, resulted in incurring of unfruitful expenditure of ₹ 0.73 crore. Besides, the norms for disposal of solid waste as per the Municipal Solid Waste (Management & Handling) Rules 2000 were not fulfilled.

Failure in implementation, monitoring and governance

Agriculture Department

3.10 PPP project of Soil Testing Laboratories

3.10.1 Introduction

The Government of India (GoI) launched (2008-09) a centrally sponsored scheme 'National Project on Management of Soil Health and Fertility (NPMSF)' for strengthening and revamping of soil testing facilities. The main components of the project were to strengthen soil testing facilities by setting up of new Soil Testing Laboratories (STLs) and promoting integrated nutrient management through judicious use of chemical fertilizer, including secondary and micro nutrients, in conjunction with organic manures and bio-fertilizers, for improving soil health and its productivity. The project aimed to provide soil testing facilities at the door step of farmers to achieve improved crop productivity to augment agriculture production on sustainable basis and reduce per unit cost of production. In order to promote balanced and judicious use of chemical fertilizer, establishment of new soil testing laboratories (static/mobile) were proposed under the project.

In Rajasthan, the implementation of the project of running the laboratories was assigned on Public Private Partnership (PPP) mode, under which operation and maintenance of laboratories was entrusted to private partners. Three private partners for 14 Static Soil Testing Laboratories (SSTLs) and 10 private partners for 12 Mobile Soil Testing Laboratories (MSTLs) as per details given in *Appendix 3.2*, were selected and an agreement for each SSTL and MSTL was signed between the public (Commissioner of Agriculture) and private partner. In case of SSTLs, the public entity handed over fully developed SSTLs, (buildings, equipment and accessories) to selected agencies for operation for three years. As per agreement, the public entity was to provide fixed operation cost per annum towards operation of SSTL as per rate approved after inviting tenders/expression of interests. The testing fee (user charges) collected by the private partner shall be deposited in Government account. In case of MSTLs, the public entity handed over fully equipped Mobile Soil Testing Vans to selected agencies for operation for three years and private partner was to provide soil testing facilities to farmers at testing

fee decided by the public entity. The private partner was kept free to deposit testing fee into Government account. The operating and maintenance cost of mobile soil testing van and testing expenses were to be borne by the private partner. In addition to this, consumable articles like chemicals, filter papers, etc. were also to be provided by the public entity to the private partners on the basis of number of samples analysed in both cases of SSTLs and MSTLs.

Under the project, GoI provides 50 per cent of the project cost as subsidy subject to a limit of ₹ 30 lakh for purchase of machinery and equipment, chemicals and glass wares, miscellaneous laboratory articles and contingencies in case of SSTLs while 75 per cent of the project cost subject to a limit of ₹ 30 lakh is provided as financial assistance in case of MSTLs. The remaining amount needs to be arranged by the State Government from its resources. The year wise position of allotment of budget and expenditure is as given in table below:

(₹ in crore)

Year	Static			Expenditure incurred	Mobile			Expenditure incurred
	Amount received				Amount received			
	GoI	GoR	Total		GoI	GoR	Total	
2009-10	3.39	-	3.39	-	2.18	-	2.18	0.84
2010-11	2.10 ²²	2.38	4.48	0.01	1.80	0.61	2.41	2.20
2011-12	-	-	-	0.08	-	-	-	0.04
2012-13	-	-	-	0.67	-	-	-	-
2013-14	-	-	-	0.33	-	-	-	0.01
2014-15	-	-	-	0.08	-	-	-	-
Total	5.49	2.38	7.87	1.17	3.98	0.61	4.59	3.09

Audit of records for the period from 2010-11 to 2014-15 of 14 units (nine SSTLs²³ and five MSTLs²⁴) out of 26 laboratories was taken up (March-May 2015) by adopting simple random sampling method. Besides, records of the Commissioner of Agriculture and State Institute of Agriculture Management (SIAM) were also examined to see whether the terms and conditions incorporated in the agreements executed with the private partners for operation and maintenance of the laboratories were adhered to, services of soil testing facilities were provided to the farmers in an efficient and effective manner and objectives for setting up the soil testing laboratories were achieved.

Audit Findings

Audit findings noticed during the test check of selected SSTLs/ MSTLs, office of the Commissioner of Agriculture and SIAM are discussed in succeeding paragraphs.

3.10.2 Planning and Implementation

Scrutiny of records of Commissioner of Agriculture and 14 selected laboratories along with records of offices of the Deputy/Assistant Directors (Extension) revealed the following:

²² ₹ 6.38 lakh towards bank interest had been considered against installment.

²³ Duni, Gudhamalani, Kekri, Kuchaman city, Ladnu, Sandawa, Sri Dungargarh, Srimadhapur and Pratapgarh.

²⁴ Jaipur, Jodhpur, Kota, Pali and Suratgarh.

3.10.2.1 Criteria for selection of site for establishment of laboratories not fixed

The criteria for selection of sites for establishment of laboratories were not established. No survey or assessment was conducted for identifying the areas where maximum farmers could be benefitted by these laboratories. It was noticed that a Government Soil Testing Laboratory was in existence in Churu district but was not operational for the last three years in the absence of manpower. It was further observed that instead of providing the manpower in Government Laboratory, a new SSSL in Sandwa (Churu district) was established about 140 kilometres away from the district headquarter. The establishment of SSSL far away from the district headquarter led to delay of about 30-45 days in collection of samples from the farmers, analysis of samples and sending of reports back to the farmers, whereas the guidelines prescribed maximum 10 days period for conducting tests and reporting of results. Similarly, SSSL at Gudhamalani (Barmer district) was established at a secluded place, not connected with road, due to which, the operation of the laboratory could not be started (May 2015) though an agreement was executed with a firm to run the laboratory in April 2013.

Further, it was also noticed that eight SSSLs²⁵ and eight MSTLs²⁶ were established on sites other than the sites proposed (December 2008) by Commissioner of Agriculture to GoI.

The State Government stated (September 2015) that selection of sites for establishment of laboratories was done keeping in view the geographic, irrigation and extension conditions in agriculture sector. It was further stated that objective of establishment and operation of laboratories was to provide facilities to farmers at the nearest point as well as extend facilities in remote and deprived areas. The reply may be viewed in the light of the fact that laboratory in Churu district was established at 140 kms away from the district headquarter and no other laboratory was working which deprived the farmers from soil testing facilities at their nearest point. State Government did not furnish specific reasons on establishment of MSTLs at the sites other than proposed. However, no survey or assessment was also conducted for identifying the areas where maximum farmers could be benefitted by these laboratories.

3.10.2.2 Non-establishment/Delay in establishment of laboratories

The GoI accorded (August 2008) administrative approval and released (March 2009 and March 2011) funds of ₹ 7.80 crore for setting up of 14 SSSLs and 12 MSTLs. Further, for establishment of new additional laboratories, proposals were sought (April 2009) by the Department of Agriculture and Cooperation, Ministry of Agriculture, GoI. In compliance of this, the Commissioner of Agriculture submitted (May 2009) proposals for 10 SSSLs and four MSTLs. The GoI released (January 2010) ₹ 1.67 crore under NPMSF

²⁵ Each in Laxamangarh, Kekri, Sangod, Sri Dungargarh, Ladnu, Jaitaran, Sandwa and Gudhamalani.

²⁶ Three in Udaipur, two in Jaipur, one each in Kota, Bikaner and Pali.

as first installment. As per guidelines, laboratories were to be established during 11th Five year plan i.e. upto March 2012. The status of SSTLs/MSTLs sanctioned by GoI, established by GoR and functioning as on 31 March 2015 is given in table below:

Number of laboratories sanctioned by GoI		Number of laboratories established by GoR		Number of laboratories functioning as on 31 March 2015	
SSTLs	MSTLs	SSTLs	MSTLs	SSTLs	MSTLs
24	16	14	12	13	8

(i) Scrutiny of the records revealed that no timeline for setting up of laboratories was fixed by the Department. Only 10 MSTLs and one SSTL were set up during the 11th Five year plan while 15 laboratories²⁷ were set up with delay from one to three years. It was also noticed that after entering into an agreement in April 2013, the buildings of two SSTLs²⁸ were handed over to the executing agency for operation in September 2014 with a delay of 17 months. In SSTL Gudhamalani, equipment was handed over to private partner in March 2015 with a delay of 23 months from the date of agreement.

The State Government stated (September 2015) that the delay was due to many factors involving availability and allotment of land, construction of building, procurement and supply of equipment, installation, selection of agency, etc. The State Government also attributed the delay to repeated tendering process in selection of private partner. The reply is not acceptable as all these reasons were not beyond the control of executing authority and, therefore, action should have been taken by the authority for timely establishment of laboratories. The delay in setting up of laboratories led to deprivation of benefit of soil testing facilities to the farmers.

(ii) Audit observed that more than five years had elapsed from the date of sanction of additional laboratories, but no laboratories had been established till March 2015. In absence of this, GoR failed to get second installment of ₹ 1.66 crore from GoI. The State Government accepted the facts and attributed the reasons of non-establishment of 10 SSTLs and four MSTLs sanctioned during 2009-10 due to non-commencement of operation of 14 SSTLs sanctioned in first phase in 2008-09.

The proposals for establishment of additional laboratories were, therefore, prepared without any strategy and action plan which severely crippled the successful implementation of the project.

3.10.2.3 Risk area for private partner not clearly defined

The key to success of PPP Project is fair and balanced sharing of risks and benefits between the partners. Also, transparency and accountability in all transactions relating to the award and management of the contract are critical.

In order to provide facilities of soil testing laboratories, the implementation of the project through PPP framework was adopted under which operation and

²⁷ 10 SSTLs and two MSTLs in 2012 -13, one SSTL in 2013-14 and two SSTLs in 2014-15.

²⁸ Sanchore and Gudhamalani.

maintenance of SSTLs and MSTLs was entrusted to private partners by inviting Open Tenders/Expression of Interest (EoI).

Audit observed that no clear role and responsibility were outlined in the agreement. One of the critical elements for the success of the project was collection of samples from farmers. It was however, observed that Agriculture Supervisor/Assistant Agriculture Officers were to collect and send the samples to the SSTL/MSTL but no targets in this respect were assigned to the private partners. Consequently, there was huge shortfall in achievement of targets for testing soil samples as discussed in succeeding paragraph. In the Expression of Interest document for MSTLs, it was mentioned that the private partner would be responsible for collection of soil samples, but this condition was not included in the agreement. Further, no clause for deduction of payment or termination of agreement for non-satisfactory performance was included in the agreement. Similarly, there was no penal provision for delay in testing and sending recommendations. As fully equipped laboratories were handed over to the private partners, fixed operating cost²⁹ and recurring expenses³⁰ were borne by the Department and no investment had to be made by the private partner in case of SSTL, then absence of clear cut role and responsibility of the private partner was an impediment in successful implementation of the project and diluted the accountability of the private partner.

Similarly, no yardstick was fixed for per sample operating cost. Resultantly, in test checked laboratories, per sample operating cost was different ranging between ₹ 70 and ₹ 267 during the project period.

The State Government did not furnish any specific reply to the observations made (December 2015).

3.10.2.4 Required tests not done

One of the main objectives of NPMSF was to facilitate and promote Integrated Nutrient Management (INM) through judicious use of chemical fertilizer including secondary and micro nutrients in conjunction with organic manures and bio-fertilizer for improving soil health and its productivity.

In order to promote balanced and judicious use of chemical fertilizer, new SSTLs and MSTLs were established, in which complete analysis of soil like NPK (major nutrients), Ca, Mg, S (Secondary nutrients), Zn, Fe, Cu, Mn, B, Mo, CI (micro nutrients) and C, H, O (auxiliary nutrients) was to be conducted in one out of every three samples.

In all test checked laboratories, it was observed that only major nutrients (NPK) were analysed and no secondary, micro and auxiliary nutrients were analysed due to non-procurement of required equipment i.e. Atomic Absorption Spectrophotometer (AAS).

²⁹ Cost of staff, cost of maintenance of laboratory equipment, accessories plus stationery, postage, light and water, miscellaneous charges and agency margin.

³⁰ Recurring expenses like chemicals, filter papers *etc.*

The State Government stated (September 2015) that AAS is not appropriate for MSTLs. However, tenders were invited for procuring the AAS for SSTLs but not finalised. Hence, amount of ₹ 10 lakh for each AAS received from GoI remained unutilised. The reply is not acceptable as the Commissioner of Agriculture had submitted proposals to GoI in December 2008 for purchase of AAS for both SSTLs and MSTLs, but it had not been procured (March 2015) despite revalidating the unspent amount by GoI in February 2015. The farmers therefore, could not avail the facility for complete analysis of soil and water samples from these newly established laboratories. One of the main objectives of the project stood defeated.

3.10.2.5 Huge shortfall in achieving targets

In the proposal document (December 2008), The Commissioner of Agriculture mentioned that the analysing capacity of Government sector laboratories was 3.50 lakh soil samples per annum, which would be increased upto 6.70 lakh samples per annum by establishing new SSTLs and MSTLs. In order to achieve this target, new SSTLs and MSTLs were designed to have capacity of analysing minimum 8000 (SSTL) and 5000 (MSTL) samples per annum. In both the cases, the private partner was to utilise full capacity or more than this as per prevailing conditions.

Scrutiny of the records disclosed that in 14 SSTLs, shortfall of achievement ranged between five and 100 *per cent* while in ten MSTLs, the shortfall was between 14 and 94 *per cent*. Thirteen SSTLs and five MSTLs never achieved targets in any year since their operation. It was noticed that total number of Soil Health Cards (SHCs) distributed by operated laboratories on PPP mode and Government Laboratories was always less in comparison to 2007-08 (except in 2011-12).

The State Government accepted the facts and stated (September 2015) that progress of analysing samples was improving. The fact is that there was a decreasing trend³¹ of SHC's distribution even though new SSTLs and MSTLs were established.

3.10.2.6 Inordinate delay in conducting soil tests and sending recommendations

The guidelines issued by Government of Rajasthan envisaged that the private partner should not take more than 10 days in conducting tests and reporting of results during peak season.

During scrutiny of records of selected laboratories and the offices of the Deputy/Assistant Director, Agriculture (Extension), it was noticed that records regarding date of receipt of samples from farmers, date of analysis and date of handing over of SHCs to farmers were not maintained properly. The date of analysis was not recorded by any laboratory except SSTL, Kekri due to which delay in analysis could not be ascertained. There were inordinate delays in sending SHCs to concerned Assistant Agriculture Officer (AAO)/Agriculture Supervisor (AS) and farmers by laboratories. Out of 42,108 cases test checked

³¹ 3.12 lakh in 2010-11, 3.68 lakh in 2011-12, 3.10 lakh in 2012-13, 3.22 lakh in 2013-14 and 3.21 lakh in 2014-15.

in nine laboratories, there were delays ranging between two and 185 days in 15,987 cases.

In review of records of SSSL, Duni (Tonk) and Kuchaman City (Nagaur), it was observed that 50 SHCs (February 2013) in Duni (Tonk) and 277 SHCs (December 2013 to March 2014) in Kuchaman City (Nagaur) were lying undelivered in original sheets till May 2015.

The State Government accepted the facts and stated (September 2015) that as this was the first effort in soil testing work with the participation of private partner, hundred *per cent* usefulness was not achieved as expected from the private partner. It further stated that proper arrangement would be ensured in future.

Inordinate delay as mentioned above indicated that the farmers were not getting SHCs before sowing their crops. Hence, balanced use of fertilizer through recommendations could not be ensured. Absence of any proper monitoring mechanism as discussed in succeeding paragraphs facilitated such shortcomings to exist.

3.10.2.7 Analysis results prepared without conducting soil tests

Scrutiny of records of SSSL, Duni (Tonk) disclosed that two lists of analysis results of 50 farmers bearing the same name and villages were prepared on the same date but the analysis results were different. This implied that analysis results were filled in without conducting tests. Further, in some cases, the recommendations were mentioned in the SHCs without showing test results. These instances indicated that analysis results were being prepared without conducting tests and there was absence of effective monitoring or inspection of the records of the SSSL.

The State Government accepted (September 2015) the facts and intimated that online software had been evolved to prepare SHCs through National Informatics Centre (NIC) so that this type of error could be evaded in future.

3.10.2.8 No follow up of soil test recommendations

According to the guidelines prepared by the Joint Director (Quality Control), Agriculture, Rajasthan, one of the objectives of soil testing programme was to supply SHCs to farmers with recommendations and do a follow up. In order to achieve the project objective, there was a need to do the follow up of soil test recommendations.

During scrutiny of records of selected units, it was noticed that no such records regarding follow-up/feedback were maintained in the district level extension offices. In absence of such records, it could not be ensured that there was adequate follow up of the recommendations and that the recommended fertilisers were used by the farmers to augment soil productivity.

The State Government stated (September 2015) that SHCs had been distributed to the farmers on the basis of analysed samples and knowledge was provided for use of tests and recommendations in various trainings/fairs and

meetings, etc. The fact remains that no follow up/feedback records were maintained at the district level extension offices.

3.10.2.9 Non-acquiring of equipped Mobile Van after completion of project

The guidelines issued by the Commissioner of Agriculture for MSTLs envisaged that after completion of the agreement period, the organisation would hand over all equipment, buildings and accessories to the Department in a manner as they were taken from the Department.

During review of records, it was observed that four MSTLs³² had completed their project period (November 2013 and February 2014). However, no action for acquiring all equipment, van, etc. was taken (May 2015) by the Department.

The State Government stated (September 2015) that executing agencies expressed their unwillingness to run these four MSTLs. However, an Expression of Interest was invited (September 2013) but no agency had applied for running these MSTLs. The reply is not acceptable as no further action for re-tendering was taken by the Commissioner of Agriculture for providing uninterrupted services of MSTLs.

3.10.2.10 Awareness camps were not organised

According to the agreement document, publicity was to be done by the private partner in advance for camps/ visits so that the farmers could take benefit from the services. The programme for organising camps/fairs was to be intimated to the Deputy Director, Agriculture (Extension).

Scrutiny of records of test checked SSTLs and MSTLs, disclosed that no camps/ fairs were organised by the executing agencies. Thus, private partners did not fulfil the condition of the agreement and the desired awareness for soil testing for the benefit of farmers could not be generated.

The State Government stated (September 2015) that camps/fairs were organised by MSTLs. The reply is not acceptable as no such records were produced in any of the test-checked MSTLs and SSTLs.

3.10.2.11 Lack of required staff

As per agreement, six posts³³ in each SSTL and three posts³⁴ in each MSTL were to be filled in by the concerned executing agency.

Audit observed that as on 31 March 2015, there was shortfall of one post each in three SSTLs³⁵ and three MSTLs³⁶ while two posts were lying vacant in

³² Kota and Udaipur (Liberty Phosphate Limited), Udaipur (Maharana Pratap University of Agriculture and Technology) and Jaipur (Jubilant Organosys Limited).

³³ One each for each Laboratory (Incharge/Sr. Chemist, Analyst, Assistant, Computer Data Entry Operator cum Office Assistant) and two Attendants cum Chowkidar.

³⁴ Analyst cum Chemist, Assistant and Driver cum Attendant.

³⁵ Ladnu, Sandwa and Sri Madhopur.

³⁶ Jaipur, Jodhpur and Suratgarh.

SSTL, Sri Dungargarh. The position was worse in four laboratories³⁷ where only three employees were enrolled in each laboratory against required six posts. Thus, the implementing agencies were not adhering to the conditions laid down in the agreement which also reflected deficient monitoring mechanism of the Department.

The State Government stated (September 2015) that executing agencies had been directed to execute the work by deploying staff as required but no specific reply regarding non-adhering to the conditions of agreement was furnished.

3.10.3 Financial Management

3.10.3.1 Amount lying unutilized

Audit observed that GoI released ₹ 9.47 crore during 2009-10 to 2010-11 and State Government released ₹ 2.99 crore during 2010-11 for establishment of SSTLs and MSTLs. Out of ₹ 12.46 crore released, only ₹ 4.26 crore were spent upto March 2015. Thus, ₹ 8.20 crore was lying unutilised.

The GoI released ₹ 4.20 crore³⁸ for 14 SSTLs and ₹ 3.60 crore for 12 MSTLs in 2009-11. However, State Government released only ₹ 2.38 crore for SSTLs and ₹ 60.50 lakh for MSTLs. Thus, the State's matching share was released less by ₹ 1.82 crore in case of SSTLs and ₹ 59.50 lakh in case of MSTLs. Further, GoI released first installment of ₹ 1.29 crore for additional 10 SSTLs and ₹ 37.55 lakh for additional four MSTLs in 2009-10. However, State Government did not release its matching share. Thus, ₹ 3.83 crore were less released by State Government.

The State Government stated (September 2015) that savings were mainly due to failure of tenders for procuring AAS equipment, receiving lowest tender rates and non-utilisation of funds provisioned for requirement of generators, etc.

This shows that financial proposals sent (December 2008) to GoI were on higher side and without assessing the actual requirement.

3.10.4 Monitoring

3.10.4.1 State level

As per GoI guidelines, at the State level, a State Project Sanctioning cum Monitoring Committee (PSMC) was to be constituted under the Chairmanship of Secretary (Agriculture) with members from line Department and representatives from Indian Council of Agricultural Research (ICAR), State Agricultural Universities and Fertilizer Industries.

Audit observed that PSMC was not constituted (May 2015) at the state level. However, a Committee under the Chairmanship of Additional Director, Agriculture (Research) was constituted (October 2010). The meetings of this Committee were to be convened on quarterly basis to review the progress and

³⁷ Duni, Kekri, Kuchaman city and Pratapgarh.

³⁸ ₹ 6.38 lakh towards bank interest had been considered.

implementation of the laboratories. However, it was observed that only eight meetings were held against required 18 meetings during October 2010 to March 2015. No half yearly meetings were organised under the Chairmanship of the Commissioner of Agriculture as required under the agreement. Thus, the State level monitoring mechanism did not exist.

The State Government accepted the facts and stated (September 2015) that NPMSF was merged in the mission 'National Mission for Sustainable Agriculture' in 2014-15 and was being operated as Soil Health Management. A State Level Committee (SLC) under this mission had been constituted (May 2014). However, the reply was silent on shortfall of meetings.

3.10.4.2 District level

At the district level, Deputy Director (Extension) was to monitor all the operational work of the laboratories regularly.

No district level monitoring mechanism was in place in case of MSTL. In review of selected MSTLs, it was observed that Deputy/Assistant Director, Agriculture (Extension) of the concerned district was unaware of his role and responsibilities about MSTLs, as no direction or guideline was received from the Commissioner of Agriculture, Jaipur. Thus, there was absence of any effective monitoring mechanism at the district level.

3.10.5 Conclusion

The selection of SSTLs was not appropriate and no criteria for selection of sites were fixed by the Department. No survey for identifying areas where maximum farmers could be benefitted was conducted. No time line for establishing laboratories was prescribed due to which delay occurred in establishing laboratories. Clear role and responsibility for executing agencies were not outlined in the agreement and no penal provisions for any shortcomings in executing the work were incorporated. Analysis of secondary, minor and auxiliary nutrients was not conducted by any laboratories. There was shortfall in achieving targets of soil testing and substantial delay in sending recommendations to the farmers by executing agencies. Awareness camps were not organised by any executing agency. The State Project Sanctioning cum Monitoring Committee was not setup.

Archaeology and Museums Department

3.11 Preservation, protection and maintenance of historical monuments, archaeological sites and antiquities in the State

3.11.1 Introduction

Archaeology and Museums Department (A&M Department), established in the year 1950, is responsible to preserve, protect, upkeep, exhibit and interpret the cultural legacy embodied in various forms of art and architecture.

‘Rajasthan Monuments, Archaeological Sites and Antiquities Act 1961 (Act) was enacted for preservation, protection, and maintenance of ancient and historical monuments, archaeological sites and antiquities in the State.

As on date (March 2015), A&M Department has 335 protected monuments 43 protected sites, 18 museums and 2 art galleries under its control. Audit conducted test check (March–July 2015) of 25 monuments, 2 archaeological sites, 2 museums and 2 art galleries selected on simple random basis to assess the effectiveness of the Department in maintaining them. In addition five monuments situated in Jaipur city were also selected in view of their tourist importance.

Audit findings are discussed in following paragraphs:

3.11.2 Planning

For preserving, protecting and maintaining historical and ancient monuments or sites, the department needs to prepare a comprehensive plan so that periodical preservation/conservation work can be carried out and no monument or site is left unattended. Audit scrutiny revealed that no such plan was prepared by the department.

State Government stated (October 2015) that work of conservation had been done on the priority fixed in view of report of departmental officers, availability of budget, their dilapidated conditions, local demand of area and importance of monuments. The reply confirmed that no such plan was prepared.

3.11.2.1 Identification of monuments/sites for protection

Under sub section 3 (1) of the Act, the State Government may declare any ancient or historical monument, or any archaeological site, or any antiquity to be a protected monument/area/antiquity if not protected by Archaeological Survey of India (ASI). Such historical monument, archaeological site, or antiquity needs to be identified.

A survey conducted (2007) by the ‘National Mission of Monuments and Antiquities (NMMA)’, established by ASI, revealed that there were 5,220 unprotected monuments in the State. This was the highest number in India. Audit scrutiny revealed that 228 monuments were being protected by A&M Department up to March 2008 and this number had increased to 335 by 2014-15. Thus, only 107 monuments were declared protected by the department in the past seven years and 5,113 (94 per cent) monuments still remain unprotected (March 2015).

State Government stated (October 2015) that a survey of 9,045 monuments was conducted in 2007 by the Department through Jawahar Kala Kendra (JKK), of which important monuments had been protected as per parameters (ancient, historical monuments or archeological sites).

Reply was not convincing as the survey conducted through JKK was not proper as it did not contain the detailed descriptions and importance of the monuments/sites. Further, only additional 107 monuments were declared protected up to 2014-15 whereas a large number of important monuments/sites remained to be identified and protected.

3.11.2.2 Protection of antiquities

(i) Under section 3(1) (iii) of the Act, the Government may declare any antiquity³⁹ to be protected by notifying the same under section 3 (4)(iii) of the Act.

Details of antiquities, declared protected under the Act, were not available in A&M Department. Information collected revealed that there were 2,36,163 numbers of antiquities in 17 museums⁴⁰. Department intimated (June 2015) that only three antiquities (Sikar District) were declared protected in 1978. This indicated that almost all antiquities in the state are unprotected. In absence of declaring antiquities protected, these may be prone to theft, smuggling, defacement etc. and situation needs urgent attention.

State Government stated (October 2015) that earlier under section 3(1)(iii) of the Act antiquities under private ownership were being declared protected. Thereafter under Registration Scheme of GoI such antiquities were got registered and relevant record was transferred to GoI on 13 May 2011 and presently this work was being carried out by ASI.

Reply was not tenable as Section 2 (ii) of the Act excluded those antiquities which had been declared protected under Central Act. Therefore, provisions of the Act were not adhered to in respect of antiquities available at museums pertaining to A&M Department.

(ii) As per sub section 3 (4A) of the Act, where the State Government is satisfied with respect to any monument, archaeological site or antiquity that there is immediate danger for its removal/ destruction, it may forthwith make a declaration under sub section 3 (4) in respect of any such monument, archaeological site, or antiquity without following procedure under the Act.

As per a report of Indian National Trust for Art and Cultural Heritage (INTACH)⁴¹ published (13 March 2015) in a news paper (Hindustan Times), out of total 362 unprotected stone inscriptions of 117 A.D. to 1800 A.D. in various villages of Western Rajasthan⁴², around 80 have been lost, defaced or washed away due to lack of protection. This indicated the casual approach of

³⁹ Under Section 2 (ii) of the Act, antiquity means any coin, sculpture, epigraph, manuscript, record, document, picture, painting, printed matter or other work of art or craftsmanship. It includes any article, object or thing which the State Government may, by notification in the Official Gazette declare, by reason of its historical or archaeological association, to be an antiquity for the purpose of this Act.

⁴⁰ Information from museum at Bhilwara was not made available.

⁴¹ A non-government organization founded in 1984 with the objective of preservation, restoration of art, culture and architecture heritage.

⁴² Bilara, Merta, Nagaur, Jetaran, Pali, Sojat, Pachpadra and Barmer.

the Department in protecting such valuable inscriptions. State Government needs to take immediate action to declare/notify all such inscriptions and protect them from further loss/defacement/damage.

State Government stated (October 2015) that it was protecting a number of stone inscriptions, however, regarding inscriptions referenced in the above paragraph no specific reply was furnished.

3.11.3 Inspection of protected monuments

As per norms prescribed (25 April 2000) by State Government, Senior Monument Inspector/Monument Inspector was required to inspect at least 10 protected monuments yearly and 18 monuments quarterly. As the post of Monument Inspector was lying vacant, no annual/quarterly inspection of protected monuments was carried out. The Superintendents were required to inspect five monuments and one museum in a year. It was noticed that during the period 2010-15, inspections were completed only by two Circle Superintendents (Bikaner and Kota).

No norms for technical supervision by the Executive/Assistant Engineer for supervising preservation work have been fixed.

State Government while accepting the facts stated (October 2015) that the main reasons for less inspection by Archaeological superintendents were lack of manpower. Superintendents had been directed for conducting inspection as per norms.

3.11.4 Irregular de-protection of monuments

As per Section 3 (5) of the Act a notification issued under section 3 for protection of a monument shall, unless it is withdrawn, will remain conclusive evidence of the fact that the ancient and historical monument is a protected monuments. This implies that the Government can de-protect any monument by withdrawing notification under which it was protected. Moreover, section 17 of the Act prescribes penalties for whoever destroys, defaces, alters, disperses, misuse, or allows a protected monument to fall into decay, shall be punishable with imprisonment for a term which may extend to three years or with fine which may extend to ₹ one lakh or with both.

(i) Devgarh Palace (Pratapgarh district), an 18 AD century monument, popularly known as Devalia Pratapgarh, was built by Maharaja Pratap Singh, a scion of Mewar family. In view of its historical, artistic importance and immediate danger to its existence, State Government declared it as a protected monument (9 August 1982).

The Superintendent, A&M Department Udaipur Circle noticed (26 February 2002) unauthorised conversion of protected palace into a hotel by the occupants without seeking any approval of the State Government under section 22⁴³ of the Act. On 3 May 2007, the then Superintendent, A&M

⁴³ No person including the owner or occupier of a protected area, shall construct any building within the protected area without permission of State Government.

Department suggested the Government to acquire the title of monument just like in case of Sunehari Kothi, Tonk and Patwon ki Haveli, Jaisalmer. No action was taken by the Government.

On 15 April 2010, again the then Superintendent, reported further changes in the structure and removal of signboard (declaring monument as protected with warnings and prohibitions) by the occupants, and also lodged (13 April 2010) an FIR. Superintendent noticed that Palace was sold out to two residents of Jodhpur and therefore he proposed to acquire the monument after cancellation of sale deed. Instead of taking any action against the occupants under section 17, State Government decided (28 June 2010) to de-protect the monument as it was a private property and ignored the opinion of the Superintendent and de-notified (23 August 2010) the monument.

State Government stated (October 2015) that as per recommendation of Ex-Archaeological Superintendent, due to dilapidated condition and change in original shape, the monument was de-protected in compliance of directions received from competent authority. Reply was not acceptable as instead of taking action under section 17 and section 22 of the Act, State Government de-notified the monument.

(ii) Shergarh Fort, Atru (Baran) was declared a protected monument in October 2008. It was de-protected in September 2014 on the ground that it was already declared protected by ASI. Audit observed that only some parts of this Fort (old temple, statues and inscriptions) were being protected by ASI (S.No.32 of list of protected monuments). Thus, de-protection of the entire fort was irregular. State Government admitted (October 2015) that the monument was de-protected by mistake and issued revised notification (5 October 2015) treating the monument as re-protected. The change was at the instance of audit.

3.11.5 Preservation/restoration of protected monuments

3.11.5.1 Status of preservation/restoration works of protected monuments undertaken during 2010-15 was as under:

Year	Protected monuments		Preservation/restoration works undertaken	
	Monuments	Sites	Monuments	Sites
2010-11	318	47	22	-
2011-12	323	47	8	-
2012-13	328	47	18	-
2013-14	331	44	13	1
2014-15	335	43	4	-

Source: Information furnished by department

Joint inspection of 30 monuments by audit team along with officials of the Department, revealed that eight monuments were in dilapidated condition. This was despite having sufficient funds of ₹ 26.51 crore. There is thus a substantial scope for improvement in restoration work of monuments especially in a historically rich state like Rajasthan.

State Government stated (October 2015) that work of preservation/restoration was being done on the basis of priority fixed according to the conditions of

monuments, local demand of area and importance of monuments and confirmed that there was a saving on account of non-transfer of funds to Amber Development and Management Authority⁴⁴ (ADMA) due to non-utilisation of funds for establishing International museum in Town Hall Jaipur.

3.11.5.2 Non-completion/failure of restoration works

(i) 'Shiv Temple, Ramgarh (Baran), built in Nagar style in 10th century is of great historical importance and is famous as 'Mini Khajuraho'. Renovation work of this temple was awarded (8 September 2008) to M/s R.R. Furnishers and Interior Decorators, Jaipur (contractor) for ₹ 3.25 crore with stipulated date of completion as 17 September 2010. The renovation work was stopped in March 2009, after incurring an expenditure of ₹ 0.09 crore due to reduction in budget.

Subsequently, GoI sanctioned (20 December 2010) ₹ 4.90 crore for this work, to be completed within 18 months. Work order was again issued (29 December 2010) to the above contractor to restart and complete the work by 19 June 2012. For providing technical advice to execute the work, Department invited proposals from architects listed with it but no proposal was found fit by the Permanent Technical Advisory Committee (PTAC) (November 2011). Conservation/restoration work of the Temple was a special type of work and needed supervisory consultancy for adopting relevant technology of 'salvaging archaeology'⁴⁵. The Superintendent, A&M Department, Kota visited (16 June 2011) the site after five months of allotment of work and found the work not being attended to. Thereafter, PTAC of the Department inspected (25 November 2011) the site and instructed the contractor to make necessary arrangements like crane, shuttering, electricity, water, security and skilled masons. This was also not complied with by the contractor. PTAC advised (28 November 2011) the department to frame a high level technical committee for providing supervisory consultancy to the contractor. The committee was constituted in December 2011 but never held any meeting. Finally, State Government dropped (18 February 2013) the work due to non-completion within the validity period. Thus, due to selection of a technically incompetent contractor and non-monitoring of work, the Department failed to execute conservation/restoration work of historically important site.

State Government stated (October 2015) that the contractor was selected through tender process and after technical evaluation. However, State Government admitted that for want of technical advice/direction the sanctioned amount by GoI, could not be utilized. In State Budget of 2015-16 a declaration had been made to execute the work and in this regard suggestions of Rajasthan Heritage Conservation and Development Authority were under consideration.

⁴⁴ 'Amber Development and Management Authority (ADMA)' was created with the objective of maintenance of Amber Mahal complex and other monuments.

⁴⁵ In technology of salvaging archaeology the original form and alignment including detailed drawings and photographic documentation is prepared in respect of each stone of the monument. By adopting this technology hundreds of temples were successfully dismantled and reconstructed in Nagarjuna Konda, Andhra Pradesh.

The fact remains that the Department failed to provide technical advice to the contractor which was necessary to execute the work and also resulting non-utilization of ₹ 4.90 crore sanctioned by GoI.

(ii) GoI sanctioned (30 December 2010) ₹ 2.99 crore for conservation and development work of Kishori Palace, Bharatpur, under 'Dang Tourist Circuit Scheme', to be completed within 36 months (December 2013). The validity of the project was subsequently reduced to March 2013 by GoI. Due to reduction in validity, the Department stopped the work (March 2013) after incurring an expenditure of ₹ 2.28 crore. During joint inspection, it was noticed that *chhajjas*, *chhatris* and some parts of roof were in dilapidated condition, which indicated that the restoration work was not completed.



Picture showing dilapidated Chhatri of Kishori Mahal, Bharatpur

State Government stated (October 2015) that due to reduction in validity period, only the very essential work was completed on priority basis in view of available budget and requirement of the site. Reply was not acceptable as some essential works were not completed as stated above.

(iii) GoI sanctioned (30 December 2010) an amount of ₹ 0.48 crore for conservation work of Chauburja Fort (Gadi Khemkaran), Bharatpur, to be completed within 36 months which was revised to 31 March 2013. The work was awarded (22 July 2011) to M/s Shubh Enterprises, Jaipur with stipulated date of completion as March 2012. However, the contractor was asked (17 May 2012) to stop the work after incurring an expenditure of ₹ 0.34 crore.

State Government stated (October 2015) that the work was stopped as ASI objected to the specifications of the work. In view of site requirement, the essential work was finalised and completed on 31 May 2013. The contention of the Department that work was completed on 31 May 2013 was not acceptable in view of the fact that during inspection of the site on 18 June 2013 the Archeological Superintendent Bharatpur, pointed out various shortcomings in the work like south eastern part of the *burj* was in dilapidated condition, western part required boundary wall and northern part required repair work. He stressed for immediate repair work as some parts of the monument might fall in rainy season. This indicated that the work was not completed as per the site requirements.

(iv) Chandrawati Art Gallery, Abu Road is one of the art galleries for display of old excavated antiquities. Audit Report 2008-09 (para 2.1.6.1) had reported unfruitful expenditure of ₹ 0.36 crore (upto March 2006) on construction of building for Art Gallery. Public Accounts Committee (PAC) was apprised by the State Government that due to non availability of staff, the gallery could not be opened for visitors and efforts were being made to fill up

the vacant posts. It was also apprised to PAC that idols have been installed on available pedestals and rest of the idols have been systematically placed on the platform in a hall.

Audit scrutiny (April 2015) revealed that a further expenditure of ₹ 0.18 crore had been incurred on this work during 2010-15. Only 58 idols were installed on pedestals and 232 idols were still lying scattered in a hall. The gallery was not open for visitors. Toilets were constructed without ensuring availability of water and gallery had no electricity and water connections.

State Government stated (October 2015) that the Art Gallery was open for visitors since June 2012 but as tourists rarely visit the art gallery, it is kept closed on security grounds and is opened only when visitors comes to visit it. It was further stated that electricity connection was in existence for which payment was being made to *Jodhpur Vidyut Vitran Nigam Limited (JVVNL)*. Moreover, action was being taken to get water connection.

Reply was not acceptable as during a joint inspection conducted by audit (24 April 2015) of the gallery with departmental officers, the building work was found still incomplete, and the gallery was not open for visitors and idols were found lying scattered. Moreover, electricity connection was catering to the residential quarters only and not the art gallery.

3.11.6 Up-keeping of monuments/museums/antiquities

3.11.6.1 Encroachments of protected monuments

Joint inspection (April-May 2015) of monuments/museums by audit along with departmental officers revealed that:

(i) *Chhatris*, situated near Central Bus Stand Jaipur, declared as protected monument were being encroached by neighbouring residents and owners of hotels⁴⁶. Though the matter was reported by Superintendent to Directorate A&M Department on 18 June 2008, no corrective/penal action was taken/initiated against encroachers so far.



Pictures showing encroachment in Chhatris at Station Road, Jaipur

State Government stated (October 2015) that encroachers had fully encroached the monument and destroyed its original shape, therefore a

⁴⁶ One Chhatri by Hotel Jaimangal Palace, one by Hotel Kanta Palace and rest by other residents.

proposal was under consideration to remove the monument from list of protected monuments. Reply was not tenable as instead of taking appropriate action under the Act to remove encroachment and restore the monument, it was considering to de-protect the monument which tantamount to rewarding the encroachers for their illegal act.

(ii) A room at first floor of Bala Fort, Alwar was being utilized for cooking food by the personnel of the office of Police Telecommunication. Due to this, wall paintings of the room were completely defaced. Roof of the top floor was also in dilapidated condition and required immediate repair to protect it from collapse.



Pictures showing (1) room being used for cooking food and (2) dilapidated condition of roof of the top floor in Bala Fort, Alwar

State Government stated (October 2015) that a letter was written on 1 October 2015 by Curator to Superintendent of Police, Alwar to stop burning earthen stove in the fort so that paintings of historical heritage would not be destroyed.

(iii) Parts of 'Jodhpur City Wall', collapsed (28-29 September 2013) due to which four persons died and ten were injured. Factual report by the Executive Engineer, stated (29 September 2013) that the city wall was encroached by as many as 166 families. Construction of houses and cutting rocks made its base very weak and part of it collapsed during rain.

State Government stated (October 2015) that it had directed the District Collector and Commissioner, Municipal Corporation, Jodhpur to remove encroachments. Notices have been issued to the encroachers and action was being taken with assistance of police. *Jodhpur Vidyut Vitran Nigam Limited*, Jodhpur had also been requested to immediately disconnect illegal electric connection of encroachers and illegal occupants. Further, concerned Archaeological Superintendent proposed to de-protect the City Wall in view of loss of original shape of the city wall, establishment of police posts on the gates, encroachment and damage caused to the wall.

Reply was not acceptable as the Government failed to take timely action to remove the encroachments and maintain monument in its original shape.

3.11.7 Financial Management

For conservation, restoration, maintenance and development of monuments and museums, funds are allocated by the State Government under State Plan

and by Government of India (GoI) under centrally sponsored schemes (CSSs). Issues regarding financial management are discussed below:

3.11.7.1 Financial irregularity/embezzlement in issue of tickets

The system of manual tickets to visitors was changed *w.e.f.* 15 July 2014 to tickets generated through electronic machine in Jaipur. During inspections of the Department (Curator, Hawa Mahal), audit pointed out (January 2013) irregularities in maintenance of stock of admission tickets and issuance of tickets without holograms. Audit had also pointed out (August 2013) belated deposits of revenue receipts of tickets in treasury (Dungarpur) and non-reconciliation of remittances with Government treasury in respect of various offices of the A&M Department. No action was taken on audit observations.

Department, however, initiated (July 2015) an enquiry on irregularities in issue of tickets at Jantar Mantar and Central Museum (Albert Hall) in Jaipur. Enquiry Committee revealed a revenue leakage of ₹ 0.99 crore during the period July 2014 to May 2015 through tampering of programming of the ticket machines. In case of manual tickets, Enquiry Committee noticed that counterfoils of manual admission tickets were not maintained systematically and some of them were damaged by termites. Entry in stock registers were not attested by the competent authority. Serial number of admission tickets were not certified and date of issuance was also not recorded on counterfoils. Many of the counterfoils, having two to three sets of same serial numbers or without serial number, were recovered from the store.

In compliance to the findings of the enquiry committee, the Department suspended three officials, issued orders for recovery and lodged FIRs (25 August 2015). Department intimated (August 2015) that considering this a serious irregularity, the Finance Department was requested for conducting a special audit.

State Government accepted the facts and stated (October 2015) that the embezzlement was carried out by technical tempering of ticket machines for which investigation was being done by the Police Department. The Directorate also issued (September 2015) a Circular containing detailed instructions to its subordinate offices to prevent loss/embezzlement in revenue received from tickets at museums and monuments.

Had the Department taken timely action, financial irregularity/embezzlement could have been avoided. Similar irregularities happening in other monuments can also not be ruled out.

3.11.7.2 Unfruitful expenditure on International Museum and Art Square ₹ 9.62 crore

A&M Department accorded (6 June 2011) administrative approval of ₹ 45 crore (State share: 70 *per cent* and Central share: 30 *per cent*), to develop an International Museum and Art Square at Sawai Man Singh Town Hall, Jaipur. The department transferred (31 March 2012) ₹ 5 crore in PD account of the ADMA (implementing agency). GoI released its share of ₹ 13.50 crore (7 February 2012) as additional central assistance (ACA) with the condition that the amount be released to implementing agency without any delay.

Department, however, transferred ₹ 10 crore of ACA to PD account on 31 March 2013 with a delay of 13 months.

Test check of the records revealed that ADMA issued (21 September 2011) work order (₹ 16.19 crore) to M/s Rajputana Construction Private Limited, Jaipur with stipulated date of completion of work as 30 September 2013. ADMA stopped (9 January 2014) the work after incurring an expenditure of ₹ 9.62 crore. Reasons for stopping the work were not available on record. As such, the very purpose of developing an International Museum and Art Square remained unachieved and expenditure of ₹ 9.62 crore was rendered unfruitful. Moreover, ACA funds of ₹ 8.88 crore⁴⁷, were lying unutilized for more than three years. State Government stated (October 2015) that procedure of taking decision to restart the work was under process at State Government level, though reasons for stopping the work were not intimated.

3.11.8 Manpower management

(i) In response to para 2.1.6.5 of AR 2008-09, regarding inadequate security arrangements of the monuments etc. and shortage of manpower, the Department apprised the PAC that security arrangements of unattended monuments would be done by engaging locals from schools, panchayats and police personnel.

The position of sanctioned strength and men in position during the period of audit coverage (2010-15) is shown in the following table:

Year	Technical Staff			Class IV and Security persons		
	Sanctioned	Working	Vacant	Sanctioned	Working	Vacant
2010-11	36	20	16	288	277	11
2011-12	36	18	18	288	256	32
2012-13	36	22	14	288	277	11
2013-14	37	19	18	388	282	106
2014-15	37	19 (51%)	18	388	271 (70%)	117

Source: Information provided by A&M department

No technical staff was posted in any circle except at Bharatpur for proper and regular technical supervision of conservation works.

State Government accepting the shortage stated (October 2015) that efforts were being made to fill the posts.

(ii) Audit scrutiny revealed that 641 security personnel/monument attendants, including police guards, home guards, outsourced security guards and own staff, engaged by A&M Department for protecting 88⁴⁸ monuments (26 districts). Out of these, 389 (61 *per cent*) were deployed (May 2015) for 13 protected monuments of Jaipur District only and remaining 252 security personnel/monument attendants (39 *per cent*) were deployed for the rest of 75 monuments in 25 districts. Thus, 270⁴⁹ protected monuments and 40⁵⁰

⁴⁷ ₹ 3.50 crore with GoR and ₹ 5.38 crore with ADMA

⁴⁸ 65 monuments, 3 sites, 18 museums and two art galleries.

⁴⁹ 335 monuments minus 65 monuments under security cover.

protected sites were without any security arrangement. This was also noticed (May 2015) that 19⁵¹ (out of 36) test checked monuments/ museums were having no security arrangement. This indicated that the security personnel have not been deployed in a rationale manner to cover maximum numbers of monuments/sites.

State Government stated (October 2015) that deployment of security staff was made keeping in view the number of tourists visiting the monuments and where posts were lying vacant efforts were being made to fill up the posts. Fact remains that most of the monuments where tourists do not visit remain unsecured.

3.11.9 Miscellaneous points

3.11.9.1 Non-digitisation of Department's assets (monument/sites etc.)

The Department had prepared digitized profiles of coins (2.21 lakh approximately) and uploaded them on their website. However, Department has not devised any plan to digitize profiles of protected monuments/ archaeological sites. State Government admitted (October 2015) that digitization of protected monuments was not done.

3.11.9.2 Non-formation of Advisory Board

Under section 30 of Act, the State Government had to constitute an Advisory Board for giving advice in matters of conservation, maintenance, acquisition, and control of ancient or historical monuments. No advisory board was constituted by Government (April 2015) even after a lapse of 54 years. State Government stated (October 2015) that the matter of constituting an Advisory Board was under process.

3.11.10 Conclusion

Rajasthan has a large number of ancient monuments and sites which need to be protected/preserved. It was however seen that no comprehensive survey was carried out by the Department for identifying important monuments. The department failed to initiate even the first step for framing a plan for systematic conservation of its heritage of 5,220 monuments identified (2007) as unprotected by National Mission of Monuments and Antiquities. While only 335 monuments were declared as protected, large number of monuments still remained to be declared as protected.

In one case, the monument (Devgarh Palace, Pratapgarh) was irregularly de-protected by the Government, ignoring the recommendation of the concerned Superintendent.

⁵⁰ 43 sites minus three sites under security cover.

⁵¹ 1. Ramgarh Fort (Baran), 2. Rao Maldeo ki Chhatri, Mandore, Jodhpur 3. Minaret well, Butia (Churu) 4. Akbari Masjid, Nagaur 5. Kotwali Gate, Ajmer 6. Bala Fort, Alwar 7. Varah Temple, Shukergarh (Ajmer) 8. Dadhimathi Mata Temple, Goth Manglod, Nagaur 9. Barha Khambo ki Chhatri, Bayana, (Bharatpur) 10. Lal Darwaja, Kaman, 11. Ancient Palace, Kaman (Bharatpur) 12. Chauburja Gadhi Khemkaran, Bharatpur 13. Haveli Shikhar Chand Ram Puria, Bikaner 14. Haveli Ratan Lal Ram Puria, Bikaner 15. Chhatriyan Devi Kund, Sagar, Bikaner 16. Kirti Stambh, Bikaner. 17. Ancient site Agar, Baran 18. Patwon ki Haveli 3127 B, Jaisalmer 19. Chhatriyan, Station Road, Jaipur.

Inspection of monuments is a major activity but no annual/quarterly inspection was being carried out as per norms. Conservation of monuments was undertaken in an ad hoc manner and expenditure incurred on some of the monuments was unfruitful due to incomplete preservation work. Encroachment, damages and dilapidated condition of protected monuments were also noticed in audit.

Department was running with deficient manpower and security arrangements were not rationalised and were lopsided.

Medical Education Department

3.12 Procurement and Utilisation of Machinery, Equipment, Tools and Plants in two Medical Colleges and attached Hospitals

3.12.1 Introduction

High quality machinery and equipment play an important role in smooth functioning of hospitals. Their procurement at competitive rates in a transparent manner is essential for minimizing the cost of treatment of patient. 'Rajasthan Medicare Relief Society (RMRS)' registered under Rajasthan Societies Registration Act, 1958, was formed (October 1995) in each hospital attached with Medical Colleges, to provide to all patients various diagnostic and treatment facilities at nominal cost, supply of medicines free of cost and purchase/running of machineries, equipments, tools and plants for the hospitals.

There are six Medical Colleges with 27 attached hospitals to provide medical and diagnostic facilities to indoor/outdoor patients in Rajasthan. With the objectives of assessing the effectiveness of the system for requirement and purchase of machineries, equipments, tools and plants (METP) at competitive rates and adequacy of infrastructure facilities and technical resources for the same, audit examined the procurement and utilization of METP of two Medical Colleges (Sawai Man Singh (SMS) Medical College, Jaipur and Sardar Patel (SP) Medical College, Bikaner) and 10 attached hospitals⁵² covering the period 2012-15.

Expenditure of ₹ 166.37 crore, incurred by the two Medical Colleges (Jaipur and Bikaner) and their attached Hospitals, was covered during audit.

Audit findings in procurement and utilisation of machinery and equipments are discussed below:

⁵² **Jaipur:** SMS Hospital, Sir Padam Path Mother and Child Health Institute (J. K. Lone), New Zanana Hospital (Mahila Chikitsalaya), Mental Hospital, T.B. Hospital, and Isolation Diseases Hospital. **Bikaner:** PBM Men's Hospital, PBM Zanana Hospital, GGJ TB Hospital and Mental Hospital.

3.12.2 Planning

Principal and Controllers (P&Cs) of respective Medical Colleges sends annual proposals for purchase of METP along with requirement of attached hospitals, to the Budget Finalisation Committee (BFC) through Medical Education Department. BFC, after detailed discussion with P&Cs of the respective Medical Colleges, decides the final budget requirements and funds are allotted for each medical college/attached hospital. Thereafter, priority of procurement of METP is decided by the P&C of each Medical College as per availability of funds.

Scrutiny of records of two medical colleges and attached hospitals revealed that annual patient load was 47.26 lakh in December 2012 which increased (32 *per cent*) to 62.31 lakh in December 2014. In view of the increasing patient load a long term plan for procurement of METP was required to be framed taking into account the existing conditions of the medical equipments and future requirement. However, it was seen that except sending yearly budget proposals, no long term planning of requirement for METP was prepared. Though, every year requirement of new METP are assessed and budget proposals are sent to Government. Both Medical Colleges did not furnish any reply regarding preparation of long term plan.

3.12.3 Procurement

Medical Colleges follow the General Financial and Accounts Rules (GF&AR) in the purchase process. After invitation of tenders for procurement of METPs, bids (technical and financial) are finalised by a Technical Committee of respective Medical Colleges. Purchase Committee, finalises the supplier and the rates for purchases. Purchase orders are thereafter issued for procurement of METP. After receiving the equipments/machineries by the medical college, specifications are technically checked by technical committee.

Rule 68 of General Financial and Accounts Rules (Part II) provides that while inviting tenders, specifications of the items/goods be assessed in view of their need and utility. Variation in specification may lead to non utilization or under performance of machinery. Further, Rule 4 of Part-II of General Financial & Accounts Rules, all material received should be inspected when delivery is taken and record a certificate to the effect that their quality is as per specification. As per rule 5, 100 *per cent* quantity should be checked and material be inspected for quality assurance by the committee or technical officer. Irregularities noticed and non-adherence to these provisions are discussed below:

3.12.3.1 Non-carrying out inspections

Scrutiny of records revealed that SMS Medical College, Jaipur purchased 997 items of METP worth ₹ 105.79 crore during 2012-15. However, no records of inspection of METP, before taking them in stock register, by any inspecting officer/inspection committee/technical committee were available.

P&C, Medical College replied (June 2015) that concerned Technical Committee was responsible to receive the equipment as per approval/supply order and to hand them over to concerned department.

However, no reply was furnished regarding inspection carried out by Inspection/Technical Committee.

3.12.3.2 Delayed delivery and supply

In SMS Medical College, Jaipur, SP Medical College, Bikaner and selected hospitals, 1513⁵³ number of METP (₹ 39.65 crore) received during 2011-15 were issued to respective units with a delay of one to twenty-four months.

Medical College, Bikaner while admitting the facts stated (December 2015) that machines were issued only after obtaining indent and receipt from stores of concerned unit. As this process takes time, necessary instructions have been issued to send the machines immediately to units just after issue. The reply did not justify the non utilisation of machines for prolonged period. Reply of SMS Medical College was awaited (December 2015).

METP (167 numbers costing ₹ 3.67 crore) were shown as issued in time from Central Store of Medical College whereas these were received with a delay of upto 15 months by SMS Hospital, Jaipur. This shows that equipments were not supplied within the prescribed period but Central Store showed them as issued on the basis of invoices.

3.12.3.3 Acceptance of OT tables without ensuring specifications

P&C, SMS, Medical College, Jaipur issued (March 2013) purchase order for Operation Theatre (OT) tables for Neuro Surgery Department. Three OT tables were supplied (October 2013) by the firm and department accepted delivery without checking the technical specification required and payment of ₹ 57.89 lakh (70 per cent of approved price) was made. Subsequently, Head of Neuro Surgery Department found certain deficiencies⁵⁴ in the tables and asked (May 2014) the firm either to replace the tables or to return the amount paid along with 18 per cent interest.

The firm proposed to replace the tables with electro motorised tables model Mars-2.02. Technical Committee approved the model offered by the firm. Accordingly a revised purchase order was placed (May 2015). The firm replaced the OT Tables but not installed them as intimated (December 2015) by P&C, SMS Medical College, Jaipur.

⁵³ SMS Medical College, Jaipur: 1005 Nos., ₹ 3.16 crore, 1-24 Months; SMS Hospital, Jaipur: 251 Nos, ₹ 21.84 crore, 1-19 Months; Sir Padam Path Mother & Child Health Institute (J.K. Lone), Jaipur: 39 Nos., ₹ 3.38 crore, 1-20 months SP Medical College, Bikaner: 101 Nos., ₹ 7.18 crore, 1-12 Months and PBM (Men's) Hospital (Poly Trauma) Bikaner: 117 Nos., ₹ 4.09 crore, 4-16 Months.

⁵⁴ The Table do not have all functions and position with remote and manuals. Leg position do not go upto 80 degree as asked in work order. Kidney position is not available. Leg portion is not single. Head section is not adjustable. Accessories No.9 to 16 were not available. Voltage stabilizer is not available with the table.

Thus, non-inspection of technical specification at the time of delivery resulted in receipt of below specification OT Tables. Though the below specification tables have been replaced, they remain un-installed. Thus, procurement of OT Tables has not completed since two years and neuro surgery patients remained deprived of the benefits.

3.12.3.4 Faulty technical clearance in purchase of Hemo-Dialysis Machine

P&C, Medical College, Bikaner invited (15 January 2014) online tenders for purchase of 10 Nos. Hemo-Dialysis Machines for Paediatric Department. Technical evaluation of machines was made by Technical Committee and supply order (26 February 2014) issued to lowest bidder M/s. B. Braun Medical (India) Private Limited, New Delhi. The firm supplied 10 Hemo-Dialysis Machines (28 March 2014) and full payment of ₹ 0.82 crore was released (14 January 2015) to the firm.

One of the participants in the tendering process 'M/s Shree Medical Projects, Bikaner' complained (29 March 2014) that Hemo-Dialysis Machines having certain deficiencies⁵⁵, were approved by Technical Committee (TC) without demonstration. Brochure and other papers concerned with machine were also not submitted online by the successful bidder, therefore, tender should have been cancelled. A Committee investigated (31 March 2014) the complaint and found two major deficiencies viz machine did not have B powder online dry module and Inbuilt Pyrogen and Endotoxin Filters were not present.

Scrutiny revealed that deficiencies were not intimated to the successful firm for rectification and full payment of ₹ 0.82 crore was released on 14 January 2015 ignoring the complaint and major deficiencies noticed by Investigation Committee. Further, the utilization of machine could not be ascertained in audit as logbook of machine is not being maintained by Paediatric Department.

P&C Medical College, Bikaner replied (December 2015) that payment was made to the firm after submitting the installation report of machine by TC, but did not inform audit about the removal of deficiencies pointed out by investigating committee and utilization of machine. Fact remains that TC cleared the payment for the machine despite its deficiencies. Date of tests conducted on machine was also not available with the department

3.12.3.5 Purchase of Sonography Colour Doppler Machine ignoring specifications desired by user department.

For successful implementation of 'Chief Minister Nishulk Janch Yojana', immediate requirement of three '3D/4D Sonography Colour Doppler Machines' with cardiac software was assessed by Head of Department (HoD), Radio Diagnosis Department for three hospitals⁵⁶. A purchase proposal (23

⁵⁵ Inbuilt NIBP module (Point no. 17 of 'G' Schedule); Inbuilt B powder online dry bicarbonate mixing module with pack of B powder (Point no. 06); Inbuilt Pyrogen and Endotoxin Filter behind of machine (Point No. 15) and Inbuilt kit/V module with dialysis dose and online clearance monitoring and online working in each step (Point No. 18).

⁵⁶ Men's Hospital, Zanana Hospital and Cancer Department of P.B.M Hospital at Bikaner.

February 2013) and technical specifications (11 March 2013) were sent to Superintendent, PBM (Men's) Hospital, Bikaner for procurement of the equipment.

Scrutiny of records of PBM (Men's) Hospital, Bikaner revealed that technical specifications mentioned (Sonography Colour Doppler) in tender document (05 February 2014) were different from the technical specifications required (3D/4D Sonography Colour Doppler) by user department. Supply orders were issued (4 and 5 March 2014) to M/s Surgimed Solution, Jodhpur for ₹ 0.65 crore. All three machines were supplied (22 March 2014) and payment was released (25 March 2014). P&C, SP Medical College, Bikaner replied (December 2015) that Colour Doppler Machines purchased were fulfilling the educational requirements of students.

Fact remains that ordinary Sonography Colour Doppler machines, in place of 3D/4D Sonography Colour Doppler Machines, were purchased which were not as per technical specifications required by Head of Radiodiagnosis Department. Moreover, the Machines was required for providing better services to the patients and not for fulfilling educational requirements only. Thus, METPs were purchased ignoring specifications recommended by user departments.

This indicates that machinery purchased were below specifications and were not as per norms.

3.12.3.6 *Undue benefit to the firm*

(i) SMS Medical College, Jaipur issued (22 March 2013) purchase orders for 30 ICU ventilators to M/s. Surbhi Meditech, Jaipur at a cost of ₹ 249.47 lakh. As per the Comprehensive Annual Maintenance Contract (CAMC), firm was to maintain the machines for 5 years at 3 *per cent* of approved cost in first year with an increase of 5 *per cent* per annum thereafter. However, Medical College executed (30 March 2013) agreement with the firm in which CAMC rate included was 4 *per cent* of approved cost in first year with increase of 5 *per cent* per annum thereafter. Ventilators were installed on 14 May 2015. Thus, due to executing CAMC at higher rate by one *per cent*, Medical College incurred avoidable liability of ₹ 13.78 lakh⁵⁷.

P&C, SMS Medical College, Jaipur replied (July 2015) that amendment to this effect has now been issued in condition No.3 of both original approval orders (13 July 2015). Reply not acceptable as conditions of the agreement are binding on Medical College and the firm has not given its acceptance for the amendments so far.

(ii) P&C, SMS Medical College, Jaipur, after approval by the technical committee, accepted (22 March 2013) the sole tender of 'M/s. Imperial Life Sciences, (P) Ltd., Gurgaon', for supply of one number Micro Array System at a cost of ₹ 1.62 crore FOR destination, for Genetic Laboratory, SMS Hospital, Jaipur. The firm agreed during negotiations (May and August 2013)

⁵⁷ 10 ICU ventilators: ₹ 4.28 lakh and 20 ventilators: ₹ 9.50 lakh.

to supply the equipment at a cost of ₹ 1.42 crore and supply order was issued to firm on 15 October 2013. The firm supplied the equipment (24 June 2014). Based on the USD price (instead of INR price) on the date of supply, a total payment of ₹ 1.60 crore⁵⁸ (instead of ₹ 1.42 crore) was released to the supplier firm. Thus, while accepting the final cost in negotiation, the committee had not considered the price fluctuation of USD and also not negotiated with the contractor that any hike in price due to price fluctuation would be borne by the supplier. This resulted in excess payment of ₹ 0.18 crore.

P&C replied (July 2015) that at the time of negotiations, concurrence of firm was taken to supply the equipment at USD 2,59,825, instead of USD 295,620.44, after reducing USD 35,795.44 which saved ₹ 19.62 lakh. Reply was not acceptable as the rates were quoted FOR destination in INR.

3.12.4 Utilisation of METP

Timely installation of the METPs procured is necessary for immediate utilisation. Test check of records of receipt, stock and issue registers of both medical colleges revealed the following:

3.12.4.1 Non/delayed installation of equipments

(i) Scrutiny of records of P&C, SMS Medical College, Jaipur, revealed that 196 equipments (₹ 18.31 crore) were installed with a delay of upto 22 months. Installation report of five equipment (₹ 0.30 crore) were not made available to audit. Further, it was observed that in the supply orders of METP, no provision was made for penalty against delayed installation. Due to absence of such a condition, local firms did not take interest in immediate installation of METP procured.

P&C stated (June 2015) that it is not possible to ascertain the period of installation from the date of shipment and therefore, provision of penalty was not made. Reply was not acceptable as time taken in installation from the date of shipment can always be ascertained. Non- installation of METP resulted not only in blocking of funds but also deprived the patients from the benefit of these equipments.

(ii) Scrutiny of records of Mahila Chikitshalya (New Zanana), Jaipur revealed that one Mammography Machine costing ₹ 0.31 crore received (16 July 2014) by the Mahila Chikitshalya, Jaipur from SMS Medical College, Jaipur was installed after eight months on 03 March 2015 as infrastructure/site was not ready for its installation. Thus, patients were deprived from its benefit for eight months.

3.12.4.2 Non/delayed utilization of equipments

(i) Test check of 15 units/sub-units of both Medical Colleges/attached hospitals revealed that 811 Nos. METP (₹ 8.44 crore) were lying unutilized

⁵⁸ ₹ 1,13,12,781 (70 per cent): 29 January 2014 and ₹ 46,92,440 (30 per cent): 15 July 2014.

(2 to 76 Months) at departments of Medical colleges and units of hospitals since their purchase due to non-installation, lack of space, non-availability of technician, non-issue from store and non-availability of source etc. Detailed position is shown in *Appendix.3.3*.

(ii) Test check of six units/sub-units revealed that 16 Nos. METP (₹ 1.04 crore) were lying idle for a period ranging from 5 to 28 months for want of repair (*Appendix 3.4*).

Thus, both the Medical Colleges failed to plan timely installation and utilization of METPs.

3.12.4.3 Purchase of ECG Machines without requirement

P&C, SMS Medical College, Jaipur issued purchase order (28 February 2014) to M/s Medical Care System, Adarsh Nagar, Jaipur for 41 Nos of ECG machines @ of ₹ 84,500 per machine. The firm supplied the machines on 20 March 2014 and payment of ₹ 0.36 crore was released to the supplier (30 March 2014). Of these, eight ECG machines, purchased for Medicine Department of SMS Hospital Jaipur, were shifted (29 March 2014) to Cardiology Department without obtaining any requirement from them.

P&C, SMS Medical College replied (July 2015) that eight ECG machines of Medicine Department were relocated to Cardiology Department.

Joint physical verification (9 December 2015) conducted by audit with the Cardiology Department of SMS Hospital, further revealed that out of these eight machines, four were still kept packed in the store.

3.12.4.4 Replacement of Brachytherapy Machine

New Brachytherapy Machine was purchased (₹1.03 crore) with a delay of 31 months (June 2015) by Medical College, Jaipur though Radio Therapy, Department had requested (November 2012) to replace the old machine (installed in 1999) due its obsolete technology and software. Moreover, new machine could not be installed due to non procurement of 'source (cobalt⁶⁰)' which was necessary for its utilisation. For import of 'source', sanction from Atomic Energy and Research Board (AERB) of India was compulsory which was not obtained (August 2015) before purchase of machine. Due to planning failure on the part of Medical College machine could not be replaced and cancer patients were deprived from treatment for last 33 months (December 2012 to August 2015).

Thus, there was substantial delay in installation/utilisation of equipment costing ₹ 1.03 crore. This indicates poor planning and lack of prioritisation.

3.12.4.5 Non-utilisation of Gamma Camera Machine

One Dual Head Variable Angle Gamma Camera costing ₹ 1.93 crore, was installed (August 2002) in the Acharya Tulsi Regional Cancer Treatment and Research Institute (ATRCTRI), Bikaner facilitating nuclear medicine

treatment to cancer patients. Sr. Demonstrator (Biophysics), who was the only qualified doctor in nuclear medicine and held license issued by Atomic Energy Regulatory Board (AERB), Mumbai to operate the said equipment, was transferred (September 2013) to Medical College, Jodhpur without making any alternative arrangement. In absence of a qualified/license holder doctor, AERB withdrew 'no objection certificate' issued for this equipment and prohibited its use in nuclear medicine treatment. Simultaneously, the supply of nuclear medicines from Bhabha Research Institute of Technology, Mumbai, was also stalled. Resultantly, cancer patients were not treated for the disease since then. In absence of above facility, the patients were being advised to take treatment, as an alternative, in hospitals situated at Jodhpur or Jaipur.

State Government Stated (September 2015) that the doctor was posted in Medical College, Jodhpur for starting Nuclear Medicine facilities. He was reposted (February 2015) in Medical College Bikaner but he did not join and sought voluntary retirement *w.e.f* 31 July 2015.

Fact remains that in absence of specialized doctor, the patients at ATRCTRI Bikaner are now being diverted to other places for undertaking treatment which involves long journeys to Jodhpur or Jaipur and high cost of treatment. Therefore State Government should make efforts to utilize the machine by posting of a specialised doctor.

3.12.5 Financial Management

The position of budget allotment (including funds under centrally sponsored schemes) and expenditure in two test checked Medical Colleges (Jaipur and Bikaner) and 10 attached hospitals is shown below:

S. No.	Name of Medical College	(₹ in crore)								
		2012-13		2013-14		2014-15		Total		Saving (%)
		Budget Allotment	Expenditure							
1	SMS Medical College and Attached Hospitals, Jaipur	51.03	36.03	62.97	50.88	33.88	29.28	147.88	116.19	31.69 (21.42)
2	SP Medical college and Attached Hospitals, Bikaner	29.57	20.01	12.82	5.01	33.86	25.16	76.25	50.18	26.07 (34.19)
	Total	80.60	56.04	75.79	55.89	67.74	54.44	224.13	166.37	57.76 (25.77)

Source: Information furnished by department

This shows that an amount of ₹ 57.76 crore (25.77 per cent) could not be utilised by the two test checked medical colleges and their attached hospitals during the period 2012-15. P&C, SP Medical College, Bikaner and SMS Medical College, Jaipur while accepting the facts replied (December 2015) that due to delay in tender process and supply of equipments by the firms at the end of March, payments could not be made during the financial year and budget could not be utilised.

3.12.5.1 Non receipt of GoI funds

(i) Ministry of Health and Family Welfare approved (5 July 2012) ₹ 12.16 crore under CSS 'Supporting State Government Medical College for

conducting Paramedical Courses through one time grant to SMS Medical College, Jaipur'. Cost was to be shared between GoI and State in the ratio of 85:15 respectively. Out of the sanctioned amount, ₹ 6.18 crore was to be incurred on infrastructure, ₹ 5.43 crore on equipment and ₹ 0.55 crore on faculties. GoI, while approving the project, released ₹ 5.17 crore as first installment on 5 July 2012. As per GoI condition under CSS, the second/subsequent installment would be released only when the UCs with regard to first installment are furnished by State Government Medical College in time. State Government also released first installment of its 15 per cent share to the Medical College.

Scrutiny of records revealed that of the earmarked amount of ₹ 5.43 crore for equipment, an amount of ₹ 2.11 crore was spent (May 2015) on procurement of equipment and UC sent (23 May 2015) to GoI. Submission of UC late by three years, resulted in non-receipt of second installment amounting ₹ 3.32 crore for METP from GoI. Reply of P&C, SMS Medical College, Jaipur was awaited (December 2015).

(ii) Ministry of Health and Family Welfare, GoI, New Delhi issued financial sanction (September 2013) of ₹ 5.25 crore (equipment ₹ 5 crore and minor construction works ₹ 0.25 crore) for establishment of Multidisciplinary Research Unit- (MRU) at Medical College, Bikaner. First installment of ₹ 1.25 crore (₹ one crore: equipment and ₹ 0.25 crore: construction) was released (27 September 2013) and second and third installment of ₹ 2 crore each for equipment was to be released after utilisation of the first installment.

It was noticed that UC of ₹ 0.49 crore (civil work: ₹ 0.25 crore and equipment: ₹ 0.24 crore) was sent (15 May 2015) with a delay of more than two years, despite reminders from GoI (03 April, 14 November 2014 and 18 February 2015). Still expenditure statement and list of equipment was not enclosed with UC. Thus, due to non-utilisation of ₹ 0.76 crore from first installment, second installment of ₹ 2 crore was not released by GoI. Due to non receipt of funds, Medical College was deprived from the benefit of developing infrastructure for promotion of Health Research.

P&C Medical College, Bikaner stated (December 2015) that now total UCs of ₹ 0.97 crore have been sent to GoI and the second installment has been demanded from GoI.

3.12.5.2 Diversion of funds

Rule 11 of part-I of General Financial and Accounts Rules provide that funds allotted should be expended by spending only on those items for which money has been provided.

Scrutiny of records of SMS Medical College, Jaipur revealed that of the funds allotted (₹ 149.60 crore) for procurement of METP, ₹ one crore were spent (2012-13 to 2014-15) on purchase of items like Hostel Furniture, Office Furniture, Multi-functional Photocopier Machine, CCTV Cameras, RO Systems etc., not covered under METP. P&C replied (May-June 2015) that items like RO and furniture for newly constructed laboratory were purchased

from RMRS share and information regarding remaining equipments/items will be provided later on. Fact remains that METP funds of ₹ one crore were diverted for purchasing of other items.

3.12.5.3 Earnest money not deposited in Government Accounts

Rule 5 of GF&AR (Part-I) provides that all money received by or on behalf of government either as dues of Government or for deposit, remittances or otherwise shall be brought into Government Account without delay.

Scrutiny of record of SMS Medical College, Jaipur and SP Medical College, Bikaner revealed that earnest money amounting to ₹ 2.79 crore, received from unsuccessful bidders, in the form of bank draft/bankers cheques (2012-15), was not taken in government account/cash book. These drafts/cheques were returned to the unsuccessful bidders with a delay of one to ten months. P&C, Medical College, Bikaner admitted (December 2015) that earnest money cheques of unsuccessful bidder were not deposited in government account and refunded/returned in original. Thus, ₹ 2.79 crore remained outside Government Account.

3.12.5.4 Security not received against Comprehensive Annual Maintenance Contract

Scrutiny of records of SMS Medical College, Jaipur, revealed that METP worth ₹ 16.59 crore were purchased during 2012-15. Security deposit of ₹ 2.92 lakh was found deposited by supplier firms only in respect of 16 equipment (₹ 2.25 crore⁵⁹), to be refunded after satisfactory completion of Comprehensive Annual Maintenance Contract (CAMC) period. In respect of rest of the equipment valuing ₹ 14.34 crore, no security deposit was obtained from concerned suppliers for facilitating recovery against penalty in case of violation of terms and conditions of CAMC.

P&C, SMS Medical College, Jaipur replied (June 2015) that security was deposited for 16 machines only. In these cases, the rates for AMC quoted by firms were too less, therefore department considered to take security to ensure performance of CAMC satisfactorily. Reply was not acceptable because security deposit against CAMC should have been obtained from the concerned firm in all cases as per terms and conditions agreed in CAMC.

3.12.6 Other cases

3.12.6.1 Non-recovery of revenue share from service provider

Member Secretary, RMRS, SMS Hospital, Jaipur entered into an agreement (April 2012) with M/s Soni Hospitals Pvt. Ltd, Jaipur (Service Provider) for installation of two 128 slice CT Scan Machines and two 3.0 Tesla MRI Machines at BMRC/Emergency Wing of SMS Hospital on PPP mode. As per clause 5 of the agreement, service provider was to pay 41.11 per cent of

⁵⁹ Anesthesia work station - 5 Nos of ₹ 0.87 crore, Mannequin and Simulator – 4 Nos of ₹ 0.16 Crore and Anesthesia work station – 7 Nos of ₹ 1.22 crore.

revenue collection for MRI scan and 31.11 *per cent* for CT scan investigations to RMRS. Clause 4 *ibid*, enjoined upon the service provider to perform 30 *per cent* free cases of total cases done in each category during the month, referred by authorised hospital authorities. If number of free cases were less than 30 *per cent* during the month the amount due for tests not so conducted was to be deposited in RMRS by the service provider. Further, in case the number of free tests exceeded 30 *per cent* during the month, then the amount so exceeded would be paid by the hospital administration to the service provider.

Test-check (March-June 2015) of records of SMS Hospital, Jaipur revealed that the service provider carried out 77,582 tests on MRI machine between 2012-13 and 2014-15. The number of free cases carried out against the stipulated 30 *per cent* was 35,914 which was 12,639 more than the stipulated number and therefore RMRS made a payment of ₹ 5.04 crore to the service provider against these cases. Similarly, a total of 2,96,101 tests were carried out on the CT Scan machine during the period from 2012-13 to 2014-15. The number of free cases carried out was 60,465 which were 28,365 cases less than the stipulated 30 *per cent* (88,830) cases. RMRS received ₹ 2.31 crore on account of less cases. Thus, the service provider earned an additional revenue of ₹ 2.73 crore on account of excess free cases. As per Clause 5 of the agreement, the service provider was to pay 41.11 *per cent* (₹ 1.12 crore) of this revenue amount (₹ 2.73 crore) to RMRS (*Appendix 3.5*). It was, however, observed that neither the service provider paid the said revenue share nor did the hospital administration make any effort to recover the government dues. Even no penalty clause was incorporated in the agreement. Reply of Superintendent, SMS Hospital, Jaipur was awaited (December 2015).

3.12.7 Inventory Control

Rule 73-74 of Part-II of General Financial & Accounts Rules, proper inventory control affects the efficiency and effectiveness of the government departments activities and also their productivity as huge amount is invested in inventories. Scrutiny in audit revealed the following:

3.12.7.1 History sheet/logbook not maintained

History sheet/logbook required to be maintained in each unit of the hospital to ascertain the period of utilisation and smooth running of machinery and equipment. However, it was observed that these records were not maintained in 46 test checked units of both medical colleges and attached hospitals. In absence of these records, proper utilisation of METP and their benefit to the patients could not be ascertained in audit. Medical College, Bikaner stated (December 2015) that necessary instructions have been issued in this regard. Reply of P&C, SMS Medical Colleges, Jaipur was awaited (December 2015).

3.12.7.2 Stock register not maintained properly

Scrutiny of stock registers of both test checked Colleges with their attached hospitals revealed that entries of various kinds of METP (₹ 153.05 crore) purchased between 2012-13 to 2014-15 were not properly maintained. Indexing of stock registers, receipt and issue date in chronological order, value

of METP, signature of receiver/ stock verifier (Medical Officer/In-charge) was not entered in stock register. Due to non-maintenance of proper stock register, fraud, theft and pilferage of METP also cannot be ruled out. P&C Medical College, Bikaner informed (December 2015) that necessary instructions have been issued to rectify the deficiencies. Reply of P&C, SMS Medical Colleges, Jaipur was awaited (December 2015).

3.12.7.3 Non-marking of make and model of Machines

Scrutiny of records of both test checked Colleges revealed that to ascertain the utilisation and proper record of METP purchased during the period 2012-15, make of machine, model, purchase year and equipment issued to which department/unit was to be entered in stock register. Further, as soon as equipment is supplied to Central Store, marking should be done immediately so that availability/utilisation of machinery of equipment could be ascertained during physical verification. It was noticed during physical inspection in test checked hospitals that marking of make of machine, model and purchase year, equipment issued were not made on any of the machine. Due to absence of marking on machinery and corresponding registers, possibility of under utilisation of costly machines could not be over ruled.

P&C Medical College, Bikaner stated (December 2015) that necessary instructions have been issued to concerned to mark the year of purchase and make & model of machines. Reply of P&C, SMS Medical College, Jaipur is awaited (December 2015).

3.12.7.4 Machines and equipment shown installed before issue from stores

During stocking i.e. receipt, issue and installation of machinery, procedural deficiencies noticed was indicative of inadequate internal control. Shortfalls noticed are discussed below:

(i) Equipments (39 Nos.) worth ₹ 4.22 crore purchased by the SP Medical College, Bikaner during 2013-15 for Poly Trauma Department and issued to concerned units of Poly Trauma Department for installation. Scrutiny of records revealed that the equipments were shown installed irregularly before issue from Poly Trauma Store (**Appendix 3.6**).

P&C, SP Medical College, Bikaner stated (December 2015) that in practice equipments are received and shown issued from Poly Trauma store only after receipt of installation report from concerned unit. Fact remains that proper procedure of stocking was not followed.

(ii) SMS Medical College, Jaipur issued supply order (25 February 2012) of EURO 1,12,000 (₹ 0.89 crore) to M/s Toshbro Medical Pvt. Ltd., New Delhi for an operating microscope in Neuro Surgery Department. As per terms and conditions of the order, 70 per cent amount after shipment and 30 per cent amount after installation was to be paid. Equipment was received on 15 June 2012 at SMS Medical College, Jaipur and issued on 21 July 2012 to the Superintendent, SMS Hospital, Jaipur. The equipment was received by the Superintendent, SMS Hospital, Jaipur on 30 July 2012 at its store. The

equipment was further issued (20 September 2012) to Neuro Surgery Operation Theater (NSOT).

Scrutiny of records revealed that the equipment was shown installed in NSOT on 19 July 2012 and balance (30 *per cent*) was also released to the firm on 21 August 2012, contrary to the fact that it was received in NSOT on 20 September 2012. Thus, full payment of ₹ 0.89 crore was made before receipt and installation of equipment thereby providing undue benefit to supplying firm. P&C, SMS Medical College, Jaipur replied (June 2015) that equipment was installed on 19 July 2012 in NSOT Department. Reply is contrary to the fact that equipment was received on 20 September 2012 in NSOT.

(iii) SMS Medical College, Jaipur purchased a Neuro Endoscope Machine (₹ 1.53 crore -EURO 1,70,000 + Custom Duty) during 2014-15 from M/s Karl Storz India Pvt. Ltd. New Delhi. The firm supplied (30 August 2014) it to Central Store, SMS Medical College, Jaipur. Machine was shown issued to SMS Hospital, Jaipur on same date, while it was shown received by the hospital on 5 September 2014. SMS Hospital issued (13 October, 2014) it to Neuro Surgery Operation Theater (NSOT). Installation report, not in proper format, was issued on 6 September 2014. This indicates that the equipment was shown installed and balance amount of ₹ 0.40 crore (30 *per cent*) was released (19 September 2014) even before reaching in Neuro Surgery Operation Theater.

Further, this Neuro Endoscope machine remained unutilised up to 3 May 2015 (eight months). Only 11 patients were operated in all five units between 4 May 2015 and 1 June 2015. Incharge, NSOT replied (15 July 2015) that machine was installed on 6 September 2014 in NSOT and 88 patients in all were operated. Reply is not acceptable as only 11 patients were operated as per NSOT records and it remained unutilised for at least eight months. Further current status of machine was not provided (December 2015) by SMS Medical College/NSOT Jaipur.

(iv) Scrutiny of records of SMS Medical College Jaipur, revealed that purchase order (PO) of ₹ 0.14 crore, for 20 beds mattresses, inter venous rods, adjustable bed side tables and lockers, was issued (25 February 2012) to M/s Vijay Laxmi Sales Corporation, Jaipur. As per condition No. 3 of PO, supply was to be made within 30 days. Goods were supplied (12 March 2012) to central store of SMS Medical College by the firm. These goods were shown issued to central store of SMS Hospital on the same date, while these were shown received in stock register of SMS Hospital on 12 June 2012 i.e. after three months of issue. Installation report of these goods was issued on 19 June 2012 by Ear, Nose and Throat (ENT) Department of the hospital.

The fact that central store showed the goods received on 12 March 2012, while the same took three months time to reach the adjacent building of SMS Hospital, indicates that only the bill was received by Medical College (12 March 2012) without physical delivery of goods. P&C, SMS Medical College, Jaipur replied (July 2015) that goods were supplied to Central Store of SMS Hospital, Jaipur on the same date by the Medical College. Reply of P&C is not

acceptable, because these goods were shown received in stock register of SMS Hospital, Jaipur on 12 June 2012 after three months.

3.12.8 Conclusion and Recommendation

Though there is an increase of 32 per cent in patient load, long term planning in procurement of equipments was lacking.

Department should frame a long term plan for procurement of equipments

A large numbers of machineries/equipments purchased were not inspected at the time of delivery though required for confirming technical specifications. Faulty technical clearances of OT Tables led to their replacement nearly after two years and non utilisation.

All METPs should be inspected by a committee or technical officer at the time of delivery and record a certificate to that effect to avoid accepting lower specification equipments.

Instances of delay upto 22 months in installation of 196 medical equipments were noticed while 811 equipments remained unutilised for a period ranging between 2 to 76 months.

Department should keep a watch on timely installation for optimum utilisation of METP.

Log books, history sheets, stock register, etc. were not found maintained properly. Marking of make and model of machines were also not found. 39 machineries were shown installed before receipt from Central Stores.

To control proper utilisation and smooth running of machineries, logbooks, history sheets and stock registers should be maintained properly. Make and model should be marked on machineries for their identification.

Medical & Health and Medical Education Departments

3.13 Implementation of Mukhyamantri Nishulk Dava Yojana

3.13.1 Introduction

The scheme 'Mukhyamantri Nishulk Dava Yojana' (MNDY), a novel venture for improving the health of State's population, was announced in Budget 2011-12 and launched on 2 October 2011 by State Government. Under this scheme more than 400 commonly used essential medicines, surgical and suture items were to be made available to all patients visiting Outdoor Patients Department and Indoor Patients Department at all Government Health Care Institutions (HCIs) in the State. Initially, about 200 medicines were made available for free distribution which has now been increased to 607 medicines and 150 surgical and suture items.

‘Rajasthan Medical Services Corporation Limited (RMSCL)’, established under Companies Act, 1956 in May 2011, is the nodal agency for implementation of the Scheme. Need based procurement of drugs, surgical and suture items, is made at state level by RMSCL. Thereafter, the drugs are delivered and stored at District Drug Warehouses (DDWs) located in each district. The quality of drug, surgical and sutures is ensured through empanelled drug testing laboratories⁶⁰ and after quality testing, these are issued to sub stores of various HCIs of the district as per their requirement. The drugs are finally distributed to the patients from Drug Distribution Centres (DDCs) of HCIs. A total number of 17,439 DDCs have been established across all government HCIs, to make medicines available on presentation of prescription of Medical Officers (MOs).

Audit conducted a test check of records at RMSCL, 8 DDWs⁶¹, 9 Hospitals⁶² and 7 Community Health Centres (CHCs)/Satellite Hospitals⁶³ along with two DDCs of each selected Hospital/CHC/Satellite Hospital during January to August 2015 to assess effective implementation of the scheme through proper assessment of demand, economic procurement, supply and distribution of medicines to patients during the period 2011-15. Audit findings are discussed below:

3.13.2 Implementation

3.13.2.1 Coverage of patients

As per figures provided by the department, the coverage of patients by the scheme increased substantially over the period. As per calendar year wise statistics available with the Department, 5.51 crore patients had registered during the period January to December 2013 in the State which increased to 7.57 crore during the period January to December 2014. Thus, there was an increase of 37 per cent of patients registered in one year.

Examination of registration procedure by audit however revealed that the patient is required to register afresh every time he visits an HCI for treatment. Accordingly, a patient gets enrolled multiple times for treatment of a single ailment or for different ailments during the year. As such it is not possible to ascertain the actual number of patients covered under the scheme. Thus, the increase in coverage of patients under the scheme is inflated.

⁶⁰ 6 in 2011-12, 7 in 2012-13, 6 in 2013-14 and 7 in 2014-15.

⁶¹ Alwar, Bhilwara, Churu, Jhalawar, Jodhpur, Pali, Rajsamand and Swaimadhampur.

⁶² Mahatma Gandhi Hospital (MGH), Bhilwara, Mathura Das Mathur Hospital (MDMH), Jodhpur, MGH, Jodhpur, Shri Rajendra Government Hospital (SRGH), Jhalawar, RK Hospital (RKH), Rajsamand, Government General Hospital (GGH), Sawaimadhampur, Government Bangur Hospital (GBH), Pali, Dedraj Bhartiya General Hospital (DBGH), Churu and Rajiv Gandhi Government General Hospital (RGGGH), Alwar.

⁶³ Satellite Hospital Sahapura (Bhilwara), CHC, Bhawani Mandi (Jhalawar), CHC, Amet (Rajsamand), CHC, Choth Ka Barwara (Sawaimadhampur), CHC, Jaitaran (Pali), CHC, Sardar Sahar (Churu) and CHC, Tijara (Alwar).

Audit test checked the total number of enrollments and benefit extended to the patients during the period 2011-15, in 16 test checked HCIs. The results are tabulated below:

(in lakh)

Year	No. of patients enrolled during the year	No. of patients benefitted	Per centage of beneficiaries
2011-12	24.86	16.50	66
2012-13	48.80	36.01	74
2013-14	54.56	45.26	83
2014-15	54.42	45.53	84

Source: Information made available by HCIs

Above data reveals that there was a gradual increase in number of patients enrolled during 2011-12 to 2013-14 in the test checked districts and remained stagnate during the year 2014-15. However, the actual number of beneficiaries also stagnated at approximately 45 lakh during 2013-15. Thus about 16 per cent of the registered patients failed to receive the requisite treatment/drugs prescribed.

3.13.2.2 Assessment of demands

As per instructions issued (16 March 2012 and 20 June 2013) by RMSCL, assessment of annual demand of drugs, surgical and sutures is made at HCI's level, which is duly analysed by CMHOs and DMHS and then submitted to RMSCL for procurement. In respect of Medical Colleges and Associated Group of Hospitals, analysis and compilation of demands is carried out by Dy. Secretary, Medical Education, and the same is forwarded to RMSCL for procurement.

(i) Examination of records of HCIs consumption of medicines by audit revealed that HCIs did not properly assess the demand of drugs, surgical and sutures that would be required by them during the initial years 2011-12 to 2013-14. The same was assessed, analysed and consolidated only from 2014-15 onwards.

(ii) Scrutiny of records at District Drug Warehouses⁶⁴ of test checked districts revealed that in 7 test checked DDWs, drugs, surgical and sutures costing ₹ 48.78 lakh⁶⁵ purchased by RMSCL during the year 2012-13, remained unutilized as the HCIs had not sent any requirement of surgical and sutures. This indicates that the same were purchased without any demand being raised by the HCIs. Demand for these drugs, surgical and sutures was also not made in 2013-14 and 2014-15 by HCIs and these still remained unutilised.

(iii) Scrutiny of annual demand and actual consumption of 100 medicines, each in 16 test checked HCIs revealed that:

⁶⁴ District Drug Warehouses (DDW), located in each district, are the places where drugs are delivered and stored after procurement by RMSCL. From DDWs, the drugs are issued to sub stores of various HCIs of the district as per their requirement and for distribution through DDCs.

⁶⁵ Alwar: ₹ 1.75 lakh, Bhilwara: ₹ 1.19 lakh, Jhalawar: ₹ 7.05 lakh, Jodhpur: ₹ 18.63 lakh, Pali: ₹ 6.56 lakh, Rajsamand: ₹ 9.15 lakh and Sawaimadhapur: ₹ 4.45 lakh.

- During 2014-15, medicines were found consumed by HCIs in excess of their annual demand in 388 instances, which exceeded by thirty times in one case (Cefotaxime injection IP 1 gm) indicating instances of short assessment of demand.
- Consumption of medicines by HCIs was less than their annual demand in 412 instances, indicating that these were demanded in excess of requirement.
- Demanded medicines were not supplied to HCIs by DDWs in 178 instances, indicating that RMSCL/DDWs were not monitoring supply of medicines as per demand of HCIs.

Thus, out of 1600 instances test checked, there was variation between actual demand and final consumption of medicines by HCIs, in 978 (61 *per cent*) instances. The fact remains that variation in 61 *per cent* of cases between demand and consumption is substantial and indicated that demand for drugs is not being estimated correctly.

RMSCL, while accepting the facts stated (November 2015) that medicines (drugs, surgical and sutures) might not have been utilised as the scheme was new. Further medicines purchased were in generic names and generic names were not co-related with commonly used names of medicines. Change in posting of medical officers/specialists was also one of the reasons of non utilisation of medicines.

The reply is not convincing as all these issues should have been factored in while assessing the demand. Thus, the fact remains that even after 4 years of launching of scheme, remedial measures were not taken.

3.13.2.3 Procurement

Procurement of drugs, surgical and sutures is made by RMSCL through competitive bidding. It is also ensured that drugs, surgical and sutures are of good quality and have a long life. Each batch of drugs/medicines supplied by the suppliers is subjected to quality test by empanelled laboratories. On the basis of annual demand, RMSCL invited 50 tenders during the period 2011-15 for purchase of drugs, surgical and sutures and issued 5,436 purchase orders as per details given below:

(₹ in crore)

Year	No. of tenders	No. of supply orders issued	Amount of supply orders issued	Amount of supply received
2011-12	7	829	273.40	245.43
2012-13	7	1028	248.58	211.57
2013-14	16	1771	321.72	309.09
2014-15	20	1808	330.74	310.13
Total	50	5436	1174.44	1076.22

Source- Information supplied by RMSCL

Extension was granted in seven tenders due to revision of tender condition/specification as per decision taken in pre bid meetings. Details of total amount

involved in these tenders and delayed/defective supply was not furnished (December 2015) to audit. Audit findings on procurement process are discussed below:

(i) Excess purchase

Scrutiny of records of annual procurement for the year 2014-15 revealed that demand was forwarded to RMSCL by DMHS on 13 December 2013. The demand was revised on 13 March 2014 in view of comments made by RMSCL. Demand was again revised on 08 September 2014, reasons of which were not made available to audit. In the mean time RMSCL issued purchase orders on the basis of earlier demand (December 2013 and March 2014). Audit observed that by the time the demand was last revised (September 2014), procurement of 16 items had already exceeded the revised demand of September 2014 by 25 to 3000 *per cent*. In addition to this, in one item 'Artesunate injection' (an anti-malarial drug), against the demand of one unit, purchase orders were issued for 76,400 units.

RMSCL intimated (November 2015) that 75470 units of *Artesunate injection* have since been consumed up to October 2015 and in remaining cases of excess procurement, up to 99 *per cent* medicines have been consumed during 2015-16.

Fact remained that demand was not assessed in a time bound manner and was revised repeatedly which resulted in excess purchase of medicines and resultant risk of their expiry.

(ii) Short supply/ non-supply of medicines by the firms

As per tender condition No. 13 (2), the supplier shall supply the entire ordered quantity before the end of 60 days from the date of issue of purchase order at the destinations mentioned in the purchase order. Tender condition No 10(3) provides that bid inviting authority, or his authorized representative has the right to inspect the factories of bidders, before accepting the rate quoted by them or before releasing any purchase order(s) or at any point of time during the continuance of bid and also has the right to reject the bid or terminate/cancel the purchase orders issued and or not to issue purchase orders based on the reports brought out during such inspections regarding capacity of bidder.

It was noticed that out of 5,436 purchase orders issued during 2011-12 to November 2014, in 225 purchase orders (₹ 33.05 crore) no supply was made, while in 16 purchase orders (₹ 5.73 crore), there was short supply. RMSCL stated (March 2015) that in case of non-supply of medicines by supplier, ordered quantity is included in next purchase order. Even if supply is not received, action is being taken to purchase at the risk and cost of supplier. Further, in case of non-supply, medicines are procured from local markets.

RMSCL further informed (November 2015) that in 75 cases action has been initiated to purchase medicines from other suppliers at the risk and cost of supplier. In 12 cases action is under process. In remaining 154 cases, no action could be taken in absence of availability of rates. Thus non/short supply of medicines in large quantity indicated that RMSCL did not properly assess the capacity of the bidders before releasing supply orders.

(iii) Purchase of medicines not as per specification

RMSCL issued (August 2011) purchase order to M/s Bharat Biotech International Ltd; Hyderabad for supply of 3,56,909 units of rabies vaccine human (cc) IP (intramuscular) 2.5 IU/dose at the rate of ₹ 177.35 per unit. As per purchase order each pack of medicine was required to contain 1.0 ml vial with 0.5/1.0 ml diluents and syringe with needle. Scrutiny of invoices revealed that firm supplied packs of 1.0 ml vial, without diluents, syringe and needle. However, full payment of ₹ 6.32 crore was released (November 2012) to the firm. Releasing full payment was not in order as supply of medicines without required accessories was not in accordance with the supply order.

RMSCL stated (November 2015) that the supplier had supplied the product as per specification demanded in tender and purchase orders. In compliance of purchase order, supplier had supplied the product with diluents and syringe. Commercial invoices matched with product description given in purchase order but details of other items (diluents and syringe with needle) were not mentioned. The syringes in question were purchased from M/s Oyester Medisafe Ltd., Secunderabad. Reply was not acceptable as no excise or commercial invoices were issued for clearance of these items in the said supply from the factory of the supplier. Further, stock entry and quality test reports of the diluents, syringe and needle were also not available on record.

(iv) Procurement of 'Not Of Standard Quality' drugs

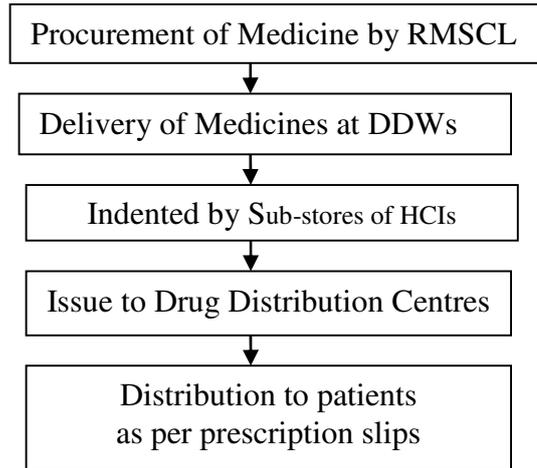
MNDY guidelines provide for quality test by empanelled laboratories, of each batch of drugs/medicines supplied by the supplier. Drugs received at DDW are entered in stock register and kept in quarantine till their testing and receipt of test reports. Further, in order to ensure their quality during the storage period (more than six months), RMSCL may also draw and analyse the drug samples to counter check the stability and quality of the drugs.

As per clause 19 (3) of the tender document the supplier of the drugs will not be entitled to any payment whatsoever for items of drugs found to be 'Not Of Standard Quality (NOSQ)' whether consumed or not consumed.

Scrutiny of records revealed that 86 batches of drugs, costing ₹ 3.24 crore supplied by 19 supplier firms, passed by empanelled laboratories were later on declared NOSQ in retesting of samples during storage period. An amount ₹ 2.15 crore of NOSQ drugs was recovered from four supplier firms while recovery ₹ 1.09 crore was still pending from 15 supplier firms (December 2015). Distribution of NOSQ drugs to patients is likely to have an adverse effect on their health.

3.13.2.4 Supply and Distribution**(i) Non-maintenance of Supply chain**

Chapter-6 of guidelines and instructions (March 2012) of RMSCL provides for maintaining buffer stock and supply chain in each DDW. Accordingly, medicines are to be procured in such a manner that supply chain is maintained regularly. Schematic representation of the supply chain of medicines is depicted below:



In eight test checked DDWs, as per the stock position (May 2015), 218 medicines were not available in stock for a period ranging between one month and four years. Of these, 58 medicines including the medicines used as antihypertensive, anti-allergic, antibacterial, antibiotic, female hormonal preparations and gastro intestinal etc. were not available in stock for distribution for a period of more than six months. This indicated that buffer stock of these important medicines in DDWs was not made which deprived the patients of essential drugs.

(ii) Availability of Drugs

As per scheme guidelines DDWs are to ensure continuous supply of drugs to HCI sub-stores for stocking. On the basis of annual demand, each HCI is allocated a financial limit of medicines. From HCI sub-stores, the drugs are issued to DDCs for distribution to patients on presentation of the prescription of Medical Officers.

Audit test checked records in eight DDWs and 16 HCIs. Observations on utilisation of financial limits under the scheme are discussed in following paragraphs:

- During the period 2011-15 in eight test checked districts, a comparison of total financial limit and actual consumption, revealed that against a total allocated financial limit of ₹ 313.08 crore, medicines valuing only ₹ 210.36 crore were received/stocked and financial limit of ₹ 102.72 crore (33 *per cent*) remained unutilized. The unutilized financial limit ranged between 24 and 45 *percent* during this period⁶⁶.
- HCIs periodically requisites medicines from DDWs and DDW supplies the medicines as per the requisition and their availability. Test check of records of selected HCIs for the period 2011-15 revealed that against the requisition of 16,572 number of medicines, only 7,395 number of medicines were supplied by DDWs for distribution to patients. Thus,

⁶⁶ 2011-12: ₹ 14.22 crore (39 *per cent*); 2012-13: ₹ 37.60 crore (45 *per cent*); 2013-14: ₹ 22.66 crore (24 *per cent*) and 2014-15: ₹ 28.24 crore (29 *per cent*).

there was short/non supply of 9,177 (55 per cent) medicines. This resulted in deprival of patients from proper medical care.

RMSCL in reply (November 2015) accepted the facts and stated that the scheme was new and variation in demand occurred due to various reasons like spread of a particular disease and transfer/posting of medical officers etc. Further, sometimes rate contract for purchase of medicines takes time as such supply of some medicine was interrupted. However the concerned CMOs/MOICs did not give any example of large scale spread of any particular disease.

- Further in 16 test checked HCIs, scrutiny of prescription slips with reference to issue of medicines, revealed that 18 to 88 per cent⁶⁷ medicines prescribed by MOs were not available with HCIs for issue to patients. HCIs stated (April to July 2015) that where stock of medicines is not available in sub-store and DDC, patients are advised to purchase medicines from Life line⁶⁸ stores.

This indicated that in spite of allocation of financial limit, medicines were not made available and undue financial burden was put on the patients which were against the spirit of the scheme. Shortage of Medical officers, long queues of enrolled patients and short supply of medicines to sub-stores were some of the reasons attributable to short consumption of medicines as stated (April to July 2015) by concerned DDWs.

3.13.2.5 Expiry of medicines

As per Government Order dated 26 August 2011, expiry of drugs would be treated as negligence and the Store keeper/officer in charge of store/head of the institute would be responsible for such expiry. Action would also be taken to recover the cost of drugs.

(i) During test check of sub stores of five Hospitals, it was noticed that during the period 2012-13 to 2014-15 drugs valuing ₹ 40.23 lakh expired⁶⁹ (2012-13: ₹ 0.98 lakh; 2013-14: ₹ 30.43 lakh and 2014-15: ₹ 8.82 lakh). Although expiry of medicines during the year 2014-15 declined substantially as compared to 2013-14, it still needs to be monitored.

⁶⁷ MGH Bhilwara 51 and 53, Satellite Hospital Shahpura Bhilwara 72 and 88, MDMH Jodhpur 58 and 68, MGH Jodhpur 47 and 51, SRGH Jhalawar 28 and 32, CHC Bhawani mandi 33 and 33, RKH Rajsamond 34 and 34, CHC Amet 24 and 18, GBH Pali 51 and 43, CHC Jaitaran (Pali) 41 and 39, CHC Sardar sahar 39 and 45, CHC Tijara 37 and 28 and RGGGH Alwar 35 and 31 per cent on 24 December 2014 and 10 February 2015 respectively. GGH Sawaimadhapur 51 and 39 per cent on 23/24 December 2014 and 10 February 2015 respectively. CHC Choth ka Barwara (Sawaimadhapur) 21 per cent on 10 February 2015. DBGH Churu 31 and 28 per cent on 23 December 2014 and 10 February 2015 respectively.

⁶⁸ Life line drug stores have been opened by Rajasthan Medicare Relief Society in all government hospitals in order to provide good quality medicines and surgical at affordable rates.

⁶⁹ MGH Jodhpur: ₹ 24.38 lakh, MDMH Jodhpur: ₹ 7.09 lakh, RGGGH Alwar: ₹ 0.52 lakh, SRGH Jhalawar: ₹ 6.88 lakh and DBH Churu: ₹ 1.36 lakh.

RMSCL (November 2015) stated that medicines at HCIs expire due to unavoidable conditions like change in prescription pattern, transfer of specialists, availability of substitute of medicines etc. RMSCL also stated that in spite of effective management, expiry of some medicines is natural.

Fact remains that substantial amount of drugs are still expiring every year as pointed out above and the position needs to be continuously monitored.

(ii) Test check of records of DDW/RGGG Hospital, Alwar, revealed that 1660 Injections 'Dopamine Hydrochloride', (used in treatment of heart) demanded by the Hospital, were issued by DDW on 01 June 2013, but the same were not received. However, these injections were found as expired (August 2013) on the basis of issue vouchers and therefore declared as expired by the Hospital. Thus, near expiry medicines were shown as issued by DDW and were declared expired without physical transfer.

3.13.3 Financial management

Funds are allotted for MNDY by Government of Rajasthan to DMHS. Out of funds so allotted, a major portion is transferred to non interest bearing PD account of RMSCL for purchase of drugs, surgical/sutures, and remaining portion is utilized for running the establishment of MNDY and purchase of medicines not supplied by RMSCL (up to a limit of 10 per cent of annual demand). RMSCL also receives funds under National Health Mission (NHM) for purchases of medicines for the scheme.

Year wise budget allocation to DMHS and expenditure during 2011-12 to 2014-15 was as under:

(₹ in crore)

Year	Funds allotted	Expenditure incurred	Savings
2011-12	194.90	194.90	00.00
2012-13	346.30	326.00	20.30
2013-14	254.98	204.58	50.40
2014-15	258.89	245.04	13.85

Source- Information furnished by DMHS

Details of funds transferred to RMSCL by DMHS/National Health Mission and utilization there against were as under:

(₹ in crore)

Year	Grant received from			Available funds	Grant Utilised	Closing Balance
	Opening Balance	DMHS	National Health Mission (GOI)			
2011-12	0	194.90	0	194.90	118.67	76.23
2012-13	76.23	292.31	0	368.54	179.01	189.53
2013-14	189.53	140.00	61.00	390.53	255.21	135.32
2014-15	135.32	185.00	110.00	430.32	271.76	158.56
Total		812.21	171.00		824.65	

Source: Sanctions issued by Rajasthan Government Medical & Health (Group-2) Department and information furnished by RMSCL

The above table shows that RMSCL was having huge balances in PD account ranging between ₹ 76.23 crore and ₹ 189.53 crore indicating that during the period 2011-15, DMHS transferred more funds to RMSCL than actually

required and without considering the balances with it. Unspent amount at the end of 2014-15 was ₹ 158.56 crore which was 86 per cent of the grant (₹ 185 crore) received during the year.

RMSCL accepted the facts and stated (November 2015) that balance was on account of a grant of ₹ 110 crore, received from NRHM on 28 and 31 March 2015, against which supply of medicines worth ₹ 32.47 crore were pending up to 31 March 2015. Fact remains that huge funds were lying with RMSCL.

3.13.4 Monitoring

3.13.4.1 Off line monitoring

District Level Committees (DLCs) were constituted (June 2011) by RMSCL, having one Chairman (CMHO); three members (Executive Engineer, District Project Coordinator and Health Manager) and one optional member (Manager DDW), to monitor the progress of availability of drugs at DDW/DDCs on regular basis. The DLCs were required to monitor the progress and submit a report fortnightly to MD/RMSCL. RMSCL intimated (December 2015) audit that no such record is being maintained in RMSCL.

3.13.4.2 Online monitoring through “e-Aushadhi” software

For online monitoring, RMSCL adopted ‘e-Aushadi’ software, a drug inventory management system, which is a comprehensive online system for detailed information about availability of medicines, right from procurement point to consumption point. This application has features like inventory management at DDC, facility to receive drugs offline, issue drugs to patients and generate statements.

(i) In test checked HCIs, various shortcomings were noticed in functioning of software as under:

- (a) Internet connectivity problem arising due to remote locations of HCIs. Server usually remains down for long period.
- (b) Indent reports generated are incomplete and not showing actual position of issue of medicines with reference to indents.

(ii) During scrutiny of records of test checked DDC’s, audit noticed that maintaining of on line ledger accounts of issue of medicines was incomplete at six HCIs⁷⁰ for a period of 6 to 12 month. In absence of data entries, the correctness of consumption and availability of drugs distributed by DDCs could not be ascertained. It was stated (April, May and June 2015) that Information Assistants posted for this work, were deputed to other offices/works of “Bhamashaha Yojna” and Election Department. Fact remains that in absence of proper and timely data feeding, factual position of consumption and availability of medicines was not available for proper monitoring.

⁷⁰ CHC Amet (District Rajsamand), MDMH, Jodhpur, CHC Choth ka Barwara, GGH Sawaimadhopur, CHC Bhawani Mandi, and CHC, Jaitaran.

3.13.5 Conclusion and Recommendations

MNDY is a novel scheme and large numbers of patients in Rajasthan have received the benefit of free medicines under it. The coverage of patients under the scheme increased over the period. As per statistics available with the Department, 5.51 crore patients had registered during the period January to December 2013 which increased to 7.57 crore during the period January to December 2014. However, as the patient is required to register afresh every time he visits an HCI for treatment, and gets enrolled multiple times for treatment of a single ailment, it was not possible to ascertain the increasing trend.

It was seen that there was variation between annual demand and consumption of medicines. Demand was not assessed in a time bound manner and was revised repeatedly which resulted in excess purchase of medicines. Proper and timely supply of medicines was not ensured. Not of Standard Quality drugs were also found distributed to patients at the risk of their health. Drugs worth ₹ 40.23 lakh were not transferred to other hospitals and allowed to expire in five test checked hospitals. RMSCL failed to utilise the funds of ₹ 158.56 crore on procurement of medicines during 2011-12 to 2014-15.

State Government should ensure effective system of assessment of requirement of medicines through proper planning for procurement and maintenance of supply chain. Monitoring system may be strengthened to ensure timely availability of medicines to the targeted population.

Online monitoring through implementation of “e-Aushadhi” software was not effective.

Updation of “e-Aushadhi” software and proper internet facility to HCIs should be ensured for effective monitoring of the scheme.

Medical & Health Department and Administrative Reforms & Co-ordination Department

3.14 Implementation of Rajasthan Guaranteed Delivery of Public Services Act-2011

3.14.1 Introduction

Timely delivery of services to the people by different departments of Government determines the level of efficiency, transparency and accountability of the Government. The Government of Rajasthan enacted the ‘Rajasthan Guaranteed Delivery of Public Services (RGDPS) Act, 2011’ with the objective of providing a responsible, accountable, transparent and corruption free administration. The Act came into force *w.e.f.* 14 November 2011. ‘Rajasthan Guaranteed Delivery of Public Service (RGDPS) Rules 2011’ were framed under section 10 of the Act, which lay down the procedure to be followed for providing desired services to the applicant. The

Administrative Reforms and Co-ordination Department, under Government of Rajasthan, issues instructions/guidelines/ circulars from time to time, to all the Government departments responsible for implementation of provisions of the Act/Rules. As on date, 153 services under 18 departments have been covered under the Act.

For assessing the implementation of the Act, audit test checked (April-August and November 2015) records of Medical & Health Department, providing twelve notified services⁷¹. For this purpose, four Chief Medical & Health Offices of districts: Alwar; Barmer; Jaipur and Udaipur, covering rural, border, urban and tribal areas of Rajasthan, were selected based on highest population. Under each district 20 *per cent* units (offices/centers) under the Department were test checked for the period November 2011 to March 2015. Details of units test checked is indicated in *Appendix 3.7*.

Audit findings

3.14.2 Implementation of the Act

Section 4(1) of the Act enjoins upon the designated officer to provide services, notified under section 3, to the persons eligible to obtain the service within the stipulated time.

Information regarding status of all 12 services provided, detailed in following paragraph, by Medical and Health Department in the State was sought for (September 2015) from the Department and also from Administrative Reforms and Co-ordination Department but the same was not furnished (December 2015). Audit examined the Implementation of notified services under the Department in test checked units and deficiencies noticed are given below:

3.14.2.1 As per the information collected from test checked units for the period from November 2011 to March 2015, the position of providing notified services in Medical and Health Department, is depicted below:

S. No.	Notified Services	Stipulated period	No. of cases in test checked unit		No. of cases test checked by audit	
			Number of applicants	Service provided with delay (<i>per cent</i>)	No. of cases test checked	Service provided with delay (<i>per cent</i> against test checked cases)
1.	Payments under Janani Shishu Suraksha Yojana	At the time of discharge	2,61,075	21,089 (8.07)	1614	633 (39)
2.	Compensation for Undergoing Sterilization Operation	-do-	67,590	99 (0.15)	375	Nil
3.	Sterilization Operation Certificate (Male)	Three months	97,522	301 (0.30)	394	241 (61)

⁷¹ 1. Payments under JSSY 2. Food License 3 Food Manufacturing License 4. Compensation for Undergoing Sterilization Operation 5. Sterilization Operation Certificate (Female) 6. Sterilization Operation Certificate (Male) 7. Visible Disability Certificate 8. Complicated Disability Certificate 9. Drug License 10. Drug Manufacturing License 11. Medico Legal Case (MLC) Report 12. Post Mortem Report.

S. No.	Notified Services	Stipulated period	No. of cases in test checked unit		No. of cases test checked by audit	
			Number of applicants	Service provided with delay (per cent)	No. of cases test checked	Service provided with delay (per cent against test checked cases)
4.	Sterilization Operation Certificate (Female)	One month				
5.	Visible Disability Certificate	Same day	3,605	Nil	154	Nil
6.	Complicated Disability Certificate	Three weeks	173	Nil	150	65 (43)
7.	Medico Legal Case Report	24 hours	35, 244	65 (0.18)	584	10 (2)
8.	Post Mortem Report	-do-	4,717	116 (2.46)	263	Nil
9.	Food License	60 days	9,647	175 (1.81)	250	40 (16)
10.	*Food Manufacturing License	-do-	751	Nil	Nil	Nil
11.	Drug License	20 days	4,299	652 (15.16)	302	105 (35)
12.	Drug Manufacturing License	Three months	21	5 (23.81)	21	5 (24)
	Total(Percent)		4,84,644	22,502 (4.64)	4,107	1,099 (27)

Source: Information provided by test checked units of Medical & Health Department.

*Test checked cases of Food Manufacturing Licenses are included in the service of Food License (S.No. 9)

A comparison of the delay as given by the department and as in test checked cases indicated that department showed delay in about 5 per cent cases whereas audit found delay in 27 per cent of cases test checked. Besides, it was also observed that the percentage of delay was high in services like Sterilization Operation Certificate (61 per cent); complicated disability certificate (43 per cent); Payments under *Janani Shishu Surksha Yojana* (39 per cent) and issue of drug licenses (35 per cent). Delay ranged between 11 to 30 days in substantial number of cases (512) constituting 46 per cent of total delayed cases noticed by us under all services. Audit noticed excessive delay of more than 200 days in 24 cases. Of these 21 cases pertained to obtaining sterilization certificates, in PMO Alwar alone (**Appendix 3.8**).

Scrutiny of delayed cases revealed that though the powers of first appeal officer and second appellate authority were notified (October 2011) to various officers of the department but none of the applicants went in appeal for redressal of their grievances. This indicates lack of awareness in public about the mechanism available under this Act for redressal.

3.14.2.2 Discrepancies in Data

Cumulative fortnightly information of disposal of applications filed for requisitioning various notified services was to be submitted by the designated officers of departments to Administrative Reforms and Co-ordination

Department through District Collector/Nodal Officer. Audit observed that there was delay in sending the information and similar formats were not completed. For instance, CMHO-II Jaipur sent cumulative information fortnightly while CMHO Barmer & Udaipur sent information of belated services only for concerned fortnight. However, CMHO Alwar did not send the information to Nodal Officer regularly.

Scrutiny of data reported by designated officers do not match with the actual delayed cases as observed by audit in test checked cases in following services:

(i) Eight test checked units⁷² reported no case of delay in payment under JSSY. However, in scrutiny audit observed that delayed payments were made in 236 cases by these units.

(ii) CHC Tijara (Alwar) reported eight cases of delayed payment under JSSY during 2013-14 whereas audit noticed delayed payment occurred in 78 cases (May 2015) during corresponding period.

(iii) In PMO Alwar and PHC Taratara (Barmer), no case of delayed issue of sterilization certificate was reported. However, audit found that sterilization certificates issued were delayed in 173 and 43 cases respectively.

(iv) CHC Ramgarh (Alwar) informed no case of delayed issue of MLC Report while audit noticed delay in ten cases.

(v) CMHO Alwar and Udaipur intimated no case of delayed issue of food licenses while audit found delayed issue of food licenses in 18 and 2 cases respectively.

(vi) The fortnightly report of March 2015 submitted by CMHO-II, Jaipur to District Collector (DC) revealed that 1,36,464 applications were filed which were shown as disposed within prescribed time. However, CMHO-II, Jaipur informed the audit that there were 17,361 cases of delayed payment under JSSY during the period November 2011 to March 2015. Thus, factual position of delayed cases was not reported to Administrative Reforms and Co-ordination Department.

The above indicates that records required to show actual time taken in delivery of services were not being maintained properly and the actual number of cases of delay in providing of services was higher than reported.

State Government, Department of Medical & Health (DoMH) stated (February 2016) that clarifications for discrepancy in data have been sought from concerned medical units and instructions have been issued to furnish correct data in future.

⁷² PMO, Sethi Colony, Jaipur, PHC-Beelwa (Jaipur), PMO, Rajiv Gandhi Hospital, Alwar, PHC- Mubarikpur(Alwar), CHC-Sarada (Udaipur), PHC - Chitrawas (Udaipur), PHC-Adel, Taratara (Barmer).

3.14.3 Payments under Janani Shishu Surksha Yojana (JSSY)

Under 'JSSY', a payment of ₹ 1000 or ₹ 1400 depending upon urban or rural area, is required to be made at the time of discharge of a mother from hospital/health care facility, after birth of a child. Audit test checked 1614 cases in selected units to assess the effective implementation of the Act under this scheme. Following irregularities were noticed in payment of incentives:

3.14.3.1 Delayed payment of incentive

Of 1614 cases test checked, audit noticed delayed payment of incentives in 633 cases (39 per cent). The delay was more than three months in 58 cases.

State Government (DoMH) stated (February 2016) that delay was mainly attributable to delayed receipt of budget from districts/block level officers (CHC Sarada and CHC Ramgarh); shortage of staff (PHC Taratara) and delayed submission of documents by beneficiaries (PHC Bhankrota and PHC Beelwa). Keeping in view the deficiencies, online payment of incentives is now being made directly to beneficiaries accounts.

The facts remained that implementation of the scheme was not effective.

3.14.3.2 Systemic deficiencies

The payments to beneficiaries under JSSY were made through account payee cheques at the time of discharge from hospital/health care centre. Review of records revealed non encashment of cheques amounting to ₹ 16.50 lakh pertaining to 1214 beneficiaries. Of these cheques amounting to ₹ 1.23 lakh were issued by Principal Medical Officer (PMO) Satellite hospital Sethi Colony, Jaipur and Satellite Hospital, Hiranmagari and CHC Sanwad (Udaipur) (urban area) to 123 urban beneficiaries and cheques amounting to ₹ 10.79 lakh were issued by CHC Bassi Jaipur, Satellite Hospital Hiranmagari and CHC Sanwad (Udaipur) (rural area) to 771 rural beneficiaries. Instances of non encashment of cheques amounting to ₹ 4.48 lakh by 320 beneficiaries, were also noticed during audit of three units (CHC Dungla (Chittorgarh); CHC Delwara and Kelwara (Rajsamand)).

State Government (DoMH) stated (February 2016) that cheques were issued to beneficiaries well in time but due to non presentation of cheques by some of the beneficiaries, the same could not be encashed. The department is not responsible for this. Reply was not convincing as intended benefit did not reach to the beneficiaries due to system deficiencies.

Thus, non-encashment of cheques and non receipt of intended benefits of service under the scheme reflects deficiencies in the payment procedure.

In PMO Barmer and Alwar, total amount of cheques issued to beneficiaries was not reconciled with the bank, therefore actual drawal of incentive by beneficiaries and those who did not draw incentive could not be ascertained. PMO Barmer and Alwar accepted (November 2015) the fact of non reconciliation.

State Government (DoMH) stated (February 2016) that the CM&HO, Barmer and Alwar have been asked to submit report after reconciliation of payment with the bank.

3.14.3.3 Non-payment of incentive to residents of other states

Under JSSY, there is no restriction of making payment under the scheme to the residents of other states. It was noticed that 23 beneficiaries belonging to other states, were not paid the incentive by PMO, Hiranmagari, Udaipur on the plea that they were not residents of Rajasthan. Thus, non-payment of incentive to these beneficiaries was not in conformity with the provisions of the Act.

State Government (DoMH) stated (February 2016) that the clarification for not making payment to beneficiaries of other states have been sought from the concerned officers and instructions have been issued to ensure payment as per rule.

3.14.4 Issue of Food Licenses and Food Manufacturing Licenses

(i) As per provisions of the Act, food licenses are issued by Chief Medical and Health Officer (CMHO) within 60 days of filing of application. Out of total 250 cases test checked in three districts (Alwar, Jaipur and Udaipur), audit observed delay in issuing food licenses in 40 cases. In respect of CMHO Udaipur, State Government stated (December 2015) that challans of requisite fees were not received along with applications, therefore, the licenses were issued after receipt of challans. Reply was not correct, as applications in absence of challans were liable to be rejected as provided in the Act. In case of CMHO Jaipur and Alwar the Government stated (December 2015) that though the applications were submitted on line, but the hard copies were submitted later. However, audit has calculated delay from the date of application of forms received online. Reply was not convincing as delay should be computed from the date of receipt of application irrespective of mode of filing the same.

(ii) As per section 5(2) of the Act read with rule 5 of RGDPS Rules, the designated officer, on receipt of an application, within the stipulated time limit, either provide the service or reject the application and in case of rejection of the application, shall record the reasons in writing and inform the applicant.

In test check of CMHOs, 939 online applications were received during November 2011 to March 2015, for issue of food licenses. These were kept pending for 2 to 17 months over the prescribed time limit. The CMHO Udaipur and Barmer replied (July 2015) that online applications were not disposed off due to non-receipt of required documents. Reply was not acceptable as in absence of documents, rejection of applications along with reasons, was required to be intimated to the applicants. This indicated that the applications were not attended to which was violative of the provisions of the Act/rules.

3.14.5 Issue of Drug Licenses/ Drug Manufacturing Licenses

As per provisions of the Act, drug licenses are required to be issued by the Assistant Drug Controller within 20 days of filing of application while drug

manufacturing licenses are issued by the Drug Controller within three months of filing of application.

Out of 302 cases test checked, delay in 105 cases of drug licenses were noticed in four districts (Alwar; Jaipur, Barmer and Udaipur). The delay was attributable to late site inspection by Drug Control Officer and excessive time consumed in procedure of issuing drug licenses after inspection. The Assistant Drug Controller, Alwar replied (June 2015) that the post of licensing authority remained vacant from 01 November 2013 to 27 October 2014, due to which some delay occurred in issuing licenses. The reply was not convincing as instances of delay were noticed during the entire period of audit (November 2011 to March 2015).

3.14.6 Issue of sterilization certificates

As per provisions of the Act, sterilization certificates are required to be issued within one month in case of female sterilization operations and 3 months in the case of male sterilization operations.

Audit noticed that out of test checked 394 sterilization certificate cases, there were 241 cases (234 female sterilization and 7 male sterilization) of delayed issue of sterilization certificates. In 44 cases there was delay of more than 100 days. PHC Taratara (Barmer) admitted that the certificates were not issued within time due to shortage of staff. Reply of other units is awaited (November 2015).

PHC Bhankrota; CHC Bassi; CHC Banskho and PMO Satellite Hospital Sethi Colony, Jaipur issued 1738 sterilization certificates but no detailed record was found maintained, in absence of which delay in delivery of service could not be ascertained.

3.14.7 Issue of Complicated Disability Certificate

Act provides for issue of complicated disability certificates by the Incharge of Medical Board, constituted in health centres, within 3 weeks from the filing of application. In PMO Alwar, audit noticed delay in issue of complicated disability certificates in 65 cases out of 150 cases test checked. In 14 cases delay of more than three months was noticed. No case of delay in issue of complicated disability certificates were found in other test checked units.

3.14.8 Issue of Visible Disability Certificate

As per rule 4 of RGDPS Rules, the person authorised under rule 3 shall give acknowledgement in form 1 for receipt of an application for delivery of service.

It was noticed that out of 54 cases test checked, Government Satellite Hospital, Sethi Colony Jaipur did not issue acknowledgements in 43 cases for visible disability certificates. It was also noticed that applications were being received and certificates issued only on Tuesday instead of on all working

days. Receipt registers were also not maintained, in absence of which, delay in issue of visible disability certificate could not be ascertained.

3.14.9 Medico Legal Case (MLC) Report

Act provides for issue of MLC Report within 24 hours from receipt of application. Out of 50 cases test checked, audit noticed delay in 10 cases ranged between two to four days in CHC, Ramgarh (Alwar). CHC replied (July 2015) that delay was attributable to heavy work load. Instructions have now been issued to issue MLC Reports within stipulated time.

Scrutiny of records of CHC, Govindgarh (Alwar) revealed 13 blank MLC Reports, pertaining to the period from December 2014 to March 2015, contained signature of recipients/applicants. This shows that signatures of the recipients were taken in advance on MLC Reports raising doubts about the authenticity of these reports. Apart from this, the MLC Reports issued by CHC, Govindgarh (Alwar) and CHC, Sarada (Udaipur) did not contain date of dispatch. In its absence, audit could not ascertain whether the notified services were delivered in time. Accepting the facts, CHC Sarada stated (June 2015) that the required records of services will be maintained in future. Reply from CHC, Govindgarh is awaited (December 2015).

3.14.10 Monitoring

Rule 18 of RGDPS Rules provides that State Government may introduce a system for centralised monitoring of timely delivery of notified services including service delivery through use of Information and Communication Technology (ICT) and for monitoring of various provisions of this Act.

(i) Department of Information Technology & Communication (DoIT) developed (June 2012) a Management Information System (MIS) portal for obtaining online status for monitoring of notified public services. However DoIT stated (August 2015) that the scope of work of MIS portal was merged with *e-Mitra* and *Raj Sampark* portal w.e.f. 1 April 2014 across the State and MIS portal was made non-operational from June 2014.

During test check, audit noticed that *e-Mitra* was catering to only one service (issue of food licenses) of the Department while *Raj sampark* was meant only for lodging general grievances of public and was not related with delivery of services under the RGDPS Act. Thus, neither *e-Mitra* nor *Raj sampark* were monitoring delivery of notified services. Audit also sought (November 2015) details of random inspection of delivery of notified services manually or on software conducted by Administrative Reforms And Co-ordination Department but the same were not made available (December 2015)

(ii) As mentioned in para 3.14.2.2 *ibid*, cumulative information of disposal within time and beyond time limit and pending applications for notified services were being submitted by the designated officers of respective department fortnightly through District Collectors/Nodal Officers to Administrative Reforms and Co-ordination Department. Audit observed that the said information submitted by designated officers was not being checked either by District Collector/Nodal Officers or by the Administrative Reforms

& Co-ordination Department which led into several discrepancies mentioned in para 3.14.2.2

3.14.11 Non-maintenance of essential records/Registers

Rule 4 of RGDPS Rules provides for issuing acknowledgement to the applicant in Form-1 containing details of time limit for providing the services which help applicants to know the time limit of particular service, and rule 17 provides that the designated officer shall maintain records of the cases in Form-3 which consists of all information of services provided along with details of order passed. Out of 50 units test checked by us, 17 units⁷³ were not maintaining registers in Form-3, containing information of services provided and details of order passed.

These registers are the key tools for monitoring the implementation of the Act, in absence of the same, timely delivery of services could not be ensured.

3.14.12 Non-organising awareness campaigns

Rule 20 of RGDPS Rules stipulates that the State Government may develop and organize campaigns and programmes to advance the understandings of the public for obtaining services under the Act.

Audit observed that awareness programmes like advertisement, distribution of pamphlets and public meetings were not organized to improve the awareness of the Act among the public. One of the popular measures for educating citizens about the provision of the act, is by displaying information of notified services and time limit for providing such services on notice boards. This was also not found in CMHO Alwar. Lack of awareness deprived the beneficiaries from redressal of their grievances by respective authorities. This was evident from the fact that out of 22,502 cases of delayed delivery of services, none of the applicants preferred any appeal for redressal of their grievances.

3.14.13 Non-imparting training to designated officers/Appeal officers

Rule 20(4) of RGDPS Rules 2011, stipulates that the State Government may to the extent of availability of financial and other resources, train the designated officer, first appeal officer, second appellate authority and revising officer, as the case may be, of their duties under the Act.

Scrutiny of records of test checked units revealed that training programmes for Designated Officers and Appeal Officers were not organised in compliance with the instructions contained in Rule 20(4) of RGDPS Rules.

State Government (Administrative Reforms & Co-ordination Department) in its reply (September 2015) stated that the contention of audit of non achieving the objectives of the Act was not acceptable as, after enactment of the Act, general public has largely been benefitted in obtaining desired services and the

⁷³ PMO, Rajiv Gandhi Government Hospital, Alwar, CHC- Ramgarh, Tijara, Govindgarh and Shahjahanpur (Alwar), ADC Alwar, CHC- Bassi, Tunga (Jaipur), PMO, Satalite Hospital, Hiranmagri, Udaipur, CHC-Sarada, Kurabar, Sanwad (Udaipur), PHC-Chitrawas, Barwara (Udaipur) , CMHO Barmer, PMO Barmer, CHC, Dhorimanna (Barmer).

notified services are being delivered timely. Approximately four crore applications (all services under 18 departments) were disposed of under the Act.

The reply is not corroborated by findings of audit wherein substantial delay was noticed in delivery of all 12 notified services of the Medical and Health Department.

3.14.14 Conclusion and Recommendations

The government of Rajasthan has made efforts to provide timely delivery of specified services to the public. However, efforts in delivery of services need to be improved. We observed delay in delivery of specified services in 27 per cent of test checked cases. Substantial delay was of more than 200 days was also noticed in 24 cases.

Basic records, required to watch the delivery of the services, were not being properly maintained. Audit noticed discrepancies in reporting data of cases of service deliveries. Actual numbers of delayed cases are not reported to Administrative Reforms and Co-ordination Department. No follow up action is in practice as delayed cases are not being checked/monitored by the Administrative Reforms and Co-ordination Department.

State Government should improve its monitoring mechanism to watch the proper maintenance of required record and, disposal of cases under the Act within the prescribed time limit.

Awareness campaigns are not being organized by the Department which was evident from the fact that no applicant went into appeal for delayed/non delivery of services.

State Government should make efforts towards increasing awareness among public.

While a time limit for disposal of first appeal has been notified by the Government, no such time limit has been notified for second appeal.

No time limit for disposal of second appeal has been notified. State Government should fix a time limit for the same.

Public Health Engineering Department

3.15 Bisalpur-Dudu drinking water supply project

3.15.1 Introduction

Bisalpur-Dudu Water Supply Project (BDWSP) was conceived and sanctioned (2002) in view of insufficient quantity/availability of ground water and quality issues due to presence of high fluoride, total dissolved solids (TDS) and salinity issues in Jaipur, Tonk and Nagaur districts. The project comprises

laying of two main pipe lines namely transmissions main (TM) -I (Surajpura-Malpura-Dudu-Sambhar) and TM-II (Surajpura-Jhirana-Niwai-Chaksu), originating from water treatment plant at Surajpura. The distribution of water to the rural areas has been done through distributaries of 11 Regional Water Supply Schemes (RWSSs)⁷⁴ by connecting these to TM I and II. The supply to urban areas has been done by connecting existing/newly constructed Service Reservoirs to TM I and II.

Phase-I of the project comprised of two parts. Part-I covered the transmission mains (TM-I and TM-II) for the demand of 1522 villages and 7 urban towns⁷⁵ and regional water supply schemes of 718 villages of Jaipur and Tonk districts while Part-II covered Regional Water Supply Schemes of remaining 804 villages of Jaipur, Tonk and Nagaur districts and 7 urban towns. Subsequently, 113 villages and two towns⁷⁶ were added. Phase-I was designed for design year 2021. Though the demand for Phase-II (design year 2036) was also calculated, the project for phase-II is yet to be prepared.

Work orders for TM –I and II were issued in January 2006 with stipulated date of completion as January 2008. The works were actually completed in July 2010 and April 2011 respectively. Works of RWSSs were allotted between December 2007 and September 2013 with stipulated date of completion as June 2009 and March 2016. Works of three RWSSs have been completed as of March 2015.

Audit examined records⁷⁷ of Public Health Engineering Department (PHED) and the records of BDWSP covering the period from 2011-12 to 2014-15 to assess the efforts made by PHED in ensuring adequate drinking water supply in the state. In addition 10 *per cent* villages, where water supply has been commissioned, were also test checked for beneficiaries survey.

3.15.2 Funding

BDWSP is being financed by Ministry of Rural Development, Government of India (GoI) under ‘Accelerated Rural Water Supply Programme (ARWSP)’⁷⁸ and by State Government under ‘Minimum Needs Programme (MNP)’.

The details of funds allotted for the project and utilization thereagainst are as under:

⁷⁴ RWSS Mor-Malpura-Pachewar; RWSS Dudu; RWSS Naraina; RWSS Sambhar; RWSS Bawri-Nathri-Jhirana; RWSS Tadaraisingh; RWSS Phagi; RWSS Chaksu; RWSS Bassi; RWSS Niwai and Tonk and RWSS Nawa (Nagaur).

⁷⁵ Chaksu, Malpura, Naraina, Niwai, Phulera, Sambhar, and Tadaraisingh.

⁷⁶ Jobner and Kishangarh-Renwal.

⁷⁷ Chief Engineer (Special Project), Jaipur, Additional Chief Engineers, Project, Jaipur; Superintending Engineers, Project Circle, Jaipur, Executive Engineers, (Project) Dudu, Niwai, Phagi, Bassi, Sambhar.

⁷⁸ Renamed as ‘National Rural Drinking Water Programme’ (NRDWP) in February 2010.

(₹ in crore)

Year	Allotment		Expenditure	
	ARWSP/ NRDWP	State Plan	ARWSP/ NRDWP	State Plan
Upto 2010-11	149.38	108.84	149.05	109.09
2011-12	6.00	19.19	5.76	19.19
2012-13	7.88	52.32	6.67	52.18
2013-14	10.36	201.39	10.32	191.51
2014-15	13.00	191.00	13.00	189.82
Total	186.62	572.74	184.80	561.79

Source: Departmental information

For Phase I (part I) of the BDWSP, initial administrative and financial sanction (A&F) of ₹ 216.55 crore was accorded (04 June 2002) by Policy Planning Committee (PPC). The A&F was revised (02 November 2004) by PPC to ₹ 283.77 crore. Due to increase in cost of RWSS, A&F was further revised (11 October 2007) to ₹ 678.87 crores. Further, in the phase-1 (Part-II), 5 A&F sanctions for RWSSs amounting to ₹ 1012.84 crore were issued. Thus there was a cost overrun of ₹ 462.32 crore in Phase I (part I) of the Project.

The position of A&F sanctions and expenditure incurred thereagainst depicted in following table:

(₹ in crore)

S. No.	Name of Project	A&F sanction	Expenditure incurred
1	BDWSP (Transmission Main (TM)-I and TM-II) and packages # (i) Regional Drinking Water Supply Scheme (RWSS) Mor-Malpura-Pachewar; (ii) RWSS Dudu; (iii) RWSS Naraina; (iv) RWSS Sambhar; (v) RWSS Bawri-Nathri-Jhirana and (vi) RWSS Todaraisingh	678.87	457.41
2	(vii) RWSS Phagi	217.24	59.03
3	(viii) RWSS Chaksu	254.45	50.61
4	(ix) RWSS Bassi	299.55	55.37
5	(x) RWSS Niwai and Tonk	112.88	38.65
6	(xi) RWSS Nawa (Nagaur)	128.72	85.52
Grand Total		1691.71	746.59

BDWSP and its packages (i) to (vi) were approved under one A&F sanction while packages (vii) to (xi) were approved under separate A&F sanctions.

Source: Departmental information

Audit findings

Audit findings on performance of the project are discussed in following paragraphs:

3.15.3 Project planning

Planning is the basic frame work of a scheme/project on which the success of the project depends. Scrutiny of records of PHED revealed following deficiencies in the planning process:

3.15.3.1 Preparation of Detailed Project Report

Chapter 3 of Manual of Water Supply and Treatment issued by Central Public Health and Environment Engineering Organisation (CPHEEO), provides for preparation of a detailed project report (DPR) before taking up any project. Para 3.2.2 of Accelerated Rural Water Supply Programme (ARWSP) guidelines also envisages that the State Governments were required to prepare DPR as per its operational guidelines.

Scrutiny in audit revealed that no DPR was prepared for the entire BDWSP. The Department merely issued separate administrative and financial (A&F) sanctions for each sub project under the BDWSP and the project was conceived through these A&F sanctions. State Government stated (January 2016) that A&F proposal were prepared as per norms and guidelines of the department and all the required parameters were taken into consideration, so separate DPR was not required. CPHEEO guidelines are not binding on the department like PWF&AR.

The reply of the State Government is not acceptable as the DPR is a base document for planning and execution of a project. DPR was to be prepared as per CPHEEO manual as well as ARWSP guidelines. Moreover, State Government has issued (October 2015) directions for preparation of DPR before preparation of A&F sanction. Non-preparation of DPR as per the site requirements led to delays and deviations, resulting in time and cost overrun as discussed in succeeding paragraphs.

3.15.3.2 Reservation of water

As per State Water Policy (SWP), issued by State Water Resources Planning Department, Rajasthan, Jaipur, top priority was given to drinking water for human consumption. Technical Committee (TC) in its meetings⁷⁹ issued directions that before taking up execution of the work, reservation of water in Bisalpur Dam may be ensured for requirement of the project for entire design period.

Water Resource Department (WRD) made reservation of 16.2 thousand million cubic feet (TMC) of drinking water from Bisalpur Dam, against which water supply projects (including BDWSP) having a total demand of 18.44 TMC were sanctioned by the department for the design year 2021.

Scrutiny by audit revealed that demand of 21.918 MLD in respect of 113 villages (Bassi Tehsil: 16.8 MLD) and two towns (Jobner and Kishangarh-Renwal: 5.118 MLD) were not included in the estimated demand of BDWSP but were added subsequently. This indicated that reservation of designed demand of water was not ensured before taking up the projects and water reserved for BDWSP was less to the extent of 21.918 MLD. State Government stated (January 2016) that during preparation of project of Bassi it was decided by the State Government that the water from Chambal river will be supplied to Bisalpur dam to fulfill the water requirement. This confirms that reservation of designed demand of water was not ensured before taking up the projects.

⁷⁹ TC 399 dated 13 April 2005, TC 568 dated 03 January 2013, TC 576 dated 17 April 2013.

3.15.3.3 Calculation of demand of drinking water

As per para 2.2.6 of CPHEEO Manual, water supply projects may be designed normally to meet the requirements over a period of thirty years, after their completion. The time lag between design and completion of the project should also be taken into account which should not exceed two to five years depending on the size of the project.

Design period of TM-I and TM-II of BDWSP were designed for demand of the year 2021 while RWSSs, connecting villages/*dhanies* (other habitations) through distribution system, were designed for 2031/2045, as such the design demand of TM-I and II and the distribution system do not match. Works of TM-I and II were completed in August 2010 and April 2011 respectively. Thus TM-I and II would not meet additional demand after design year 2021. Thus, intended benefits would not be available to public.

State Government stated (January 2016) that it has executed the project as per availability of funds and additional pipelines will be laid for the designed demand of 2045 or 2050 in phase II.

The reply is not acceptable as the department did not take time lag between design and completion of the project into account and put additional financial burden of additional pipe line due to improper planning.

3.15.3.4 Preparation of Estimates

Rule 289 of Public Works Financial and Accounts Rules (PWF&AR) provides that for every proposed work for which lump sum provision were sanctioned, properly detailed estimates must be prepared and these proposals should be structurally sound, accurately calculated and based on the adequate data.

(i) Basic rates of various items adopted by Region Offices for preparing estimates for various projects/packages were not uniform, as such cost of some of the projects were over estimated while others were under estimated. For instance, in the estimates of RWSS Nawa (July 2012), Naraina (January 2013) and Sambhar (April 2013) items like 10 *per cent* contractor's profit, taxes (income tax, sale tax, labour cess), price variation etc. were also included. To maintain uniformity of rates in all Regions, CE (Special Project) prepared (5 April 2013)⁸⁰ typical rates/estimates for various items useful in the major projects on the basis of current market rates.

A&F and Technical Estimates of RWSS Bassi, RWSS Chaksu and RWSS Phagi were approved in the same period (May-June 2013). The Department adopted typical rates (5 April 2013) for preparing estimates in case of RWSS Phagi but the rates adopted for RWSS Bassi and RWSS Chaksu were higher than typical rates. Due to different rates of these items in rate analysis, the estimation of cost of pipes were overestimated by ₹ 16.37 crore and ₹ 12.76 crore respectively. It was also observed that the Department entered into rate contracts for supply of pipes during this period, which were comparatively lesser than BSR rates, but the same were not adopted. This indicated that

⁸⁰ Superseded vide letter dated 10 July 2013.

estimates were prepared on higher side by inflating the estimated costs which affected bid prices as well as contract prices.

State Government stated (January 2016) that estimation of a project was based upon the various aspects and similar concept cannot be adopted in each and every project and further stated that typical rates were prepared in the month March 2013 and at that time the preparation of estimates were going on.

The reply is not acceptable as the cost added for items like contractor's profit, taxes (income tax, sale tax, labour cess), price variation etc. had no effect on topography of the area, availability of labour and other essential commodities and thus the estimates were prepared on higher side by inflating the estimated costs.

(ii) Scrutiny of records of TM-I, revealed that after awarding (16 January 2006) work on the basis of technical sanction (TS), revised A&F was issued (October 2007) wherein the quantity of pipes of various ratings was changed by (-) 80 to 598 per cent as compared to schedule of quantity in work order. However the actual deviation in quantity of pipes of various ratings, used in the work from TS, ranged between (-) 59 per cent and 100 per cent with a cost overrun of ₹ 15.79 crore. As compared to revised A&F, this deviation ranged between (-) 73 and 328 per cent.

Further, it was noticed that in the revised A&F (2007), 8,480 meter (900 mm) and 8,380 meter (700mm) MS pipes were estimated whereas 5,564 meter (900 mm) and 3,478 meter (700mm) MS pipes were actually laid. For remaining quantity of 2,916 meter (900 mm) and 4,902 meter (700 mm), PSCC pipe in place of MS pipe was used. This change in type of pipes, resulted in overestimation of cost by ₹ 8.01 crore.

In TM-I, as there was overall excess in MS pipe over the Technical Sanction, permission of laying of MS pipe in place of PSCC pipe was granted by TC (3 November 2007) subject to approval of Finance Committee. As the overall increase in quantity of MS pipe was 127 per cent, Finance Committee approved (2 May 2014) the deviation statement, subject to approval of Finance Department (FD) for additional quantities more than 50 per cent. FD approved (22 May 2015) deviation with the directions that action may be taken against defaulting Engineers/Authority for preparing incorrect estimates. Action on this account is yet to be taken. State Government accepted (January 2016) the facts.

(iii) Contractor completed the work amounting to ₹ 66.46 crore against the work order of ₹ 59.74 crore (execution part only). Besides ₹ 2.31 crore was also paid on account of price escalation. Accordingly the final cost worked out to ₹ 68.77 crore. This was 15.11 per cent higher than the work order amount and required regularization from FC. However, it was noticed that while submitting proposal of deviation for approval of FC, this item of price escalation (₹ 2.31 crore) was not included and was yet to be regularized.

Thus there were a huge deviation in quantity of pipes between technical sanction, revised A&F and actual consumption. This indicates that technical

sanction issued in 2004 and revised A&F sanction issued in 2007 were not prepared on realistic data.

3.15.3.5 Excess quantity of pipes

In RWSS Bassi, it was observed that technical sanction, was approved (4 June 2013) and work order was awarded (18 September 2013), requiring 4,03,100 metre DI pipes. Against this, the contractor submitted (30 December 2014) requirement of 2,77,073 meter of DI pipes, on the basis of site survey, which resulted in overall savings of ₹ 18.73 crore. This indicated that TS was prepared without actual site survey.

State Government stated (January 2016) that survey was done by the contractor in respect of rising mains only and DI pipes to be used in distribution system were not surveyed.

The reply is not acceptable as the contractor has surrendered ₹ 18.73 crore for excess quantity of DI pipes as they were not required in distribution system. Thus technical estimates prepared were not realistic.

3.15.4 Delay in execution of Project

As per CPHEEO Manual, time lag between design and completion of the project should be taken into account which should not exceed two to five years depending on the size of the project. Besides ARWSP guidelines provided that during project preparation, a detailed project implementation schedule would be developed for entire three-year project implementation period consisting of four distinct phases and a post project completion phase.

Work of BDWSP was initiated in the year 2002. However, Transmission Mains (TM-I and TM-II) were designed for the requirement of year 2021. However, the work orders for these works were awarded in 2006 and the lines were laid in July 2010 and April 2011 respectively. For distribution of drinking water from these lines (TM-I and TM-II), only three (out of 11) RWSSs were completed till March 2015. Thus, the Department did not take time lag between design and completion of the project into account.

Few illustrative cases where packages were delayed for more than one year are summarized below:

Name of Package/Project	A&F date	Work order date	Stipulated date of completion	Completion date
Transmission Main-I	11-10-2007	16-01-2006	25-01-2008	31-07-2010
Transmission Main-II	11-10-2007	16-01-2006	25-01-2008	03-04-2011
RWSS Mor, Malpura and Pachewar	11-10-2007	12-08-2011	21-08-2013	Work in progress
RWSS Dudu (main distribution)	11-10-2007	07-12-2007	16-06-2009	31-07-2012
RWSS Naraina	11-10-2007	03-05-2013	12-11-2014	Work in progress
RWSS Todaraisingh	11-10-2007	12-08-2011	21-11-2012	25-03-2014
RWSS Bawari, Nathary Jhirana,	11-10-2007	07-12-2007	16-06-2009	03-02-2012
RWSS Nawa	24-08-2012	22-11-2012	30-11-2014	Work in progress

Source: Departmental information

3.15.5 Delay due to obtaining permission from different authorities

The Policy Planning Committee (PPC) issued (22 September 2004) directions that required statutory permissions are obtained before commencement of work. Technical Committee⁸¹, while approving technical sanctions issue riders of getting permission from agencies like Railway, Public Work Department (PWD) etc. before commencement of work to avoid delays. In following cases, project works were delayed due to delay in obtaining permissions from different authorities:

S. No.	Packages	Name of Agency/ Authority	Name of work	Date/Month of			Delay (in days)
				Start and stipulated date of completion	Request	Permission	
1	TM-I	Railways	Railway crossing at Naraina and Sambhar	26-1-2006 and 25-1-2008	August 2006	April 2008	264 and 553
2	TM-II	Railways	Railway crossing at reach KM62/2-3	26-1-2006 and 25-1-2008	March 2006	August 2008	909
3	TM_I	NHAI/Road Authorities	Road cutting permission	26-1-2006 and 25-1-2008	July 2008	March 2009	240
4	RWSS Naraina	Railways	Laying of pipe line through railway crossing	3-5-2013 and 12-11-2014	June 2013	December 2014	540
5	RWSS Naraina	Road Authorities	Road cutting permission	3-5-2013 and 12-11-2014	September 2014	awaited	-
6	RWSS Nawa	Road Authorities	Road cutting permission	01-12-2012 and 30-11-2014	April 2014	awaited	-
7	TM-I	HPCL, IOCL and GAIL	Laying pipeline through gas pipeline at Dudu and Pachewar	26-1-2006 and 25-1-2008	August 2007	May 2008 August 2008	222
8	RWSS Mor-Malpura-Pachewar	HPCL, IOCL and GAIL	Laying pipeline through gas pipeline at points	22-08-2011 and 21-8-2013	December 2014	November 2013 and February 2015	60
9	RWSS Phagi	Forest	Laying pipeline through forest area near kherapati Bheechi village	03-08-2013 and 02-02-2016	June 2014	awaited	-

Source: Departmental information

State Government accepted (January 2016) the facts and stated that delay were not on account part of PHED. The reply is not acceptable as the required statutory permissions were to be obtained before commencement of work.

3.15.6 Execution of excess work without revised sanction

Rule 286 (2) and Rule 287 read with Rule 288 of PWF&AR Vol-I provides that when expenditure on a work exceeds or is likely to exceed the amount administratively approved for it by more than 10 per cent, or where there are material deviations from the original proposals, even though the cost of the same may possibly be covered by savings on other items, revised A&F approval must be obtained from the authority competent to approve the cost, so enhanced.

Revised A&F sanction (₹ 678.87 crore) of BDWSP was accorded on 11 October 2007 including O&M (₹ 9.32 crore) of RWSSs for five years.

⁸¹ TC 399 dated 13.04.2005, TC 568 dated 13-01 2013.

Following cases of excess expenditure/sanctions were noticed where revised A&F approval was not obtained from the competent authority:

(i) The work orders for RWSSs Naraina and Sambhar were issued at ₹ 48.53 crore and ₹ 206.58 crore against the A&F sanctions of ₹ 38 crore and ₹ 133.02 crore respectively. The stipulated dates of commencement were 3 May 2013 and 15 July 2013 and stipulated dates of completion were 12 November 2014 and 24 January 2016. As the amount of work orders exceeded the A&F sanction by more than 10 per cent in each case, there was a need for approval of revised A&F sanction in respect of these works.

(ii) Against A&F sanction of ₹ 9.32 crore for O&M, work orders of ₹ 35.17 crore were awarded to contractor as under:

(₹ in crore)

Name of Package/Project	A&F Amount	Work order Amount
RWSS Mor-Malpura-Pachewar	Consolidated O&M amount ₹ 9.32 crore for RWSS	5.93
RWSS Dudu		1.68
RWSS Naraina		3.93
RWSS Sambhar		20.37
RWSS Tadaraisingh		1.33
RWSS Bawari-Nathari-Jhirana		1.93
Total	9.32	35.17

Source: Departmental information

Accordingly, revised A&F sanction was necessary from competent authority for execution of aforesaid O&M works.

State Government accepted (January 2016) the facts and stated that revised A&F sanction will be got approved from competent authority.

3.15.7 Lapse of administrative and financial sanction

Scrutiny of records revealed that following works were awarded after lapse⁸² of more than five years from the date of revised A&F sanctions:

Name of Package	Date of Original A&F	Date of Ist revised A&F	Date of IInd revised A&F	Date of work order	Work order amount (₹ in crore)
RWSS Naraina	4-6-2002	2-11-2004	11-10-2007	03-05-2013	52.46
RWSS Sambhar	4-6-2002	2-11-2004	11-10-2007	15-07-2013	226.95
RWSS Dudu (Internal Distribution of Dhanis)	4-6-2002	2-11-2004	11-10-2007	11-02-2013	6.91
Total					286.32

Source: Department information

Thus due to delay in inviting tenders and awarding works, work orders amounting to ₹ 286.32 crore were issued irregularly after lapse of revised A&F sanctions. State Government stated (January 2016) that these components were part of the same ongoing sanction and taken in hand late.

⁸² As per rule 353 of PWF&ARs, approval of sanction to an estimate for any public work other than annual repairs would unless work has commenced, cease to operate after a period of five years from the date on which it was accorded.

The reply is not acceptable as the works were awarded after lapse of more than five years from the date of revised A&F sanctions in 2007.

3.15.8 Supply of defective uPVC pipes

As per agreement, supply of material and manufacture of uPVC pipes should conform to the relevant Indian standard specification No. 4985 -2000 or its latest revision and all the material should be new and of high quality. All pipes or joints which are proved to be in any way defective shall be replaced or remade and re-tested as often as may be necessary until a satisfactory test shall have been obtained. Any work which fails or is proved by test to be unsatisfactory in any way shall be redone by the Contractor.

(i) In RWSS Naraina, it was noticed that department approved (11 November 2013) Quality Assurance Programme (QAP) of uPVC pipes. Thereafter, representatives of PHED and third party inspection/consultant approved⁸³ uPVC pipes at factory of manufacturer. However Vigilance Team of Department, in a post delivery inspection of uPVC pipes, found samples defective from following batches:

S No.	Dia meter of Pipe	Length	Rate (per meter)	Cost (₹ in crore)	Batch nos.
1	90 mm	35000 meter	126	0.44	B-14266,B-14267, B-14268,B-14269
2	110 mm	13350 meter	227	0.30	A-14022, A-14023, A-14024
3	160 mm	13404 meter	455	0.61	B-14021, B14022,B-14023,B-14024
	Total			1.35	

Source: Department information

As per terms of agreement, such pipes which are proved to be in any way defective shall be replaced by the contractor. EE, project Division, PHED, Dudu directed (15 December 2014) the contractor to replace above pipes. State Government accepted (January 2016) the facts and stated that contractor had replaced defective pipes now and supplier firm was black listed for future supply.

(ii) In RWSS Niwai, it was noticed that the Department approved QAP of uPVC pipes at factory of manufacturer and received 61,680 meters⁸⁴ uPVC pipes of the various sizes for which payments of ₹ 1.56 crore was released to the contractor. However these pipes failed post delivery test conducted (10 February 2015) by specified laboratory M/s Sriram Institute for Industrial Research, Delhi. By this time, the contractor had laid 14,562 meters⁸⁵ uPVC pipes and an amount of ₹ 9.26 lakh was also released for laying work.

As these pipes failed post delivery test, the same were required to be replaced by the contractor. EE, project Division, PHED, Niwai directed (4 March 2015)

⁸³ 22 to 24 November 2013, 1 January 2014, 18 February 2014, 4 May 2014 and 5 October 2014.

⁸⁴ 75 mm-11,700 meters; 90 mm-11,700 meters; 110 mm-11,070 meters; 140 mm-11,070 meters; 160 mm-11,070 meters and 225 mm-5,070 meters.

⁸⁵ 90 mm-1,896 meters; 110 mm-9,132 meters; 140 mm 1,122 meters; 160 mm-2,412 meters.

the contractor to replace above pipes. No records were made available to showing that pipes were replaced, including the pipes already laid, by the contractor. State Government accepted (January 2016) the facts and stated that pipes have been removed from site. However the same have not been replaced yet.

The aforesaid supply of pipes was also subject to inspection at site of manufacturer by the Departmental officers/Third Party Inspection (TPI). Failure of pipes in post delivery inspection indicated lack of compliance of QAP as well as inspection by the departmental officers/ TPI.

3.15.9 Non-testing and commissioning of Transmission Main-I and II

As per clause 12.3 of Special Condition to Contract, immediately after the physical completion, the work of testing and commissioning the entire system on design conditions should be taken up as per the procedure given in 'Scope of Work and Technical Specifications'. Once the entire system has been successfully tested and commissioned, trial run period of one month should commence. The work was to be treated as 'completed' only thereafter. After issue of certificate of "Completion of Work" by Engineer in-charge, O&M period would commence from the date of certificate.

(i) TM-I work was treated as complete on 31 July 2010 without commissioning of pipeline at design discharge and provisional certificate of completion of work was issued by the Department on 23 May 2011. Accordingly the O&M period commenced from 1 August 2010. The contractor submitted an undertaking to carryout commissioning of pipeline at design discharge, whenever department asks during O&M period (5 years). Thus the work was treated as complete without final testing and commissioning at design discharge. State Government accepted (January 2016) the facts and stated that full load commissioning is now been done.

(ii) Similarly in TM-II, the work was treated as complete on 3 April 2011 and provisional certificate of completion of work was issued on 10 October 2011. Though the firm submitted an undertaking to carryout commissioning of pipeline at design discharge whenever department asks during O&M period (5 years), a completion certificate was issued on 10 July 2013 without getting the work of commissioning of pipeline done at design discharge. State Government accepted (January 2016) the facts and stated that transmission system is being operated through gravity and operation of pipe line at designed flow would be done in the year 2016.

It is evident from above mentioned cases that the work of testing and commissioning the entire system was not taken up at full design discharge and trial run period of one month has also not commenced. As the stipulated period of O&M is ending in August 2015 (TM-I) and March 2016 (TM-II), there is little chance of conducting any testing on TM-I. As such efficiency of entire system of pipe line could not be ascertained.

3.15.10 Inadmissible price escalation

Rule 378 of PWF&ARs provides that in lump sum contracts, the contractor agrees to execute a complete work with all its contingencies in accordance

with drawings and specifications for a fixed sum. Therefore, inclusion of a clause on price variation in the lump sum contract agreement is not justifiable.

(i) In BDWSP, revised A&F sanction of ₹ 678.87 crore was accorded (11 October 2007) which included ₹ 57.58 crore on account of price escalation. Thus, inclusion of price escalation in lump sum contract was in contravention of Rule 378 of PWF&ARs.

(ii) Inadmissibility of payment of price escalation in lump sum contracts was commented in Paragraph No.3.1.7 of Audit Report 2008-09 and Paragraph No. 3.4.3 of Audit Report 2009-10. Public Accounts Committee (PAC) in its 26th Report 2014-15 directed the Department to take appropriate action in the matter.

The Department made further payment of price escalation in these two cases:

(₹ in crore)

S. No.	Project Divisions	Package Name	Name of contractor	Amount of work order	Final amount paid	Price escalation	Remarks
1.	Dudu	TM-I	M/s Bhooratnam Construction Company (P) Limited, Secunderabad	61.17	68.44	2.31	₹ 1.99 crore commented in Audit Report 2008-09 and ₹ 0.32 crore paid thereafter
2.	Niwai	TM-II	M/s IVRCL, Infrastructure Project Limited, Hyderabad	54.00	54.89	2.05	₹ 1.87 crore commented in Audit Report 2008-09 and ₹ 0.18 crore paid thereafter
Total						4.36	

Source: Departmental information

Thus, payments of price escalation in lump sum contract was made by the Department in contravention of the Rule 378 *ibid* and recommendation of PAC. State Government accepted (January 2016) the facts and stated that matter is pending with PAC for decision.

(iii) Clause 45 (10) of General Conditions of Contract (GCC) provides that in case the contractor does not make *pro rata* progress as per clause 2 of the agreement in the first or another time span and the short fall in progress is covered up by him during subsequent time span within original stipulated period then the price escalation of such work expected to be done in the previous time span shall be notionally given based upon the price index of that quarter in which such work was required to be done.

In RWSS Chaksu and RWSS Sambhar the contractor was paid price escalation of ₹ 0.71 crore and ₹ 0.86 crore respectively inspite of the fact that the contractors had not maintained *pro rata* progress of the work. Hence payment of price escalation ₹ 1.57 crore was irregular. State Government stated (January 2016) that price escalation would be payable for the period where delay was not attributable to the contractor. The reply is not acceptable as department had not decided whether the delay was attributable to the contractor or not.

3.15.11 Achievements of Project

The status of commissioning of drinking water supply in the villages (as of 31 March 2015) was as under:

Phase I	Name of Package	Number of villages to be covered	Number of villages commissioned	Per cent achievement
Part-I	RWSS Mor-Malpura-Pachewar	153	153	100
	RWSS Dudu	105	105	100
	RWSS Naraina	71	23	32
	RWSS Sambhar	174	NC	-
	RWSS Todaraisingh	55	55	100
	RWSS Bawari-Nathary-Jhirana	160	160	100
	Total	718	496	69
Part-II	RWSS Chaksu	275	NC	-
	RWSS Niwai	199	NC	-
	RWSS Bassi	210	NC	-
	RWSS Phagi	161	NC	-
	RWSS Nawa	72	28	39
	Total	917	28	3
Grand Total		1635	524	32

NC – Not commissioned

Source: Department information

It is evident from above that although the project was initiated in 2002 but out of total 1,635 villages, drinking water was provided only in 524 villages (32 per cent) upto March 2015. Drinking water supply has not been commissioned in five packages. Moreover water supply in 91 villages⁸⁶ has been disconnected as of 1 June 2015 due to non payments of water bills by the village level committees (VLCs). Of nine towns, water supply has been commissioned only in seven towns⁸⁷.

The project was initiated in 2002 and the works of TM-I/II were completed in 2010/2011. Works on 9 RWSSs started thereafter. This resulted in non completion of the project packages simultaneously with TM-I/TM-II. The objective of providing adequate drinking water to the population of the rural areas could not be achieved due to inefficiencies at every stage of planning, execution and monitoring.

State Government stated (January 2016) that remaining villages are likely to be benefitted in the year 2016.

The fact remain that conceived objectives of the project were partly achieved even after a lapse of 13 years after incurring an expenditure of ₹ 746.59 crore (Part-I- ₹ 457.41 crore and Part II ₹ 289.18 crore).

3.15.12 Public perception

To ascertain the level of public satisfaction on the quality of service provided by BDWSP through Public Stand Posts (PSPs) in the villages, audit obtained a list of 524 villages commissioned up to 30 June 2015 under the BDWSP.

⁸⁶ RWSS Bawri-Nathri-Jhirana-25; RWSS Dudu-40; RWSS Mor-Malpura-Pachewar-2; RWSS Todaraisingh-24.

⁸⁷ Chaksu, Malpura, Naraina, Niwai, Phulera, Sambhar, and Todaraisingh.

(i) A detailed questionnaire was prepared and beneficiary survey was conducted during June-July 2015 by the audit parties along with the official of PHED and VLC member in 54 selected commissioned villages. The response received from the villagers is tabulated below:

Audit Questions	Beneficiaries response in selected commissioned village
Availability of water	11.12 <i>per cent</i> stated that they received water supply for 1 hour in a day. 53.70 <i>per cent</i> stated that they received water supply for 2 hours in a day. 18.51 <i>per cent</i> stated that they received water supply for 3 hours in a day. 09.26 <i>per cent</i> stated that they received water supply for 4 hours in a day. 07.41 <i>per cent</i> villages in which water supply stopped.
Sufficiency of water	64.82 <i>per cent</i> respondents stated that they received sufficient water. 35.18 <i>per cent</i> did not have sufficient water.
Quality of water	90.74 <i>per cent</i> respondents found the water worthy for drinking. 07.40 <i>per cent</i> respondents not found it for drinking from the appearance. 01.86 <i>per cent</i> village in which water supply stopped.
Testing of water	48.14 <i>per cent</i> respondents stated that they have arranged to check quality of water 51.86 <i>per cent</i> respondents stated that they have not arranged to check quality of water
Complaints	90.74 <i>per cent</i> respondents were satisfied with the complaint redressal mechanism 09.26 <i>per cent</i> were not satisfied with the redressal of complaints.
Training imparted to beneficiary	77.77 <i>per cent</i> respondents stated that they have capacity to repair independently. 18.53 <i>per cent</i> respondents stated that they have not capacity to repair independently. 03.70 <i>per cent</i> villages connected with piped scheme.
Suggestions given by the member of VLC	59.25 <i>per cent</i> respondents were of view that house to house connection should be provided in the scheme in place of PSPs 40.75 <i>per cent</i> have no suggestion for house to house connection.

Source: Survey questionnaire

The responses received from commissioned villages suggested lack of satisfaction both in terms of sufficiency and duration of water supply. Nearly 60 *per cent* respondents were of view that in place of PSPs, house to house connection should be provided for need based distribution and to mitigate the stress of villagers caused due to coverage of longer distances, timings of supply of water and mutual conflicts.

(ii) As per para 1.4 (X) of Scope of work and Technical Specifications of agreement (Volume- II), for branched Network System from cluster ESRs to individual villages, a minimum residual pressure of 7 meters (on the outlet of the tap) is to be maintained at the village's highest point, which is to be ascertained by contractor as per survey and which is required to be approved by department.

During physical verification (16 June 2015) of village Sirsi (RWSS Nawa), it was noticed that in four PSPs⁸⁸ there was no water supply due to installation of the PSPs at height. This indicated that a minimum residual pressure was not maintained at the village's highest point. Thus villagers were deprived from potable drinking water due to defective design.

(iii) In RWSSs, Dudu, Bawri-Nathri-Jhirana, Mor-Malpura-Pachewar and Todaraisingh, agreements between Project Division and concerned VLCs,

⁸⁸ Bagachi ki dhani, Jakhad Kharwaso ki dhani, Netwalon ki dhani and Thakkarwalo ki dhani.

were executed for supply of 20 lpcd water for drinking and washing purpose, whereas packages/schemes were designed with the objective of providing 70 lpcd in DDP blocks and 40 lpcd water in other blocks. Thus the agreements with VLCs have been made on lower side, resulting in supply of insufficient water. State Government accepted (January 2016) the facts and stated that due to uncertainty of availability of sufficient water agreement was executed on the lower side.

3.15.13 Monitoring and quality control

3.15.13.1 Maintenance of records

To perform effective monitoring of contractor's work, Department must maintain records/ Registers⁸⁹ in proper and complete manner. Additional CE also issued (18 October 2011), instructions for maintaining necessary records. Required records/ registers were either not being maintained or not in the proper format. State Government stated (January 2016) that necessary records are being maintained. Reply was not acceptable as the same were not found maintained in test checked packages.

3.15.13.2 Operation and Maintenance

In TM-I at Pump houses Dudu and Malpura, no record of cleaning of Clear Water Reservoir (CWR) was available at pump houses. The date of last cleaning was 12 January 2015. There are two tanks in each CWR, to be cleaned one by one, as such cleaning of both tanks on a single day appears to be incorrect. Moreover compliance of CPHEEO manual on O&M for cleaning of reservoirs⁹⁰ could not be verified in absence of proper records. State Government stated (January 2016) that cleaning of reservoir was being done properly. The reply is not acceptable as in the absence of proper records to the effect, audit could not ensure the claim of the department.

3.15.13.3 Quality control System

(i) Quality control wing was established on 6 September 2013 under the Chief Engineer (Headquarter). The wing started functioning from 4 October 2013. No budget/facilities have been provided to the wing and no material testing laboratory has been established for functioning of quality control wing. However in complaint cases, wing obtained samples at sites and examine the

⁸⁹ Register of QAP Approved for machinery and equipment, Register of testing of water retaining structure (OHSR, CWR etc), Register of testing of materials, Register of batch wise testing of pipes and valves at works of manufacturer, Register of sectional testing, Quality control register, Register of pumps and pumping machinery at works of manufacturer, Register/record of testing of complete system during final commission, Site book and hindrance register, Record of IEC activities.

⁹⁰ Making alternate arrangement for water supply, collection of sample of water and silt/mud accumulated for biological analysis and for presence of snails and worms, washing the interior walls and floor with water hose and brushes and applying disinfectant (Supernatant of Bleaching powder) to the walls and floors before filling the reservoirs again.

samples through approved laboratories of National Accreditation Board for Testing and Calibration Laboratories (NABL). Thus Quality Control wing was defunct due to lack of funds/infrastructure.

(ii) Policy Planning Committee directed (27 September 2011) to prepare a Quality Control Manual for ensuring quality of works in respect of Water Supply Schemes/Projects. However the manual has not been prepared so far (July 2015) and there was no specific guidelines for ensuring quality of work.

3.15.14 Conclusion

Bisalpur-Dudu Drinking Water Supply Project was conceived and sanctioned (2002) in view of insufficient availability of ground water and quality issues due to high level of fluoride, total dissolved solids and salinity problem in Jaipur, Tonk and Nagaur districts.

The objective of providing adequate drinking water to the population within the stipulated time, could not be achieved due to inefficiencies in every stage of planning, execution and monitoring and led to cost/time overrun. DPR, the base document for planning and execution of a project was not prepared by the Department. Reservation of designed demand of water was not ensured before taking up the project.

Estimates were prepared on the higher side by inflating the estimated costs which affected bid prices as well as contract prices. Works amounting to ₹ 286.32 crore were awarded after lapse of A&F sanction. TM- I and II were not tested and commissioned at full design discharge even after five years of their completion.

Quality Control wing was defunct due to lack of funds/infrastructure. and there was no specific guidelines for ensuring quality of work.

Out of total 1,635 villages, drinking water was provided only in 524 villages (32 *per cent*) upto March 2015. The responses received from villagers of commissioned villages, suggested lack of satisfaction both in terms of sufficiency and duration of water supply.

Thus, the conceived objectives of the project were partly achieved even after a lapse of 13 years and after incurring an expenditure of ₹ 746.59 crore

Effective steps may be taken to achieve the intended objectives of the project to provide adequate and quality drinking water to the rural population duly addressing the deficiencies as pointed out.

Public Health Engineering Department

3.16 Follow-up action on recommendations of Public Accounts Committee/audit on Performance Audit of 'Drinking Water Supply in Jaipur City' incorporated in Audit Report (Civil) 2009-10

3.16.1 Introduction

Public Health Engineering Department (PHED), under Government of Rajasthan, is responsible for supply of drinking water in the state.

Performance Audit on 'Drinking Water Supply in Jaipur City', was conducted to examine implementation of the State Government's Plan to provide adequate and safe drinking water to the population of Jaipur city and to reduce dependency on ground water, through completing 'Bisalpur Jaipur Water Supply Project'⁹¹ (BJWSP). Audit reviewed implementation of the BJWSP and various water supply schemes providing drinking water to Jaipur city for the period 2005-10. Implementation of BJWSP (2005-2010) and the augmentation/summer schemes for 2007-10 were reviewed (January to July 2010) through test-check of records in the concerned offices of PHED⁹² and Rajasthan Urban Sector Development Investment Programme (RUSDIP).

The Audit revealed deficiencies in planning, execution, monitoring and vigilance. Findings of PA were incorporated in Para 2.1 of Audit Report (Report No. 2) for the year 2009-10.

The Public Accounts Committee (PAC) took-up the Performance Audit for detailed examination in July, November 2012 and June 2013, considered the recommendations made by Audit in its Audit Report, the views of PHED, and submitted (August 2013) 61 recommendations⁹³ for remedial action. The PAC examined the progress submitted by PHED on these recommendations and submitted (February 2015) its report to legislature in which fifty-four recommendations were treated as executed and seven were left for final compliance.

A follow-up audit to review the status of implementation of recommendations of PAC/audit were examined to assess the compliance by PHED to recommendations made by PAC and recommendations made by audit. Field study covered offices of the Chief Engineer, Headquarter (CE-HQ), the Chief Engineer, Project (CE-Project), the Additional Chief Engineer, Region-II

⁹¹ A project to meet the increasing and anticipated demand of Jaipur City of horizon year 2021, funded by Asian Development Bank (ADB) and the Japan Bank for International Cooperation (JBIC) through construction of water treatment plant and pipelines to carry water of Bisalpur Dam to Jaipur city.

⁹² SE City Circle Office North and South, EE Division North-I, II, III; Division South-I, II, III; Division Project I & II

⁹³ PAC Report No. 248 of 2013-14.

Jaipur (ACE), Chief Chemist, including all Superintending Engineers (SE)⁹⁴, all Executive Engineers (EE)⁹⁵ and RUSDIP of Jaipur city.

Audit findings

The follow-up audit was conducted from April 2015 to July 2015 to assess the present status of action taken and context submitted by PHED with reference to issues raised in Audit Report and recommendations of PAC. Audit issued 94 letters to CE (HQ), CE (Special project) and ACE besides various letters to divisional officers of PHED for providing information for follow-up audit. However, inspite of repeated requests to Principal Secretary PHED and Ground Water Department (GWD), reply of large number of letters were not provided to audit. Apart from this, replies of the letters issued to divisions of PHED were also not provided to audit. Supporting records/files relating to replies of some letters were also not provided to audit. This lack of cooperation to audit hindered the follow-up audit work. The major findings that emerged based on information that audit could collect and examinations made are, narrated below:

3.16.2 Adequacy of drinking water

BJWSP was scheduled to supply 400 MLD (360 for Jaipur and 40 for en-route villages) water from January 2008 but supply of 67.5 MLD began from March 2009. The supply of water was gradually increased from 2010 onwards. The quantum of water proposed to be transmitted to Jaipur City from Bisalpur Dam was based on the allocation of 869 MLD by the year 2021.

Audit scrutiny (May 2015) revealed that the projected demand of water for the year 2015 assessed by the consultant⁹⁶ and PHED was 719 MLD including 20 *per cent* estimated leakages/unaccounted for water (UFW). The projected requirement for year 2015 comes to 822 MLD if actual prevailing UFW of 30 *per cent* is taken, as intimated (May 2015) by PHED. Thus, supply of water being made (November 2015) for Jaipur city (490 MLD) is far below its assessed requirement (822 MLD).

Details provided (June–July 2015) by all test checked divisions of Jaipur city, revealed that present demand and supply of water was 540 MLD and 450 MLD respectively and per person water supply ranged between 74 and 140 litre per person per day (LPCD). Accordingly actual supply works out to 52 to 98 LPCD after reducing UFW (30 *per cent*) which is far below Central Public Health and Environmental Engineering Organisation (CPHEEO) norms of 150 LPCD.

Government admitted (November 2015) that presently, actual supply of drinking water is 490 MLD and average service level is 163 LPCD. However, total population of Jaipur city and division-month wise break-up of supply was not provided, in absence of which details of 163 LPCD could not be

⁹⁴ City Circle Office North and South.

⁹⁵ Division North-I, II, III; Division South-I, II, III; Division Project I&II.

⁹⁶ M/s Tata Consultancy and Engineering, an agency approved by State Government.

examined. Reply confirms that supply of drinking water in Jaipur city is below the norms. After deducting 30 per cent UFW, the actual supply comes to 343 MLD and average service level comes to 114 LPCD only.

This indicates that supply of drinking water was substantially less than the CPHEEO norms (150 LPCD) as well as the projected requirement (822 MLD). Thus, the objective of BJWSP to provide adequate drinking water to Jaipur city has still not been achieved (November 2015).

3.16.3 Over extraction of ground water

To overcome the problem of over extraction of ground water, the State Government was required to pass a legislation and to establish a mechanism to obtain prior clearance of GWD before boring of TWs.

3.16.3.1 Paragraph 2.1.7.1 of Audit Report highlighted construction of TWs in non feasible zones⁹⁷, due to lack of co ordination between PHED and GWD, resulting in over extraction of ground water. Audit recommended establishment of a mechanism to regulate tapping of ground water. The PAC directed the Department to make efforts to establish mutual coordination with GWD and to control construction of TWs.

As per reports from Central Ground Water Board (CGWB), the ground water in all blocks except Phagi and Dudu of Jaipur district has been over extracted since 2004. All the three blocks of Jaipur city were declared notified areas i.e. dark zones (Jhotwara-1999, Amer and Sanganer-August 2011), in which ground water extraction was prohibited and restricted. However, information provided (July 2015) to audit by four divisions (North-I & II and South I & III), revealed that 259 new TWs were constructed during the period 2010-11 to 2014-15, even though sufficient water in Bisalpur Dam was available for supply. This indicates that the Department is not serious in stopping further depletion of ground water.

The matter was brought to the notice of Government (September 2015) however, the Government did not furnish any reply (December 2015).

3.16.3.2 Planning

Drinking water problem in Jaipur City is chronic and acute. Water supply of city was based on surface and ground water. Government of India had circulated (January 2005) a Model Bill to all states which suggested establishment of “Ground Water Authority” to regulate and control ground water extraction and rain water harvesting. To overcome the problem of over extraction of ground water, the State Government prepared ‘Ground Water Management Bill 2006’ for regulation and management of ground water extraction but this bill was not passed.

Paragraph 2.1.7.1 of Audit Report pointed out that in absence of a legislation, there was no mechanism to obtain prior clearance of Ground

⁹⁷ Zones having limited alluvial thickness and high density of existing TWs.

Water Department (GWD) before boring of Tubewells (TWs) and to check boring in over exploited area i.e. dark zone. In response to PAC query about progress of passing the bill, PHED apprised (August 2014) that necessary action regarding this bill is to be taken by GWD.

Examination of records revealed that no action has been taken to restrict the extraction of ground water in Jaipur city and to pass the bill, as evidenced from the fact that 259 TWs were established by four divisions (North-I & II and South I & III) for extraction of ground water since 2010 onwards though sufficient water in Bisalpur Dam was available for supply.

In response to audit observation Government replied (November 2015) that this is related to GWD. The reply is not acceptable to audit as the Principal Secretary (PHED and GWD) is the administrative head of both the departments.

3.16.3.3 PAC recommended (July 2012) that extraction of ground water by PHED and other private bodies may be controlled and monitored by all relevant departments in a coordinated manner. PAC further recommended to carry out survey to find total numbers of TWs established and working in Jaipur city during last ten years for seize and seal of illegal TWs. It also suggested to obtain details of TWs from Jaipur Vidyut Vitaran Nigam Limited (JVVNL) for this purpose. Department intimated (June 2014) to the PAC that office order has been issued (December 2013) to take necessary action at the earliest.

Scrutiny by Audit revealed that no action was taken (August 2015) by field offices. The office order of December 2013 was either not received or not available in any divisional offices.

State Government intimated (November 2015) that Engineers of Jaipur City, PHED are very much engaged in the day to day maintenance of water supply. So it is very difficult to carry out door to door survey of private Tube wells. JVVNL was requested (23 October 2015) to provide list of all such connections released for tube wells.

Reply is not convincing as door to door survey was to be conducted by collecting data from JVVNL and to verify them. Reply confirms that no such survey was conducted so far by PHED to monitor ground water depletion as per recommendation (July 2012) of PAC.

3.16.3.4 The guidelines issued by the CGWB prescribed that permission for ground water extraction in notified area was to be obtained from competent authority (District Collector). It further prescribed construction of water harvesting system (WHS) in the premises within 45 days of issuance of NOC for ground water extraction in notified area.

PAC directed (June 2012) PHED to take steps to construct WHS in all Government and School buildings to recharge the ground water. PHED apprised (June 2012) PAC that efforts in this direction are being made.

Scrutiny of record of two Divisions (North-I and II) revealed (June –July 2015) that against 57 TWs, only 12 WHS were constructed from December 2011 to March 2015.

Government accepted (November 2015) that WHSs are being constructed over PHED buildings and for other buildings the nodal agency is PWD.

Reply was not satisfactory because as per discussions held with PAC, the monitoring for construction of WHS on all government buildings was to be done by PHED. Further, reasons for shortfall and construction of 12 WHS, against new 57 TWs along with details of total TWs and WHS constructed by PHED were not provided to audit.

Thus, provisions of CGWB were not complied with. However, PHED constructed WHS in its own buildings but construction of WHS in other government and school buildings was not monitored by the Department (June-July 2015).

3.16.3.5 Paragraph 2.1.1 of Audit Report pointed out that the ground water extraction was 345 MLD (March 2010) and sufficient water was available for supply from Bisalpur Dam (October 2010). There was allocation of 869 MLD of water to Jaipur city from Bisalpur Dam by 2021. PHED apprised (June 2012) PAC that present extraction of ground water of 100 MLD would be reduced and stopped.

Audit scrutiny (June-July 2015) revealed that 90 MLD ground water was still being extracted from TWs as on May 2015.

Government confirmed (November 2015) the same. Thus, assurance given to PAC was not fulfilled, resulting in to further depletion of ground water level.

3.16.3.6 PAC expressed (July 2012) its concern on sources and supply of water in multistoried buildings and directed PHED to clarify the position.

In response to a starred question (No. 5878), PHED informed (February 2015) the State Assembly that water connections in multi storied building is a policy matter which is yet to be decided. This indicated that large numbers of consumers in multi storied building are left with no option but to extract ground water resulting in further depletion of ground water level.

Government intimated (November 2015) that PHED is supplying water to multistoried buildings, which comes under approved plan of Jaipur Development Authority (JDA) and are constructing WHS on plots having size of more than 300 sqm. This indicates that other buildings left with no option but to extract the ground water. Besides, a policy has also not been framed in this regard.

3.16.3.7 The department was supplying drinking water through tankers. It was reported in meeting held (December -2014) with the Collector, Jaipur that water supply through 1000 tanker trips per day as a routine and 1400 tanker trips per day during summer was being made. This indicates that there is

shortage in supply of piped water and that the same might be resulting in depletion of ground water level. Details of the source of water for supply of water through tankers were not intimated to audit.

State Government intimated (November 2015) that in most of the cases, Bisalpur water is supplied through tankers which is not resulting in depletion of ground water. However, details of quantity of water supplied from Bisalpur and tube wells through tankers were not provided to audit.

Above facts indicated that though water at Bisalpur Dam was available from October 2010 onwards but supply to Jaipur city remained low. No action was taken to control extraction of ground water resulting in further depletion of Ground water level ranging between 10.73 metres and 23.18 metres, as per reports of CGWB, in Jaipur city during 2004 to 2014.

3.16.4 Reduction of losses in distribution of water

Difference between the quantity of water supplied to a city's network and the metered quantity of water used by the customers, termed as 'Unaccounted-for Water (UFW)' which has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to poor meter management.

Package VIII of BJWSP envisaged reduction in UFW from 37 *per cent* to 20 *per cent* by the year 2011. Test check of all Divisions (Jaipur) by Audit revealed the following:

3.16.4.1 Damages /leakages of pipe line

Occasionally pipelines are damaged by departments/agencies like JDA, JVVNL, BSNL etc., while executing their works. This results in leakages, wastages and frequent interruption in water supply. PHED established a system (May 2009) under which the work executing departments are required to obtain no objection certificate (NOC) before undertaking such works. There was however, no provision to enforce execution of these orders and impose penal action on defaulters even though the distribution network of PHED water supply in Jaipur city was about 22,000 km (April 2010).

Paragraph 2.1.13.5 of Audit Report highlighted that JDA, JVVNL and other agencies did not obtain the required NOCs from PHED and damaged the pipelines while executing their construction work. PHED intimated (January 2012) PAC that the matter was being discussed in inter departmental meetings and favourable results have been achieved

(i) Audit however noticed that none of the departments/agencies obtained NOC from PHED before executing their work during 2010-11 to 2014-15. Jaipur Metro damaged the pipeline while executing its works. Though Jaipur Metro repaired damages and also deposited the amount for loss of water, but neither did it obtain NOC nor did PHED insist for the same.

(ii) Audit observed that the information on the occurrence of leakages/damages and their repair is reported in a channelised manner (from

Junior Engineer to Executive Engineer) periodically i.e. on daily and weekly basis. However, the information provided (June and July 2015) by four divisions (North-I, III, South-II and III) revealed that though repair work of leakages/damages amounting to ₹ 5.07 crore were executed during 2010-11 to 2014-15, but neither any department/agency applied for NOC nor the same was monitored by PHED. Further reasons attributable to such leakages/damages were not analysed by PHED.

State Government intimated (November 2015) that expenditure of ₹ 5.07 crore was due to repair of regular maintenance/leakages and not due to damages by other department. However, details of cases of leakages caused by damages or otherwise, were not provided to audit.

3.16.4.2 Non reduction of unaccounted for water

The importance of reduction in unaccounted for water (UFW) was emphasized in State Water Policy 2010. CPHEEO norms prescribe reduction of UFW up to 15 per cent. In case of 24 hours water supply, UFW is admissible⁹⁸ up to 10 per cent only. A pilot project to provide 24 hours water supply in selected areas and to reduce UFW up to 20 per cent was taken up (October 2013) by PHED with the assistance of Japan International Co-operation Agency (JICA). Examination of records revealed that the UFW could be reduced to 30 per cent only. Moreover, target of 20 per cent fixed for reduction of UFW was higher than CPHEEO norms.

In absence of lack of assessment of production and distribution as mentioned in para 3.16.4.4(i) and (ii) below and improper monitoring of leakages/damages of pipeline as pointed out in para 3.16.4.1 above, the reduction of UFW from 37 per cent to 30 per cent as claimed by PHED (May 2015) cannot be said to be reliable. Moreover, as per MIS of PHED, actual consumption of water was 270 MLD during 2014-15 against water supply of 450 MLD. Thus, actual UFW comes to 40 per cent.

Government admitted (November 2015) that actual reduction of UFW can be done after implementation of action plan for entire city. Thus, there was no effective progress in reduction of UFW.

3.16.4.3 Audit pointed out (paragraph 6.2.9.3) in Audit Report (Revenue Receipts) 2008-09 that excessive UFW had resulted into loss of ₹ 88.78 crore in Jaipur city and ₹ 234.43 crore in five cities (Ajmer; Jaipur; Jodhpur; Kota and Sriganganagar) of Rajasthan during 2003-04 to 2007-08. PAC asked for the action taken for checking water leakages by PHED. Reply furnished (March 2014) by PHED was not considered (June 2014) complete by PAC.

Audit noticed (June-July 2015) that proper attention was not focused towards reduction of UFW. Water received from Bisalpur and TWs during 2014-15 was 450 MLD. The prevailing loss on account of UFW was 30 per cent (135 MLD) against admissible norms of 15 per cent. Thus loss beyond norms was

⁹⁸ Para 10.10.2 (a) of the PHED Manual on Water and Treatment.

67.5 MLD amounting to ₹ 26 crore⁹⁹ during 2014-15 and ₹ 130 crore for the period 2010-15.

The matter was brought to the notice of Government (September 2015). The Government did not furnish any reply (December 2015).

3.16.4.4 Meter management

Earlier Audit Reports¹⁰⁰ had pointed out various deficiencies on meter management in PHED. PAC recommended that effective action for replacing the remaining non functional meters should be taken up. Department apprised (June 2014) PAC that senior officers have visited and studied the system of major cities and a policy would be prepared on the basis of the study report and action taken at the earliest.

Test check by audit revealed the following:

(i) Total connections in all test checked divisions as on March 2015 were 4,19,217. Of these 4,00,591 (96 per cent) connections were metered but in 2,45,618 connections only, meters were functional. Thus 39 per cent (1,54,973) meters were non-functional while 18,626 (4 per cent) connections were meterless. In absence of proper metered connections, accuracy of volume of water distributed could not be assessed.

Government intimated (November 2015) that replacement of non-functional consumer meters requires a heavy expenditure and PHED is billing such consumers on the basis of average billing as per rules. This implies that Department did not ensure proper and accurate measurement of water actually distributed.

(ii) Bulk flow meters (BMs) were to be installed on all TWs. PAC was apprised (June 2012) that BMs have been installed on all TWs.

Total number of BMs installed against 1359 TWs in Jaipur City was not made available to audit. As per the details provided (June and July 2015) by four Divisions¹⁰¹, only 144 BMs, of the 807 TWs, were functioning. In absence of complete details of BMs, the accuracy of production and distribution of 90 MLD water of TWs, could not be ascertained.

Government intimated (November 2015) that keeping BMs on all TWs always functioning will result in heavy O&M expenditure. Looking to the cost/benefit of BM and as major chunk of water is coming from Bisalpur, the system seems appropriate.

Thus assurance given to PAC that BMs have been installed on all TWs was not found implemented, indicating the fact that proper mechanism for assessment of production of water had not been established.

⁹⁹ 67.5 MLD=67500 KL*Rs. 10.55 per KL*365 days

¹⁰⁰ (i) Para no. 6.2.7.4 of Audit Report- 2008-09 (Revenue Receipt) Rajasthan.

(ii) Para no. 2.1.13.3 of Audit Report 2009-10 (G&SSA) Rajasthan.

¹⁰¹ North-I, II, III and South-III.

3.16.5 Uneconomic production of water

As per State Government norms, production below 9000 litre per hour (LPH) of a TW should be considered unsuccessful due to high consumption of electricity by pumping machinery.

Paragraph 2.1.7.3 of Audit Report pointed out that the average production of 1857 TWs was 7736 LPH. Out of 1857 TWs, production of water in 111 TWs ranged between 1800 LPH to 3600 LPH. PHED apprised (June-2014) PAC that keeping the current ground water level of 30 to 80 meters, average production of 7547 LPH water may be considered as sufficient. Further 1456 uneconomical machineries had been replaced.

Department intimated (May-2015) audit that 1050 TWs were being used to supply drinking water in Jaipur. Test check (June-July 2015) of all units of Jaipur City by audit revealed that there were 1359 TWs. Information provided by only four units revealed that they were using pumping machinery on 778 TWs out of which 415 were uneconomical as detailed below:

S. no.	Name of Division	Total TWs in use	No. of TWs producing LPH			
			Up to 3000	Above 3000 to 5000	Above 5000 to 7500	Above 7500
1.	North-I	243	08	20	52	163
2.	North-II	228	44	08	103	73
3.	North-III	210	09	92	20	89
4.	South-III	97	18	31	10	38
	Total	778	79	151	185	363

Source: Divisions of PHED

Considering TWs producing more than 7500 LPH as economical, there were only 363 (47 per cent) TWs that were economical while 230 TWs (30 per cent) were very uneconomical producing lower than 5000 LPH.

Government intimated (November 2015) that PHED has to maintain water supply through such TWs till the capacity of Bisalpur system is enhanced. As there is no cheaper alternative available as of now, TWs of less discharge are being operated.

The reply was not acceptable, as only the uneconomical pumping machinery, requires to be replaced.

3.16.6 Quality of water

3.16.6.1 Paragraph 2.1.10.1 of Audit Report highlighted that the number of samples drawn for quality testing were short against norms. The results of sample drawn were also not satisfactory. PAC recommended drawing samples as per norms and carrying out tests of ground water as specified in the Rule Book of CPHEEO. PAC was apprised (June 2014) that the water of TWs was being supplied to consumers after mixing it with treated surface water of Bisalpur in clear water reservoirs (CWR) and therefore, it need not be tested at TWs as per CPHEEO norms.

(i) Scrutiny by audit in test checked Divisions revealed direct supply from TWs during 2011-15 as detailed below:

S. No	Position as on date	Name of Divisions	Total No. of TWs	TWs connected with direct supply
1.	31 March 2012	North I, II and South I	782	587
2.	31 March 2013	North I, II and South I, II	1,096	878
3.	31 March 2014	North I, II and South I, II	1,077	840
4.	31 March 2015	North I, II and South I, II, III	1,050	844

Source: Record of PHED

Thus water from many TWs was being supplied directly to consumers without its quality being tested.

(ii) The CPHEEO manual stipulates that samples for quality testing are to be drawn once in a year for chemical tests and twice a year for biological tests from each TW. The position of number of TWs, number of samples required to be drawn and samples tested during 2014-15 is given below:

Year	No. of TW in operation	Samples for chemical tests			Samples for biological tests		
		To be tested	Tested actually	Shortfall	To be tested	Tested actually	shortfall
2014-15	1,050	1,050	244	806	2,100	614	1,486

Source: Chief Chemist, PHED & CPHEEO manual

Above facts indicates that required periodical tests were not being done and supply of good quality water was not being ensured.

Government assured (November 2015) that PHED will try to get the samples tested for each TW as per CPHEEO manual in future.

(iii) The parameters of safe drinking water prescribed in CPHEEO manual were to be maintained. Chief Chemist PHED, conducted chemical tests of 244 samples drawn from TWs during 2014-15. Their test results are indicated in the table below:

S. No.	Subject	Acceptable limits	Test results found beyond acceptable limits	
		Mg/litre	No. of results (out of 244 samples)	Per centage
1	Total Hardness	200	150	61
2	Magnesium Hardness	<=30	235	96
3	Chloride	200	13	5
4	Nitrate	45	190	78
5	Total dissolved solid	500	183	75
6	Calcium Hardness	75	168	69

Source: Chief chemist, PHED & CPHEEO norms.

The above table indicated that water samples (61 per cent to 96 per cent) failed on all parameters except chloride (5 per cent).

Government intimated (November 2015) that samples of representative tube wells have been checked during the year 2010-2015. These were found to be within permissible limits except for nitrate contents in few cases. PHED assured that they will try to get a sample tested for each tube well as per CPHEEO manual in future.

The reply was not convincing as maximum permissible limits of rejection, as per CPHEEO norms, were applicable only where alternative source of drinking water is absent. As water from Bisalpur is available for supply and Water Treatment Plant (WTP) has been constructed, therefore, acceptable limit of minimum level should have been applied.

3.16.6.2 The authenticity of water analysis greatly depends on sampling procedure. Chief Chemist apprised (July 2010) Audit that it was not possible for laboratory staff to collect samples from each TW.

It was noticed that guidelines regarding procedure for drawing, packing and sending samples to laboratory and duties and responsibilities for drawing samples for bacteriological, chemical and residual chlorine tests, have still not been prescribed.

The Government did not furnish any reason for not establishing and prescribing a system to draw samples from every source of water, though matter was brought to the notice of Government (September 2015). In absence of which, samples for quality test could not be drawn as per norms of CPHEEO.

3.16.6.3 Paragraph 2.1.10.1 pointed out that repetition of same source for drawing sample was to be avoided so that samples drawn may represent optimum sources. PHED reported (May 2013) to the PAC that a rotation register were being maintained to avoid repetition.

Rotation register was not provided to audit. In absence of the same, facts reported to PAC could not be verified.

The matter was brought to the notice of Government (September 2015) however, the Government did not furnish any reply (December 2015).

3.16.6.4 Replacement of polluted pipelines

In compliance to directions of the Hon'ble High Court Rajasthan, Jaipur, Principal Secretary and Chief Engineer, PHED, surveyed the water supply system of Jaipur City and noticed that sewer and water distribution network are running parallel at some places.

Paragraph 2.1.10.2 of AR highlighted non completion of work of replacement of polluted pipelines (March 2010). Department apprised (June 2013) PAC that 71 km polluted pipeline had been replaced and complaints of pollution were not being received. PHED informed the PAC (June 2013) that the said work has been completed.

Status of separation of drinking water and sewer network in Jaipur city was not provided (November 2015) by Additional Chief Engineer (ACE) II to

audit. However, Division offices (North-I, II and South I) replied (June 2015) that some lines were still to be replaced for which efforts were being made. Plans for replacement of polluted pipelines amounting to ₹ 34.12 crore (₹ 10.70 crore: North I and ₹ 23.42 crore: North II) were under progress. This indicated that the work of replacing pipelines and service connections was not completed.

Government admitted (November 2015) that there are old and damaged pipelines which need replacement and it is being done every year on priority basis depending upon availability of budget. This indicates that the report submitted to the PAC was not factually correct.

3.16.6.5 Cleaning of reservoirs

Paragraph 2.1.10.4. pointed out that reservoirs were to be cleaned annually as per manual of CPHEEO but they were not being cleaned as per norms and proper record of cleaning them was not maintained. Audit recommended cleaning of reservoirs as per prescribed periodicity. PAC was apprised (January 2012 and May 2013) that periodical cleaning as per norms were being conducted and officers responsible for the same were counter signing the records of cleaning of reservoirs.

(i) Scrutiny (June -July 2015) of records of four divisions (North I,II and South II,III) by audit revealed that periodical cleaning of CWRs during the period 2012-15, was not being done. Against 60 CWRs in four Divisions, 35 CWRs (58 per cent) were not cleaned during the period 2012-15. Further, 18 CWRs were not cleaned for more than 2 years. Scrutiny of cleaning record of all divisions revealed that dates of cleaning of reservoirs with signature of JENs and counter signatures of AENs were recorded in one division North-I only; signature of JEN and Counter signature of AENs were not recorded in one division (South III); two divisions (North-III and South II) did not maintain the cleaning record and two divisions (North-II and South I) did not provided the relevant record.

Government admitted (November 2015) that instructions have been issued to all JENs to get the cleaning register counter signed. But copy of instructions issued has not been provided to audit.

However, fact remains that the procedure reported (May 2013) to the PAC, was not based on facts and is still not being followed.

(ii) In addition to above, for supply of safe drinking water, ventilation spaces/windows on top of the reservoirs and covers are to be kept intact in such a way that any animals, birds, reptiles etc. may not enter in to the reservoir and contaminate the water. Three divisions (Project I, North I and South III) intimated audit that ventilation spaces of all CWRs and SRs have been covered completely and are intact. However, physical verification by audit (June-July 2015) revealed that ventilation spaces in reservoirs in premises of PHED at Panipech, Mansarovar and Pratap Nagar, Jaipur were not found covered or the covers were broken. Water was also found accumulated on the roof tops near the broken covers causing contamination of

water in the reservoir, as shown in following sample photographs. This indicates that remedial action to ensure supply of safe drinking water was not taken as reported to the PAC:



CWR at Panipech, Jaipur



CWR at Mansarovar, Jaipur

Government replied (November 2015) that work of repairing of ventilators at Panipech and Mansarovar is expected to be completed in 15 days as reported by ACE (October 2015).

The reply was not convincing as completion report of the work was not provided (December 2015) to audit. Further, details of action taken in respect of ventilators at other CWRs were also not intimated to audit.

3.16.7 Store and stock accounts

Paragraph 2.1.13.4 of Audit Report pointed out that stock balances shown in the stock ledger were not in conformity with the quantities physically available in store.

Stock worth ₹ 2.68 crore were charged to work but actually it was lying in the store. PAC was apprised (June 2014) that monitoring over storage is being carried out as per provisions of the GF&AR and PWF&AR. Online controlling over store is also being followed.

3.16.7.1 Scrutiny of records during audit revealed that the irregularities were still persisting (June-July 2015). Online monitoring system over store and stock was also not established. Joint inspection (June 2015) by Audit team and departmental officers of store of Division South-I revealed that material worth ₹ 4.90 lakh was issued on 31 March 2015 and of ₹ 11.55 lakh during 07 April 2015 to 09 June 2015 but gate passes were not issued. Similarly in Division North II, Jaipur material worth ₹ 8.78 lakh was exited from store with a delay ranging between 47 and 150 days from date of issue. This indicated that stock balances shown in the stock ledger were not reflecting the correct picture and provisions of GF&AR and PWF&AR were not being followed.

Government intimated (November 2015) that material was issued with proper issue note and entries of issue notes were verified from stock ledgers. But reply on audit observation on physical exit of material delayed, as per gate passes mentioned above, was not intimated to audit.

The reply was not in conformity with the assurance given to audit and PAC in November 2010 and January 2012. Besides the irregularity was still persisting.

3.16.7.2 It was also observed that indent book, issue note book and gate passes were being bought or got printed by divisions. It was seen that book number and page number on each set of copies in all books were not printed; total pages used in issue note books and gate pass books were different due to which, it could not be examined that how many sets of pages were there in books and how many were utilised or misutilised. It was seen that two copies of issue note were not being issued except in one division and acknowledgement of material in office of indenter was not being received; one copy of gate pass was either not being provided to gate keeper to ensure that quantities were exited from premises of store as per issue note or the gate keeper was not verifying the physical exit of material as per gate pass. Thus, there was no uniformity in working and monitoring over this procedure in PHED.

The Government did not furnish any reply (December 2015)

3.16.8 Monitoring of implementation of programmes and internal control

3.16.8.1 Paragraph 2.1.13.1 of Audit Report highlighted that preparation and maintenance of prescribed records and registers facilitates monitoring physical and financial progress and implementation of programmes. Works abstract, contractor ledger, agreement register, detailed technical estimate were not maintained or were incomplete. Audit was intimated (November 2010) that officers have been directed to maintain proper records.

It was however, noticed that works abstract, major and minor works register, agreement register, contractor ledger, land and building register and assets register were still (June-July 2015) not being maintained or were incomplete. These irregularities were pointed out regularly through Inspection Reports also, but no improvement was found in the system.

Government intimated (November 2015) that officers are being directed to maintain proper records.

The contention of government was not convincing because direction are being issued repeatedly but there was no compliance as irregularities are still persisting.

3.16.8.2 Paragraph 2.1.13.2 of Audit Report pointed out that AEN (Vigilance) was posted in Divisional offices for detection of pipeline leakages, damages and unauthorised drawls of water. No technical and ministerial staff and vehicle was provided to AEN (Vigilance). Audit was apprised (November 2010) that all efforts are being made to utilise the services of vigilance.

It was observed that technical and ministerial staff and vehicle has still not been provided to AENs (Vigilance). AENs (Vigilance) were doing regular duties and not the vigilance duties for which they were posted in the Division.

The details of cases of leakages, damages and unauthorized drawal of water detected by AENs (Vigilance) during last five years was called for during audit. The ACE intimated (May 2015) that factual details are not available. Divisional offices did not furnish any reply.

Further, detailed duties and responsibilities of vigilance wing, comprising of ACE, SE, EE and AEN have also not been prescribed and targets were not fixed for its proper use and performance.

Government admitted (November 2015) that AEN vigilance is engaged in monitoring work.

Thus, no efforts were found (November 2015) have been made to utilise the services of AEN (vigilance).

3.16.9 Construction of WTP of lower capacity

3.16.9.1 (a) Paragraph 2.1.7.6 of Audit Report pointed out that WTP of 400 MLD was got constructed (March 2009) through RUSDIP against administrative and financial sanction (October 1999) of 600 MLD. This resulted in under utilization of clear water main pipeline, constructed with a carrying capacity of 540 MLD. The PAC recommended to find out the reasons of lack of cooperation between both the departments and extra cost for enhancing the capacity of WTP upto 600 MLD. PAC was intimated (August 2014) that estimated extra expenditure on enhancement of capacity from 400 to 600 MLD would be ₹ 21 crore.

Scrutiny of records by audit, revealed that RUSDIP started tendering process in May 2003, opened financial bid in February 2006 and issued work order for WTP of 400 MLD in June 2006. Meanwhile, it was decided in meeting (May 2006) between PHED and RUISDP officers to construct WTP of 600 MLD, but PHED gave its nod for WTP of 600 MLD in November 2006. PHED intimated (June 2014) PAC that request made by PHED to construct WTP of 600 MLD could not be entertained by RUSDIP because work order to contractor had already been issued in June 2006. However, audit observed that RUSDIP continued to correspond with PHED and contractor as regards to the cost of WTP of 600 MLD till March 2007. RUSDIP intimated (June 2006) that as per estimate submitted by contractor, additional cost for WTP of 600 MLD would be ₹ 42 crore (₹ 40 Basic cost + ₹ 2 contingency) and requested PHED to provide the funds. But in absence of a mutual consent between both the departments, layout was finally given (March 2007) to contractor for WTP of 400 MLD. This indicated lack of co-ordination between PHED and RUISDP.

It was further observed that PHED issued (March 2013) work order of ₹ 122.50 crore without any contingency charges for increasing capacity from 400 MLD to 600 MLD by constructing a new WTP of 200 MLD. The work

was under progress as on date and expenditure of ₹ 103.34 crore has been incurred (July 2015). This implies that increase in capacity by 200 MLD would require expenditure of more than ₹ 122 crore.

State Government stated (November 2015) that the work order of ₹ 122.50 crore included construction of 2 Nos. of CWR, installation of pumping machinery at Surajpura, transfer system, interconnection of pipeline, strengthening of sourcing arrangements, boundary wall etc. If we compare this cost in relation to indices of 2006-07, there will be no significant difference.

Reply was not convincing as the total cost of these extra works amount to ₹ 24.82 crore in the work order of ₹ 122.50 crore. Therefore, avoidable extra expenditure works out (July 2015) to ₹ 57.68 crore¹⁰², which was incurred due to construction of new WTP of 200 MLD.

(b) PAC also recommended to make a perfect arrangement so that cases of lack of co-operation are not repeated. It was intimated (August-2014) to the PAC that detailed directions have been issued (August-2014) to all subordinate officers to avoid repetition of such instances.

Audit observed that subordinate officers are not concerned with such matters as these are dealt with officers at apex level and hence issue of such instructions to subordinate officers does not make any difference. Further copy of instruction issued, was also not provided to audit

The matter was brought to the notice of Government (September 2015) however, the Government did not furnish any reply (December 2015).

3.16.9.2 Back filling of trenches with unsuitable soil

Clause 4.3.9.8 of section 4 of contract agreement (BJWSP) for main pipeline work provided that back filling of trenches of the whole transmission pipeline was to be done by sand or gravel, free from rock or stone¹⁰³.

Paragraph 2.1.9.2 of Audit Report highlighted that the excavated material of trenches was ordinary rock, not fit for filling, for which payment had been made at a higher rate. The contractor was allowed to use excavated material for back filling in the trenches. The PAC recommended to take action against officers for using different criteria for considering the strata, as ordinary rock for excavation and as sand (free from rock or stone) for back filling, which was unjustified and led to undue benefit to the contractor. PAC was apprised (June 2014) that material used in back filling was suitable for it as per provisions of agreement and it would not be proper to take action against any officer. PAC concluded (March 2015) that it is expected to take action as per recommendation and intimate to PAC and Audit.

¹⁰² ₹ 122.5 crore - ₹ 24.82 crore (extra work) - ₹ 40 crore (initial estimate excluding contingency charges)

¹⁰³ Gravel or any other nodular material having dimensions not exceeding 75 mm occurring in such strata shall be deemed to have covered under this category.

Scrutiny (June-July 2015) of records in audit revealed that classification of excavated material was got tested/examined from other agencies i.e. Malviya National Institute of Technology (MNIT) and Geological Survey of India (GSI). MNIT used the criteria of N-value and GSI used the criteria of quantity of *kankar* in samples of excavated material. These criteria were not prescribed in the contract agreement. The size of *kankar* was one of criteria prescribed in agreement but this criteria was ignored by GSI though it mentioned the size of *kankar* in test result of excavated material. Both MNIT and GSI classified the excavated material under ordinary rock.

The contractor himself with the representative of Department, conducted (October 2006) joint soil testing prior to excavation for pipeline under provisions of agreement and ordinary soil was found up to a depth of 3-4 meters in more than 50 *per cent* of sample tests. The total depth of trench for pipeline was also 3.5 to 4.00 meter. This indicated that there was contradiction in results of tests carried out jointly by Department with contractor and by MNIT/GSI but results of joint tests were ignored and results of MNIT and GSI were accepted, resulting in higher payment for excavation.

Excavated material could be used for back filling only after prior approval of representative of employer as per clause 4.3.9.8.4 and 4.3.9.8.6 of the agreement. It was observed during audit that no such permission/approval was obtained. Therefore, back filling of trenches by excavated material was not covered by provision of agreement and was thus irregular.

Government intimated (November 2015) that it pertains to RUSDIP. The RUSDIP also did not provide details of action taken or reason of no action in compliance of recommendation of PAC.

The reply of Government was not acceptable as action was to be taken in compliance of recommendation of PAC and since the BJWSP has been handed over to PHED, the compliance was to be ensured by PHED.

3.16.9.3 Avoidable expenditure due to non-reduction of electricity load

Paragraph 2.1.11.5 of Audit Report pointed out the power load taken (December 2008) by PHED from Jaipur Vidyut Vitran Nigam Limited (JVNL) for pumping station Surajpura was much higher (5000 KVA) than actual utilisation (1512 KVA). It resulted in avoidable expenditure of ₹ 48.50 lakh, for the period December 2009 to October 2010. PAC was intimated (May 2013) that load could not be changed before one year from date of connection/last revision as per provisions of JVNL, however, the load has been reduced subsequently.

Audit scrutiny revealed (July 2015) that connected load was 10,000 KVA, while actual maximum utilisation was 4,088 KVA, and the payment was being made on 7,500 KVA (75 *per cent* of 10,000) @ ₹ 170 per KVA per month. This indicated that the load was not reduced which resulted in incurring of

further avoidable expenditure of ₹ 1.72 crore¹⁰⁴ (approximately) from November 2010 to June 2015.

Government intimated (November 2015) that now electric load has been reduced.

The Department, however, failed to supply the details of sanctioned load and actual load during 2010 to date and rate of load charges to examine the actual position of extra expenditure.

3.16.10 Completion and performance of BJWSP system

3.16.10.1 Paragraph 2.1.7.5 of Audit Report pointed out delay in completion of work of BJWSP transmission pipeline. PAC was apprised (June 2014) that completion of work was delayed due to late issuance of permission for work from Indian Oil Corporation Ltd. (IOCL) and Forest department. PAC was apprised (August 2014) that delay occurred due to late sanction of loan by Asian Development Bank, change in place of pumping station, permission of work from Hon'ble High court and permission on the part of railways. The PAC did not accept the reply and recommended that action be taken against responsible officers for the delay.

Scrutiny (May- June 2015) of records by audit of RUSDIP revealed that permission for work was issued by IOCL and Forest Department after completing the required formalities by RUSDIP. There was delay of 544 days in completing the requirements of IOCL. It was also noticed that while granting time extension to contractor, a list of reasons of delay and their attribution to contractor/Department was finalized. The list did not include late issuance of permission by Forest Department.

Relevant records of justification for delay in work were not provided to audit for examination. Moreover recommendation of PAC has not been complied with so far (December 2015).

The matter was brought to the notice of Government (September 2015) however, the Government intimated (November 2015) that it pertains to RUSDIP.

The reply was not convincing because BJWSP was handed over to PHED who is parent office of project. Therefore reply was to be obtained by PHED and provided to audit with its own comments.

3.16.10.2 Paragraph 2.1.9.4 of Audit report pointed out that heavy leakage of water occurred during testing on 3 October 2009 on central transfer pipeline of BJWSP. PAC was apprised (January 2012 and May 2013) that the leakage occurred under test run which was conducted prior to actual operation to find out any left over defect.

¹⁰⁴ 7500 KVA (-) 4088 KVA = 3412 KVA * 56 months * ₹ 90.00 (rate of 2010 taken for calculation).

(i) During audit scrutiny, it was noticed (July 2015) that contractor repaired the leakage portion only in transfer pipeline whereas deficiencies pointed out by technical inquiry committee were not rectified through out the whole length of pipeline to make it risk-free. Moreover, the technical committee had held all three agencies (consultant, department and contractor) responsible for the leakage but penalty was imposed only on consultant and no action was taken against departmental officer and the contractor.

Further, three more incidences of leakages (One in December 2011 and two in January 2014) occurred after above repair by the contractor. Non-rectification of deficiencies in complete pipeline might have resulted in these leakages. However, technical enquiry reports showing reasons of these three leakages were not provided to audit.

Government intimated (November 2015) that these three leakages of minor nature probably occurred due to unequal settlement of soil and due to heavy traffic load.

The fact remains that the actual reason of leakages and technical enquiry reports showing reasons of these three leakages were not provided to audit

(ii) Performance test (P-test) of transmission pipeline was to be conducted and remedial action was to be taken on the basis of test results as per agreement. The contractor had given (April 2010) an undertaking at the time of handing over of the pipeline to the PHED that P-test would be conducted during O&M period of five years (20.04.2010 to 19.04.2015). However, it was observed during audit that P-test had not been conducted so far (August-2015). In absence of P-test, pipeline cannot be said to be risk-free. It was also observed that two incidents of leakages occurred in transmission line during O&M period which were repaired (January 2012 and January 2015) by the contractor, though the pipe line was catering to 360 MLD only against rated capacity of 540 MLD.

Government intimated (November 2015) that the matter pertains to RUSDIP.

The reply was not convincing as the project, after completion was handed over to PHED and contractor had given (April 2010) an undertaking to conduct performance test during O&M period. This test has still not been conducted despite completion of O&M period.

3.16.10.3 Execution of work without issuing work order

Paragraph 2.1.10.3 of Audit Report pointed out replacement of 33,446 meter pipe line only against the work orders for replacing 40,710 meter pipeline. The PAC pointed out that work order of 9,945 meter was not issued under sanction of 2007 hence correct position may be intimated. PAC was apprised (June 2014) that work order of August 2006 was under progress at that time and the work of 9,945 meter line was got completed against that work order. Payment was made on approved rates and no additional expenditure was incurred.

It was observed that work of 9945 meter line was got executed from M/s Ramgopal Panwar without issuing any work order under Rate Contract and payment of ₹ 2.23 crore was made. The details of rate of payment was not provided to audit (December 2015).

Government intimated (November 2015) that audit team has inspected the work order of laying distribution pipeline of 3406 meters only. The reply was not acceptable because the said files were pertaining to different work as commented in para 3.16.12.4 below.

3.16.11 Non-revision of water tariff

Paragraph 2.1.11.6 of Audit Report highlighted non revision of water tariff. Audit recommended to ensure realization of operational cost through water charges. PAC was intimated (August 2014) that the work of revision of water tariff is under progress.

Audit observed that requirement for revision of tariff was pointed out earlier¹⁰⁵ in 2008-09 and importance of revision of tariff was emphasized in State Water Policy 2010 also. However, it has not been revised so far (November 2015).

Government intimated (November 2015) that revision of water tariff is under consideration of department.

However, reasons of non-revision of tariff for a long period have not been intimated to audit. There was no justification for non-recovery of water charges when 39 per cent consumer meters were lying non-functional for replacement and recovery of operational cost was recommended at several levels.

3.16.12 Delayed/incomplete implementation of schemes

3.16.12.1 Paragraph 2.1.8.3 to 2.1.8.6 of Audit Report pointed out that five summer schemes (except Summer 2009) could not be completed till March 2010. In Summer-2007, the work of pipeline was pending. PAC was intimated (June and August-2014) that works have been completed, put in to use and drinking water was being supplied through these schemes.

Scrutiny of records by audit revealed that in a number of eight incomplete major works pointed out earlier (2009-10), the quantum of works as provided in five work order/sanction were not completed but those works were stated to be completed and the completion certificates had been issued. The details of such cases are shown in **Appendix 3.9**. The detailed justification was inquired on the basis of which completion of these works and achievement of objectives of schemes/works through these works were declared and how these works were being utilised, but required information and relevant record were not provided to audit.

Government intimated (November 2015) that completion certificates have been issued after commissioning of said works and benefiting the target

¹⁰⁵ Para no 6.2.7.5 of audit report 2008-09 (Revenue receipt) Rajasthan.

population. The saving in quantity of work order was due to reorientation of pipeline due to receiving water from Bisalpur system. The urgent work only was executed.

The reply was not convincing because relevant record were not provided to audit for detailed examination of justification of deviation in quantity of work, sanction of urgent work and benefits being provided against target/sanction.

3.16.12.2 Paragraph 2.1.8.5 of Audit Report pointed out that distribution pipeline of 20 kilometer (km) at six locations under North wing was to be constructed, but work of 2.6 km only was completed (March 2010). PAC was apprised (June 2014) that 3.5 km line at two locations has been completed with an expenditure of ₹ 34.47 lakh and it was being used for supply of water.

(i) Audit observed (June-July 2015) that the works of these two locations, 2.5 Km line from Transport Nagar to *Khaniya* and 1 Km at *Topkhanadesh* was completed in November 2009 and December 2010 respectively at a cost of ₹ 75.70 lakh and not at ₹ 34.47 lakh as intimated to PAC.

Government admitted (November 2015) that actual expenditure on total length of 3.5 KM was ₹ 75.70 lakh only. But reasons of intimating expenditure of ₹ 34.47 lakh to PAC were not provided to audit.

Moreover, the Department intimated (June 2014) to PAC that works of distribution pipeline for remaining 16.5 km were not taken up in compliance of departmental order issued in May 2009, vide which it was decided to keep such works in abeyance, for which tenders have been finalized but works have not been started. However, copy of said order was not provided to audit. Contrary to this, audit observed that the work of *Topkhanadesh* commenced (25 November 2009) after issuance of the said order for which no reasons were intimated to audit.

(ii) PHED incurred an expenditure of ₹ 49.09 crore during 2007-10 on urban water supply scheme-summer-2007 phase II but execution could not be examined due to required information and record of division South wing were not provided (2009-10) to audit.

The PAC recommended to take action against officers who were responsible for not providing the record to audit. It was apprised (August-2014) to the PAC that the ACE, region-II, Jaipur has been appointed (August-2014) as Inquiry Officer and action would be taken on receipt of inquiry report. The final action taken in the matter was not intimated to audit. Thus compliance to recommendation of PAC was still pending.

The matter was brought to the notice of Government (September 2015) however, the Government did not furnish any reply (December 2015).

3.16.12.3 Paragraph 2.1.8.4 of Audit Report pointed out that the work of pipeline from Fateh Ram Ka Tibba to Shastri Nagar (3300 meters) and Brahampuri to Truck stand (4000 meters) were awarded in September 2007

and October 2007 respectively with completion period of four months for each work, were not completed (August 2010). PAC recommended to take action against defaulting officers for delay. Department apprised (August-2014) PAC that work completion was delayed due to non-supply of pipe by the supplier, for which recovery of ₹ 4.17 lakh has been made and late issuance of permission for road cut. Therefore, it would not be reasonable to make any officer responsible for the delay.

Scrutiny of records audit revealed (June-July 2015) that works of pipeline from Fateh Ram Ka Tibba to Shastri Nagar and Brahampuri to Truck stand were completed with a delay by 38 and 36 months respectively. The work order for work of Fateh Ram Ka Tibba was issued in September-2007, but lay out was given in January-2009 and required pipes were available in store during that period. Further, details of recovery of ₹ 4.17 lakh was not made available to audit.

Government intimated (November 2015) that delay in execution was due to delay in supply in pipe and amount of ₹ 4.17 lakh has been kept in deposit and case has been submitted to CE (HQ) for final decision.

The reply was contrary to the facts that required pipes were available in store as intimated by Division North-I. Further, the reasons of delay in finalization of case of recovery of ₹ 4.17 lakh submitted to CE(HQ) were not intimated to audit by CE(HQ) besides relevant record of permission for road cut was also not provided to audit by Division North I&II.

The facts remained that recommendations of PAC regarding recovery of ₹ 4.17 lakh and action against defaulters are still pending for compliance.

3.16.12.4 Paragraph 2.1.8.6 of Audit Report pointed out that works of pipelines in Baiji ki Kothi, Jhalana, were incomplete (March 2010). PAC recommended that the details of completion of work may be intimated. PAC was apprised (June 2014) that total work of 7,229 meter with an expenditure of ₹ 1.37 crore, had been completed.

Scrutiny of records revealed that the work of laying of 7,229 metre as reported to PAC, was not completed, but actually 3,406.5 metre pipe line only was completed against ordered quantity of 9,908 metre.

Government stated (November 2015) that as per record available the rising pipeline for TWs were earlier laid vide order of May 2007 in making of total 7229 meter.

The reply was not convincing as the work order for 9908 metre pipeline was issued in April 2008 to M/s Vinayal Enterprises and therefore it could not be supposed to carry over the quantity of work order of May 2007 issued to M/s Jugal Constructions.

3.16.12.5 The work completion report after completing the work of 'Baiji Ki Kothi' was issued but quantity of work ordered, executed actually and date of issuance was not recorded in work completion report issued by the PHED.

Furthermore, it was also observed that “work completion and commissioned certificate”¹⁰⁶ issued in favour of contractor was containing details contrary to the actual facts in record as detailed below:

S. No.	Subject	Actual Position as per records	Position mentioned in certificate
1	Work of 250 mm dia pipeline	240 mtrs.	2240 mtrs.
2	Total quantum of work	3406.5 mtrs.	5406.5 mtrs.
3	Total amount of work completed	₹ 91.22 lakh	₹ 97.35 lakh
4	Date of completion of work	Not intimated to audit	15-07-2009
5	Non-completion of work against work order	13.98 <i>per cent</i> of amount of work order	8.20 <i>per cent</i> of amount of work order

Source: Division of PHED

This indicated that facts mentioned in work completion and commissioned certificate were misleading.

The matter was brought to the notice of Government (September 2015) however, the Government did not furnish any reply (December 2015).

3.16.13 Conclusion

PHED was unable to supply sufficient piped drinking water to Jaipur city. Supply of drinking water, 52 to 98 LPCD, was below the norms of 150 LPCD. Dependency of Jaipur on TWs to supply drinking water continued. New TWs were constructed during 2010-15, though sufficient water was available in Bisalpur Dam resulting in depletion of underground water. PHED constructed water harvesting systems (WHS) in its own buildings only and construction of WHS in other government and school buildings was not monitored by it.

Quality of water supplied from TWs remained problematic. Majority of samples drawn from TWs failed on all parameters except Chloride. Water from many TWs was being supplied directly to consumers instead of mixing it with treated water. Guidelines for duties and responsibilities for drawing samples for tests and manner of drawing, packing and sending samples for bacteriological, chemical and residual chlorine tests have so far not been prescribed.

Lack of coordination between PHED and RUSDIP resulted in construction of WTP of substantially lower capacity. This resulted in incurring of avoidable liability of more than ₹ 57.68 crore in subsequently enhancing its capacity by 200 MLD. Performance test of transmission line, required to be conducted before commissioning of pipe line, to make it risk free, was not conducted, even though two incidents of leakage have already occurred.

PAC made 61 recommendations on the performance audit of which 54 recommendations were treated as executed as per report submitted by PAC to legislature. Compliance of seven recommendations were still pending. From the records provided to audit, it was noticed that 23 recommendations were

¹⁰⁶ Performance cum Experience Certificate issued by PHED in favour of contractor.

either not complied with or partially complied. In few cases the facts presented to PAC were misleading. Further compliance to the pending recommendations was still awaited.

One of the recommendations of PAC was to take action against the concerned officers for non providing records/information to audit. However, no action was found taken. Moreover, records/information on a number of issues were also not made available to audit during follow-up audit.

Secondary and Elementary Education Department

3.17 'Implementation of Rajiv Gandhi Vidhyarthi Digital Yojana'

3.17.1 Introduction

'Rajiv Gandhi Vidhyarthi Digital Yojana (Scheme)'¹⁰⁷ was announced in Budget 2012-13 by the State Government to promote/encourage the students to acquire knowledge through information technology. Under this scheme, laptops were to be distributed to students of Government Schools who have passed out from class VIII with first rank, and also to students from class X and class XII, holding ranks up to 10,000, in merit list of Rajasthan Board of Secondary Education, Ajmer. The scheme also envisaged imparting 'free of cost' training for operation of laptops and for providing e-learning audio video CDs to the students to whom laptops have been provided. State Government entrusted (June 2013) this work to 'Rajasthan Knowledge Corporation Limited (RKCL)'¹⁰⁸.

The Scheme was again announced in Budget 2013-14 with additional provision of distribution of tablet-Personal Computers (tablet PCs) valuing around ₹ 6,000, for those students who have passed out from class VIII with second to eleventh rank in their schools.

Year wise budget allocation for laptops was ₹ 0.50 crore (2012-13), ₹ 232.07 crore (2013-14) and ₹ 51.63 crore (2014-15). However, the budget for 2014-15 lapsed due to non purchase of laptops. For tablet PCs ₹ 178.53 crore was allotted during 2013-14, out of which ₹ 177.92 crore was utilised.

Audit examined the implementation of the Scheme by conducting test check (March-June 2015) of the records of Principal Secretary, School Education, Rajasthan; Rajcomp Info Service Limited (RISL); (RKCL); Director, Secondary and Elementary Education, Bikaner; District Education Officers (DEOs) (Secondary); DEOs (Elementary); Block Elementary Education Officer (BEEO) of selected district headquarters with two Government Senior Secondary and two Government Upper Primary Schools (GUPS) from each

¹⁰⁷ The scheme was initially introduced as *Rajiv Gandhi Digital Vidhyarthi Yojana* (RGDVY) was renamed (May 2013) as *Rajiv Gandhi Vidhyarthi Digital Yojana* (RGVDY).

¹⁰⁸ An undertaking of Government of Rajasthan

district, in eight (out of 33) districts¹⁰⁹, covering at least one district from each of the seven divisions.

Audit findings are discussed in the following paragraphs:

3.17.2 Planning

- The scheme was announced in Budget 2012-13 but due to inadequate budgetary provisions and absence of any action plan, the scheme could not be implemented in 2012-13.
- The scheme provided distribution of laptop/tablet PCs to the students of a school with first to eleventh rank of class VIII without fixing any criteria of *percentage* of marks. This resulted in discrimination among meritorious students as students in one school having lower percentage were extended benefit of the scheme but students in another school having higher percentage were deprived of the benefit.
- There was no monitoring of the prescribed trainings required under the scheme for the students who have been provided laptops. Moreover, the scheme did not provide for any training on Tablets PCs. The scheme also did not address the practical aspects like availability of internet/ *wi-fi* facilities for connecting students of rural and remote areas, with information technology.

3.17.3 Implementation of the scheme

3.17.3.1 Distribution of Laptops

(i) The scheme of distribution of Laptops was started during 2012-13 but due to inadequate budget allocation only 99 laptops were distributed against 53,642 eligible students.

(ii) During 2013-14, a total number of 1,08,184 beneficiaries (students) were identified for two academic years i.e. 2011-12 and 2012-13 by the Department against which 1,07,654 laptops were purchased and only 1,06,868 were distributed. Thus a total number of 1316 students were deprived of laptops.

During a joint inspection (May 2015) by the audit team with Additional DEO, Secondary I, Jaipur, and as per information provided by the Deputy Director, Secondary Education, Jaipur and DEO-I, Secondary Education, Nagaur, it was noticed that 647 laptops worth ₹ 1.29 crore, were lying in stores of these offices since October 2013 and their warranty period of one year had expired. These laptops could have been distributed to 1054¹¹⁰ eligible students who were not distributed laptops earlier because of their absence in distribution ceremony or late submission of their names by school authorities or they became eligible after re-evaluation of marks.

¹⁰⁹ Barmer, Bikaner, Bundi, Dholpur, Jaipur, Jaisalmer, Nagaur and Udaipur.

¹¹⁰ Out of 1316 eligible students for the years 2011-12 and 2012-13, 262 received the laptops later issued by Deputy Director, Secondary Education, Jaipur.

Director, Secondary Education stated (October, 2015) that 647 Laptops remained undistributed in the stock as the students did not apply for Laptops. The fact remains that scheme was not successful or properly implemented.

Further, test check of records of DEO-I (Secondary) Jaipur (May 2015), revealed that 100 laptops were issued to Department of Information Technology (DoIT) Jaipur, and one each to Principal Secretary, Education Department and Deputy Director, Secondary Education, Jaipur. As the laptops were meant for distribution to eligible students, issuing them to other offices/officers was against the scheme guidelines.

The matter was brought to the notice of the Government but no reply has been furnished.

(iii) In 2014-15, for making the scheme of distribution of quality laptops/tablet-PCs to meritorious students more practicable, the responsibility of submitting appropriate proposals was entrusted (October 2014) to Director, Secondary Education. But before getting any proposal from the Director, Government decided (22 January 2015) to purchase 25000 laptops through RISL for distribution to the students in February 2015, but RISL expressed (January 2015) its inability to purchase laptops within such a short time. Later the Director finalised and submitted the report in February 2015, mentioning number of eligible students (16,346) under each category for the scheme.

A purchase committee was constituted and e-Tenders were invited in February 2015. In response, only one tender was received. Department decided (March 2015) to bring transparency in the tendering process and cancelled (March 2015) the sole tender. No further action was taken.

Thus, due to lackadaisical approach of Government in deciding the scope of the scheme and completing tendering process, the purchase of laptops could not be finalized which resulted in lapse of budget provision of ₹ 51.63 crore and deprived the students from the benefits of scheme during 2014-15.

Director, Secondary Education stated (October 2015) that sanctions have been issued for purchase of 40,000 laptops for Academic years 2013-14 and 2014-15 and the distribution of laptops is in final stage. The reply accepts the fact that the scheme was not implemented in the year 2014-15 resulting in delay in extending the benefit to the students.

3.17.3.2 Purchase of tablet PCs by students

In 2013-14, Government decided to distribute tablet-Personal Computers (tablet PCs) valuing around ₹ 6,000 to those students who have passed out from class VIII with second to eleventh rank in their schools. State Government issued instructions (April 2013) that instead of purchasing and distributing tablet PCs, the eligible students may be issued account payee cheques of ₹ 6000 each, to purchase tablet PCs on their own. The instructions envisaged that a self declaration be submitted by the students to Principal of concerned school, in support of purchase of tablet PCs. The cheques for Tablet PCs were distributed to the students of academic year 2012-13.

Information collected from Director, Elementary Education, revealed that of the 2,93,664 eligible students, cheques to 2,93,423 students were issued and out of this, only 1,52,253 students submitted self declaration. Hence, purchase of tablet PCs by 1,41,170 students (48 *per cent*) involving an amount of ₹ 84.70 crore, could not be ensured. The matter was brought to the notice of Government but reply has not been furnished.

The distribution of tablet PCs under the scheme was discontinued from 2014-15 as no further budget provision was made for Tablet PCs.

The scheme did not envisage verification of the tablet PCs purchased by the students on their own. A joint inspection (April-June 2015) by audit with Headmasters/Principals of concerned schools (Secondary/Senior Secondary/Upper Primary schools) in each of selected district was carried out and 274 students to whom cheques were issued, were called by respective schools for showing the tablet PCs purchased by them. It was revealed that:

- Only 43 students brought their Tablet-PCs for physical verification, of which 28 Tablet-PCs were out of order.
- 13 students admitted that they had not purchased Tablet PCs.

The matter was brought to the notice of Government but reply has not been furnished.

3.17.3.3 Wasteful expenditure on advertisement of cheque distribution ceremony.

State Government decided (17 April 2013) to hold on 14 May 2013 a 'cheque distribution ceremony' for Tablet PCs. The Department requested (13 May 2013) the Director, Information and Public Relation Department to arrange publication of advertisements for this event in various State and National level news papers.

Test check of the records of Secretary, Elementary Education and Director, Elementary Education, Rajasthan, Bikaner revealed that the advertisements were published in various State and National level news papers and magazines late on 14 May 2013 and expenditure of ₹ 2.42 crore was incurred. Of this, an amount of ₹ 0.89 crore was incurred on advertisements published in news papers of Delhi and other states. Besides, advertisements costing ₹ 0.23 crore were published in weekly, fortnightly and monthly issues of some magazines after the date of ceremony (14 May 2013).

As the function was scheduled in district headquarters of the State, publishing of the advertisement in news papers of Delhi and other states had no relevance for the event. Moreover, it was improper to get the advertisement published in subsequent issues of weekly/fortnightly/ monthly magazines, once the event was over on 14 May 2013. Thus, the expenditure of ₹ 1.12 crore incurred, was wasteful. The matter was brought to the notice of Government but reply has not been furnished.

3.17.4 Training programmes

(i) The scheme envisaged free of cost training to the students who have been provided with laptops. The training was to focus on practical knowledge to operate the laptops and acquaintance with internet usages. An e-learning audio CD was also to be provided to each beneficiary.

Details of training programmes conducted in the State, were not made available by Rajasthan Knowledge Corporation Limited (RKCL) who was entrusted to impart trainings. However, all 194¹¹¹ students, who appeared for physical verification of laptops/tablet-PCs informed (April-June 2015) to audit that they had not been given any training. This casts doubt on the conducting of training programmes by RKCL. Reasons for not imparting training were called for from, Secretary, Secondary Education (July 2015) but reply has not been furnished. (October 2015)

In absence of any training, the students were deprived of practical knowledge of handling Laptops/tablet PCs and use of information technology effectively in their studies. The e-learning material, Audio video CDs were also not provided to students. The department also failed to pursue RKCL for imparting training after distribution of laptop and ensure proper monitoring of such trainings.

Moreover, the scheme did not provide for any training on tablet PCs. Thus, the very purpose of the scheme to promote/encourage the students in technical areas through knowledge of information technology, was defeated. The matter was brought to the notice of Government but reply has not been furnished.

(ii) Hon'ble Chief Minister approved distribution of laptops under the scheme to maximum 100 blind students. Specific training and software¹¹² was to be provided to enable them to access the system without distraction from outside noises and to follow talking software.

The Department distributed laptops to 72 such blind students. *Rajasthan Prarambhik Shiksha Parishad*, with technical assistance of 'Site Savers' (NGO), imparted training to 60 blind students in two stages¹¹³. Remaining 12 blind students were not provided with any practical training, depriving them from access of the system without distraction and follow talking software. The matter was brought to the notice of Government but reply has not been furnished.

3.17.5 Monitoring

Scheme lacks any provision of monitoring in case of purchase of tablet PCs by the students on their own except submission of self declaration by them. It also does not have any monitoring system for ensuring further usage of laptops/tablet PCs. There was no monitoring of the prescribed trainings

¹¹¹ 152 students provided Tablet PC and 42 students provide Laptops.

¹¹² Data card usable with sim card, Head phones with mike and Non-visibility Display Access Software.

¹¹³ From 8-20th September 2014 and 3-14th November 2014.

required under the scheme for the students who have been provided with laptops. There was no provision for submission of any progress report on implementation of the scheme. Directorate, Secondary Education, who was the nodal agency for implementation of the scheme and responsible for monitoring the scheme, did not monitor various aspects of implementation. In absence of these mechanism, the objectives of the scheme remained unachieved and the scheme proved to be ineffective.

Director, Secondary Education stated (October 2015) that orders were issued from time to time for proper implementation and monitoring of the scheme. The reply is not tenable as merely issuing of orders was not enough for proper implementation/execution of the scheme unless there exists a robust system for watching the compliance of orders issued.

3.17.6 Conclusion

The scheme of distribution of laptop was not well planned since its inception. Because of this the department was able to distribute laptops only in one year i.e. 2013-14 (for academic sessions 2011-12 and 2012-13) out of test checked three academic sessions. Even this distribution was not done properly as is supported by the fact that 647 laptops (₹ 1.29 crore) were lying in stores since October 2013, though 1054 eligible students were not distributed laptops. Further, the students were left to operate the equipment themselves without any practical knowledge of operating the system. Hence objectives of this scheme were achieved only marginally.

In the absence of *e-learning* material and proper training, the students who purchased tablet PCs also did not receive the intended benefit. The distribution of Tablet PC has now been discontinued under the scheme.

Disaster Management and Relief Department and Public Health Engineering Department

3.18 Failure in exercising prescribed checks and balances led to dubious payment on water transportation

Due to failure of both, Disaster Management and Relief Department as well as Public Health Engineering Department in exercising required checks/verifications of claims/bills, dubious payment of ₹ 0.50 crore was made to the contractors.

Disaster Management and Relief Department (DMRD), Government of Rajasthan, issued Disaster Management and Relief Guidelines (September 2005) for handling various types of disasters/scarcities and providing assistance to public. Para 9 of these guidelines pertains to providing drinking water in notified water scarce areas. It envisaged providing drinking water in water

scarce villages through tankers/tractor trolleys/camel carts/oxen carts etc. Also Para 9.9 envisaged the norms¹¹⁴ for correct distribution of water by contractor.

(A) Test check (July 2013) of the records of District Collector, DMRD, Alwar and Nagaur and further information collected revealed that DMRD notified (August 2009) 32833 villages of 26 districts as drought affected areas, which included Alwar and Nagaur districts. District Collectors of these two districts entered into contract with five contractors for supply of water in affected villages and paid ₹ 0.26 crore (Nagaur: ₹ 0.12 crore and Alwar: ₹ 0.14 crore) during the period February 2009 to July 2010. During scrutiny of payment vouchers, it was noticed that in most of the cases, the departmental authorities did not verify and co-relate the entries of coupons with registration certificates (RCs) of tankers. Copies of registration certificates (RCs) of the tankers were also not attached with the claims. On cross verification of the registration numbers shown in the bills, with the records of Regional Transport Offices, audit found that either no tankers/vehicles were registered on such numbers or the number pertained to scooter/motor cycle/car/jeep etc.

Thus, the Department did not follow the instructions of DMRD and payments were made without verifying related records like RCs to ensure actual supply of water through the tankers.

District Collector (Relief), Nagaur stated (March 2015) that an enquiry committee examined the issue and in its report (March 2015) did not accept the arguments made by the contractors and recommended recovery of ₹ 10.83 lakh from the contractors. Details of such recovery are awaited (November 2015)

In respect of DMRD Alwar, State Government clarified (August 2014 and September 2015) that no suspicious payment was made in transportation of water. An enquiry committee in its report (July 2014) stated that the water was actually transported during the period in question. In support of its findings, Enquiry Committee collected RCs/ vehicle particulars of concerned tankers. Reply was not tenable as in 40 cases (15 vehicles) out of 51 cases (21 vehicles), the enquiry committee collected particulars of tractors and not the RCs. However, repeated irregularities in respect of registration numbers etc. cannot be accepted time and again. Moreover appropriate action needs to be taken against the officers/official dealing in vouching and making the payment.

(B) Executive Engineer (EE), Public Health Engineering Department (PHED) District Rural Division-II, Jaipur issued eight work orders (May 2013) for supply of water in scarcity affected areas¹¹⁵. Test check (April-May 2014)

¹¹⁴ The guidelines set a procedure of issuing three coupons from the place of water supply to the tanker owner, by the temporary check post. The coupons would carry details of quantity of water, departure time, date, tanker's registration number and name of the driver. One coupon would be retained as office copy and the remaining two copies would be handed over to the tanker driver. He would obtain signature on the said coupon, of two men and one woman residing in the village where the water was supplied. The tanker owner would submit the receipted coupon along with bills and the payment would be made after verifying entries/details with the office copy of coupon

¹¹⁵ Bassi (Rural), Jaipur (Rural), Jaipur (Municipal Corporation), Manoharpur (Urban), Virat Nagar (Rural), Amber (Urban), Shahpura (Rural) and Jamuwa Ramgarh (Rural).

of the records revealed following irregularities in implementation of these work orders:

- In four cases, it was noticed that Special Condition No. 1¹¹⁶ & 13¹¹⁷ of tender document were not complied with. Consequently, the Department failed to verify authenticity of the claims and made dubious payments of ₹ 0.22 crore. On cross verification of the registration numbers shown in the bills, with the records of Regional Transport Offices, audit found that either no tractors were registered on such numbers or the numbers pertained to scooter/motor cycle/car/jeep etc or registered numbers pertained to other states and were not verifiable in absence of RCs.
- Scrutiny of payment vouchers revealed that the same tractors supplied water to two different villages on the same day and time which was not practically possible. It also indicated that payments were made without verification of documents as required under condition No. 4 and 5¹¹⁸ of the work order. The payment of ₹ 0.02 crore made to the contractor for 1910 trips through five tankers was dubious.

State Government intimated (November 2015) that out of ₹ 0.24 crore, recovery of a sum of ₹ 0.19 crore has been made and action for recovery of balance amount of ₹ 0.05 crore was being taken.

Thus, due to a system failure of Disaster Management and Relief Department as well as Public Health Engineering Department, in exercising required checks/verifications of claims/bills, dubious payment of ₹ 0.50 crore was made to the contractors. Audit has test checked a few cases only and possibility of such irregularity in a wider area cannot be ruled out.

Medical Education Department

3.19 Undue benefit to the licensee

Failure of the department to put in place a transparent billing system to ensure the genuineness of the payments and extended undue benefits to the licensee.

Rajasthan Medicare Relief Society (RMRS), P.B.M Hospital, Bikaner (licensor) entered into an agreement (July 2009) with Emkay Medicare

¹¹⁶ Special Condition No. 1 provided that the contractor would submit Registration number of tractor and certificate of capacity of Tankers issued by Transport Department.

¹¹⁷ Condition No. 13 provided that the Assistant Engineer (A.E.)/Junior Engineer (J.E.) would verify the coupons received from contractors with the office copy before forwarding it the bill to the EE

¹¹⁸ Condition No. 4 provided that Junior Engineer would maintain a log book showing the date-wise/tanker-wise/ trip details along with source of water and distance from source to place of distribution. Condition no. 5 provided that AE concerned would ensure required distribution of water and intimate the divisional office on daily basis. He was also required to give report of tankers transported after verifying it from the log book of tractors.

Services (Licensee), Jaipur, for installing and running of 1.5 Tesla MRI & 64 slices CT scan machine in PBM Hospital, Bikaner on PPP basis. Clause 7 of the agreement provided that 20 *per cent* of the total MRIs done in the MRI centre and 20 *per cent* of CT scans done in CT Centre should be done free of cost for the patients below poverty line (BPL) and other free categories as referred to Licensee by Superintendent/Principal Medical College or their authorised signatory. As per Clause 8 of the agreement, if the number of free cases is less than 20 *per cent*, the licensee would not be liable to pay back to RMRS, the differential amount and in case the number of tests exceed the 20 *per cent* limit, the difference in amount should be borne by licensor and should be paid to licensee on monthly basis. Further, as per Clause 29, it was enjoined upon the licensee to issue the receipts for the tests done, through computer as per format approved by the hospital administration.

Records of Superintendent, PBM Hospital, Bikaner revealed that the licensor was issuing tickets/prescriptions of free cases to patients below poverty line (BPL) and other free categories. The licensee was submitting quarterly claims of free cases exceeding 20 *per cent* to the licensor, along with monthly details of free cases and total number of tests done on both the machines. Based on these informations, the licensor was making payments of the cases exceeding 20 *per cent*, to the licensee.

Scrutiny of records (March 2015) of Superintendent, PBM Hospital, Bikaner revealed that there was no mechanism with the licensor to know the actual number of tests¹¹⁹ done on both the machines. The licensor was completely dependent on the information provided by the licensee for deciding the entitlement of the licensee to receive claims of free cases, exceeding 20 *per cent* of the total cases done. In absence of any monitoring system, there was always a possibility of understating total number of cases to keep the number of free cases less and number of chargeable cases more.

This was supported by the fact that Member Secretary, RMRS also observed (March 2013) that since installation of the machines, the licensee had regularly been submitting claims for free cases (exceeding 20 *per cent*). He, therefore, directed the licensee to put in place a billing software programme, which should be accessible to the Superintendent's office for monitoring on daily basis and which should have facility of non deletion/changes once the receipt is generated. A firm 'Pelagian Software Limited' was awarded (August 2013) the work of preparation and installation of billing software in four computers at a cost of ₹ 38,115. However, RMRS made a payment of ₹ 4.46 crore without ensuring the genuineness of the claims upto November 2014 on account of free cases (exceeding 20 *per cent*).

State Government replied (September 2015) that the licensee was submitting monthly category-wise information (paid-up; BPL; senior citizens; widows and others as prescribed by Government) and quarterly claims for free cases exceeding 20 *per cent*. Payment for excess free cases and recovery of lesser cases was being made after verification. State Government argued that Audit has not produced a single example where the patient was checked but his

¹¹⁹ Referred as well as other than referred.

name did not appear in the list. It was further stated that the authorised doctor verified not only the free cases referred by the hospital but also the total number of cases and the payment made on the basis of rate of each test was correct and justifiable. Though there was no provision of billing software in the tender as well as agreement, but RMRS itself wrote to licensee to install it and the same has been installed on 22 May 2015.

The reply was not acceptable as the licensee was submitting only category-wise information as stated (November 2012) by the authorised doctor that he was verifying only the unaudited list of patients undergoing tests free of cost. This implied that he verified only the free cases referred to by the hospitals, and not the total tests done by the licensee on both the machines. In absence of a verifiable record of the total number of tests conducted on both the machines and the correctness of the claims could not be ascertained. This might be the plausible reason, the authorised doctor requested (November 2012) for formation of a committee which would suggest an internal foolproof system, to avoid untoward problems. In addition, in his report dated 9 April 2013, the Programmer also listed shortcomings in data maintenance of licensee and suggested for installation of a software for retrieving online data of the tests done. But RMRS did not act upon the suggestions and continued to accept and pass the claims submitted by licensee. In absence of a robust control mechanism and an authentic billing software programme, it was not possible to ascertain the genuineness of the claims. As the records of RMRS only (and not that of licensee) were examined, audit could not identify cases where test were conducted but not included in the list of patients. Moreover, the impact of functioning of the software has not been intimated by the Department.

Thus, failure of the department to put in place a transparent billing system to ensure the genuineness of the payments and extended undue benefits to the licensee.

Sports and Youth Affairs Department

3.20 Non-adjustment/ recovery of loans and advances

Due to lack of proper/effective monitoring and accounting system, loans and advances amounting to ₹ 3.72 crore along with interest, was not adjusted/ recovered.

Rule 221 of General Financial and Accounts Rules (Volume-I), *inter alia* provides that temporary advances may be given to the government servants out of permanent advance for petty office expenses, purchase of stores etc. The government servant shall render the accounts of such advances soon after the purpose of the advance is accomplished and in no case later than four weeks¹²⁰ of such advances. In case where the account is not rendered within

¹²⁰ The account of advances given out of amount drawn in Advance Contingent Bill, shall be rendered ordinarily after four weeks except in cases where different period is prescribed by the Government under Rule 220(5) of these rules.

the maximum period of four weeks or the unspent balance is retained for more than the period mentioned above, the cashier shall be competent to make recovery directly from the salary of such government servants along with interest at the rate of 18 *per cent* per annum thereon.

Test check (December 2014) of records of the Rajasthan State Sports Council, Jaipur (Council) for the period April 2007 to March 2014 and information collected (April, June and August 2015), revealed that advances amounting to ₹ 7.26 crore were granted to Associations, Trainers, Sports officers and other departments/officers, for organising sports activities, training camps etc., were pending adjustment/recovery since 2011-12. It was also noticed that the register for watching adjustment and recoveries of such advances/loans, as required under Rule 219 (iv) *ibid*, was not being maintained by the Council. Adjustment bills were not submitted in all these cases within the maximum period of four weeks. As such the Council was required to make recoveries directly from the salary of the officers concerned, or ask the associations/other persons to submit their adjustment bills without further delay but no action was found to have been taken.

The State Government intimated (August and October 2015) that under a special drive for adjustment/recovery of outstanding advances, conducted during the period 05 July to 31 July 2015, and from 1 August 2015 to 31 August 2015, an amount of ₹ 2.04 crore and ₹ 1.99 crore respectively has been adjusted and efforts are being made for adjustment/recovery of remaining outstanding advances of ₹ 3.72 crore.

Thus, due to lack of proper/effective monitoring and accounting system, loans and advances amounting to ₹ 3.72 crore could not be adjusted/recovered. Interest at the rate of 18 *per cent* per annum, imposable under rule *ibid* on these advances also needs to be ascertained and recovered.

3.21 Non-recovery of due amount

Non-initiation of any concrete action by the Rajasthan State Sports Council/State Government against Rajasthan Cricket Association led to non-recovery of outstanding dues of ₹ 29.71 crore.

‘Sawai Man Singh (SMS) Stadium’, a property of the Government of Rajasthan, was entrusted to the ‘Rajasthan State Sports Council (Council) Jaipur’, registered under the Rajasthan Societies Registration Act 1958, with the condition that the council would maintain a ledger for transactions related to the stadium which would be used on a commercial basis. In the eventuality of any surplus, this should be paid to the State Government to compensate it for meeting the cost of maintenance and repair.

Test check (December 2014) of the records of the Council for the period April 2007 to March 2014 and information collected (March 2015) revealed that the Council had been letting out the stadium to sports bodies at rates fixed by the

Council from time to time. 'Rajasthan Cricket Association (RCA)', registered under Rajasthan Sports (Registration, Recognition and Regulation of Association) Act 2005, submitted (August and October 2005) to the Council, a proposal to develop a cricket academy at Jaipur and executed (30 December 2005) a memorandum of understanding (MoU) with RCA, wherein the Council allowed RCA to use south pavilion and the play field situated in the north-east of SMS stadium upto 31 December 2009. According to MoU, RCA, *inter alia*, was to develop infrastructure facilities, for imparting training, develop and maintain facilities in the south pavilion at inter-national standard, incur all recurring and non recurring expenditure on development, renovation and refurbishment and to pay electricity charges for electricity consumed by it, on the basis of a separate meter/sub meter that the council shall install. Further, it was to pay to council a match fee, to be mutually determined, when a domestic or international match is played on the ground, keeping in mind the income of the RCA from the match Council and RCA were jointly to ensure that if the area (south pavilion and the play field situated in the north-east of SMS stadium) or any part thereof is used for advertising, other than during match time, then this was to be only with the prior permission of the Council and the revenue from such advertisement was to be shared between the council and RCA in the ratio of 1:3. The MoU was to expire on 31 December 2009.

RCA requested (May-July 2007) State Government for extending MoU for use of north and east blocks of the stadium, which were constructed by them, as the same were required for keeping ground maintenance machines like rollers, super sopper and grass cutting machines. RCA further requested (July 2007) that Cricket Control Board of India, to which RCA was affiliated, had laid down the condition of extending financial assistance to only those associations which have their own land or permission to use land for minimum period of 15 years and therefore, MoU may be extended for a period of 15 years. Accordingly, State Government directed the Council (August 2007) to extend the MoU on same terms and conditions of earlier MoU (December 2005).

Accordingly, Council entered into two MoUs on 3 August 2007, one for extending the earlier MoU (December 2005) upto 21 July 2012, and another for allowing RCA to use the academy premises developed by them, upto 21 July 2023, notwithstanding the fact that RCA had not paid its dues amounting to ₹ 3.70 crore (August 2007).

Scrutiny of records revealed that the outstanding amount on account of match fee and revenue generated from advertisement and hoardings, rent for use of space and flood lights, electricity charges etc. accumulated to ₹ 29.09 crore¹²¹ by the end of 2012. The Council kept writing to RCA (September 2005 to June 2012) for payment of these dues. RCA contested certain items¹²², shown

¹²¹ ₹ 3.44 crore : prior to execution of MoU in December 2005 and ₹ 25.65 crore : after said MoU

¹²² ₹ 8.81 lakh: cases were very old and pertain to old regime (1993-2004); ₹ 1210.21 lakh: revenue not earned by RCA on these matches; ₹ 100 lakh: spent in renovation of south block of the stadium; ₹ 3.56 lakh calculations of dues were arbitrary and (₹ 1360 lakh: construction and maintenance undertaken by RCA.

in the statement of dues furnished by the Council. Due to these underlying differences between the Council and RCA, there was a serious dispute which affected conduct of cricket matches in the State. Consequently a Public Interest Litigation (PIL) was filed before Hon'ble High Court (HC), wherein the HC disposed off the PIL (February 2013) with the direction that a fresh MoU would be signed between State of Rajasthan and RCA within three days, in respect of holding 'Indian Premier League (IPL) Matches 2013' in SMS, without imposing any condition. RCA would pay ₹ 20 lakh for each match through post dated cheques for IPL matches. As regards to any *inter se* dispute about arrears between the Council and RCA, the same would be settled by parties in accordance with the law.

On the direction of HC, a fresh MoU between State Government and RCA was executed (February 2013) for a period of five years valid upto 28 February 2018. Para 2.10(B) of the MoU provided that a fixed amount for the use of stadium for matches and other international sports events (excluding IPL series 2013 for which RCA paid eight post dated cheques of ₹ 20 lakh each for eight matches), was to be recovered on the basis of decision to be taken by the State Government by 30 June 2013. These charges were to be reviewed by 30 June every year. Regarding the other disputes relating to dues against RCA and to prevent such disputes in the future, the State Government appointed (5 February 2013) Justice Shri N. M. Kasliwal, as Arbitrator between the Council and RCA so as to determine the dues and give award within 30 days. There was no progress in arbitration case.

After execution of the fresh MoU (2013), a further sum of ₹ 0.62 crore became due on account of renting of premises (September- October 2013) for Champions League T-20 match and one day cricket matches (India v/s Australia). But no payments were made by RCA inspite of further reminders (October 2013 to May 2015). Thus a total sum of ₹ 29.71 crore, was outstanding against RCA from January 1993 to October 2013, chargeable from time to time, as on date (May 2015).

It was observed that the Council neither rebutted the arguments of RCA as stated above, nor called on RCA to arrive at a mutually agreed settlement of the claim. Council had also not initiated any legal action under Rajasthan Public Debt Recovery Act 1952. Further, the Council was not reflecting this amount in its Final Accounts as the Auditor has held the amount as 'not ascertainable'.

Thus, a very partial and lenient approach of the Council towards RCA in entering into MoU after MoU and not pursuing its legal dues accruing over the time, resulted in accumulation of unrecovered amount of ₹ 29.71 crore.

State Government while accepting the facts stated (August 2015) that outstanding amount is still to be recovered and efforts are being made for recovering the same.

Fact remains that non-initiation of any concrete action by the Council /State Government against Rajasthan Cricket Association led to non-recovery of outstanding dues of ₹ 29.71 crore (December 2015). There was a further loss of interest on this amount as no provision for charging interest on the outstanding amount was made in the MoU.

Tribal Area Development Department

3.22 Hostel buildings not utilised for intended purpose

Non-utilisation of hostel buildings resulted in unproductive expenditure of ₹ 3.59 crore and deprived scheduled tribes boys/girls students of hostel facilities.

Tribal Area Development Department (TAD), Government of Rajasthan accorded administrative sanctions for construction of boys/girls hostels in Government Colleges of tribal areas, out of the residual funds received from Government of India under Section 275 (1)¹²³ of Constitution of India.

Test-check (January 2015) of records of Additional Commissioner, TAD, Udaipur, and further information collected (May 2015) from TAD, revealed that ten hostels (Banswara: 5; Dungarpur: 1; Pratapgarh: 2; Sirohi: 1; and Udaipur: 1) for scheduled tribe boys/girls were constructed (1996 to 2007) by TAD, after incurring an expenditure of ₹ 4.83 crore and handed over (1997 to 2009) to the respective college administration.

Of these only two hostel buildings (Udaipur and Sirohi) were being utilised for intended purpose. 5 hostels in 5 districts were occupied by other departments/agencies. Remaining three hostel buildings were lying unutilized. Thus eight hostel buildings were either lying non operative or not being utilised for intended purpose. The department incurred an expenditure of ₹ 3.59 crore on construction of these eight hostel buildings. Respective Project Officers of TAD intimated (May-June 2015) that these hostels could not be made functional due to non-allotment of funds and non-availability of hostel staff/other facilities.

State Government accepted (October 2015) the facts that three buildings were not being utilised and remaining five being utilised for other purposes. Efforts for utilization of these hostels for intended purpose was not intimated.

¹²³ Under Article 275(1), 100 per cent grants are provided to the states by the GoI from the consolidated fund of India on the basis of scheduled tribe population of the state.

Thus, eight hostel buildings were not being utilized for the purpose of providing hostel facilities to tribal students. This indicated that either the hostels for tribals were constructed without any requirement or the authorities/department could not ensure occupancy by providing staff and other facilities. This has resulted in non utilisation of hostel buildings and unproductive expenditure of ₹ 3.59 crore and also deprivation of tribal students of hostel facilities.

Urban Development and Housing Department

3.23 Avoidable extra expenditure on construction of sewerage line due to change of alignment

Non-preparation of detailed technical estimates and detailed surveys/ investigations and not ensuring availability of dispute free land/sites led to increase in length of the pipe line, cost escalation and reduction in size of sewer pipe line, resulting in avoidable extra expenditure of ₹ 6.65 crore.

Rules 289 of Public Works Financial and Accounts Rules (Vol.-1) provide that before preparation of detailed technical estimates, detailed surveys and investigations must be carried out and working designs/drawings should be prepared. Further, Rule 351 *ibid* provided that no work should be commenced on land which has not been duly made over by the responsible civil officers.

Test check (September 2014-May 2015) of records of Jaipur Development Authority (JDA) for the period 2005-10, revealed that the project report of 'Providing Sewerage network of Jaipur city under Jawahar Lal Nehru National Urban Renewal Mission', included the work of providing, laying and jointing of 16,600 meter¹²⁴ pipe line for main sewerage trunk line for area between 200 feet bypass, Sikar Road/railway line and Ajmer Railway line at a cost of ₹ 8.53 crore. The project was to cater the demand of next 30 years (upto 2039), souls of 8.32 lakh. This work was divided into two parts *viz* main trunk line in sector 31 and 33 from Lohamandi to Kalwar road and main trunk line in sector 32 and 54 of Niwaru/Kalwar road area. Both these works were awarded (September 2007) to M/s Vindravan Construction Company, Jaipur (contractor) at ₹ 3.89 crore and ₹ 3.92 crore respectively with stipulated dates of commencement and completion as 15.09.2007 and 14.09.2008. The work of main trunk line in sector 31 and 33 (Lohamandi to Kalwar road) was completed (October 2009) at a cost of ₹ 3.93 crore.

While the work of main trunk line of sector 32 and 54 was in progress, the Department approved (June 2008) new route for the pipe line *via* Hathoj (sector 54) due to shifting of Sewerage Treatment Plant (STP) from Champapura to

¹²⁴ 500 mm dia pipe: 3950 metre; 1000 mm dia pipe: 2600 metre; 1200mm dia pipe : 4960 metre and 1600 mm dia pipe: 5090 metre.

village Gajadharpura (on bank of Bandi River), on account of non-availability¹²⁵ of land for proposed STP at village Champapura and to cover a wider area. This led to redesigning of outfall sewer line and change in length and size of pipe line. This diversion resulted in increase in the length of proposed sewerage line by 6,000 metre. The incomplete work (sector 54)¹²⁶ was further divided into two parts *viz* (i) main outfall sewer line of 1,200 mm dia (Kardhani- Hathoj to Champapura) and (ii) main outfall sewer line of 1,600 mm dia (Champapura-Gajadharpura to Bandi river). Both the works were awarded (October 2008) afresh to the same contractor (M/s Vindravan Construction Company) at ₹ 4.20 crore and ₹ 4 crore with stipulated date of completion as 21.10.2009 and 22.10.2009 respectively.

First part of the work from Kardhani-Hathoj to Champapura was completed (June 2009) at a cost of ₹ 3.58 crore. In case of second part of the work (Champapura-Gajadharpura to Bandi River), during execution, JDA noticed (21 March 2009) that the available site was only 16 feet wide and not fit for a sewer line of 1,600 mm, as invert level of the sewer line was emerging above the ground level which may cause closure of the parallel road along the alignment and from Kalwar to Gajadharpura. Therefore, after laying 1672.50 metre long pipe line of 1,600 mm, it was decided (April 2009) to reduce the size of pipeline from 1600 mm to 1000 mm which would cater the need for next 15 years *i.e.* upto year 2024.

However, the work was held up for more than 21 months due to land dispute in main outfall sewer line (from STP to Bandi river), after laying of 2366.85 metre sewer line (1672.50 metre: 1600 mm dia and 694.35 metre: 1000 mm dia) and incurring an expenditure of ₹ 2.50 crore (March 2010). Consequently the work was stopped (January 2012).

The left over work of downstream portion was finally allotted (July 2012) to another contractor M/s Shashi Construction, Jaipur at ₹ 0.64 crore with a provision of double line of 1000 mm dia pipe line and got executed at a cost of ₹ 0.75 crore. Laying of double line of 1000 mm dia in the downstream portion was not justified, especially when sludge itself was fed in the STP through single line of 1000 mm dia on upper stream as merely treated water remained to be released in the downstream and led to incurring an unfruitful expenditure of ₹ 0.38 crore (half of ₹ 0.75 crore).

The position of execution of the whole work of main trunk line of sector 32 and 54 is depicted in following table:

¹²⁵ As per office note (19.04.2008), the Sector plans of Sector 32 and 54 were approved many years ago but Sector road was not yet constructed and action for acquisition of land for Sector road had also not yet started.

¹²⁶ The existing work of sector 32 was finalised (July 2010) after incurring an expenditure of ₹ 3.74 crore.

(₹ in lakh)

S. No.	Name of the work	Name of the firm	Date of allotment of work	Amount of work order	Actual expenditure	Remark
1	Main sewer lines in sector 32 and 54 (Niwaru/Kalwar road area)	M/s Vindravan Construction Co.	07.09.2007	391.78 (Original cost of work)	374.38	Route of pipe line changed due to non-acquisition of land for proposed STP, increasing length of pipe line by 6,000 mts. Not completed
2	Main outfall sewer line (Kardhani Hathoj to Chakbad Champapura) Jaipur (1200 mm dia)	M/s Vindravan Construction Co.	13.10.2008	419.72	357.58	First part of remaining work due to change in route/alignment. Completed
3	Main outfall sewer line (Champapura, Gajadharpura to Bandi river) (1600 mm dia)	M/s Vindravan Construction Co.	14.10.2008	399.56	250.27	Change of dia from 1600 mm to 1000 mm in second part of remaining work. Work held up due to land dispute. Not completed
4	Remaining work of main sewer line of Gajadharpura to Bandi river	M/s Shashi Construction	24.07.2012	63.70	74.83	Work allotted after settlement of land dispute. Completed
		Final cost of the work			1057.06	

This indicated that before preparation of detailed technical estimates and allotment of work, surveys and investigations for availability of dispute free land were not carried out and working designs/drawings were not prepared. This led to increase in length of the pipe line by 36 per cent (6,000 meters), reduction of size of sewer pipe from 1600 mm to 1000 mm and cost escalation due to cancellation/re-allotment of works, resulting in avoidable extra expenditure of ₹ 6.65 crore¹²⁷.

State Government, while accepting the facts, stated (September and November 2015) that the site of STP was finalised at village Gajadharpura instead of village Champapura (considered provisionally), on sound technical grounds, on account of more coverage area and availability of government land. It was further, stated that additional cost was incurred due to extended length of outfall sewer at village Gajadharpura and tender premiums. State Government also stated that the works of sewerage network and STP for the North-West area of Jaipur city have been made operational since September 2013 and entire sewerage system is fully functional and working efficiently.

The reply was not acceptable as in original DPR, STP was proposed to be constructed at Champapura after ensuring availability of land by the Department. There was no indication on record that land was not available at

¹²⁷ Final cost of work: ₹ 10.57 crore (-) original cost of work: ₹ 3.92 crore

the proposed site. This implies that shifting of location to village Gajadharpura was not on technical ground or availability of land. The coverage of wider area, as claimed by the Department, was mainly the colonies developed by private developers (Shushant City, Manglam City, Global City etc.). Moreover, the project was designed to cater the demand of next 30 years but due to laying of the pipe line of 1000 mm dia (against 1600 mm dia approved), this will cater the need of 15 years only and presently the population in the nearby area is sparse. Hence the argument of the Government that sewerage system is fully functional and working efficiently was not correct.

Thus, due to non-following the provisions of Rule 289 and 351 *ibid*, shifting of location of STP, redesigning of outfall sewer line and change in length and size of pipe line had resulted in an avoidable extra expenditure of ₹ 6.65 crore.

Women and Child Development Department

3.24 Non-construction of Anganwadi Centres

Failure of the department in monitoring construction work of Anganwadi Centres (AWCs) led to incurring of unfruitful expenditure of ₹ 22.61 crore on construction of AWCs and also in blocking of funds of ₹ 14.27 crore depriving the beneficiaries of the intended basic facilities.

Integrated Child Development Services (ICDS) Rajasthan, Jaipur, submitted (July 2008) a proposal to Government of Rajasthan for construction of 1140 Anganwadi Centres (AWCs) with financial assistance from Rural Infrastructure Development Fund-XV (RIDF-XV) through 'National Bank of Agriculture and Rural Development (NABARD)'. As per the proposal, the construction work was to be executed in three phases at a total cost of ₹ 35.91 crore during 2009-10, 2010-11 and 2011-12 (380 AWCs at a cost of ₹ 11.97 crore in each phase). Of this, 85 *per cent* of construction cost was to be met from RIDF loan and remaining 15 *per cent* was to be contributed by the State Government. The work was to be executed by respective *Zila Parishads* (ZPs).

NABARD sanctioned interest bearing loan of ₹ 9.73 crore (December 2009) and ₹ 20.39 crore (January 2012) (@ 6.50 *per cent*) for 2009-10 (380 AWCs) and 2011-12 (659 AWCs) respectively. No funds were released for 2010-11. ICDS transferred in P.D. accounts of ZPs, ₹ 12.89 crore for 2009-10 in March 2010 and ₹ 23.99 crore for 2011-12 in March 2012 for construction of 354 and 656 AWCs respectively. The amount so transferred also included the State Government's contribution. In addition, ICDS also transferred ₹ 2.90 crore for 142 AWCs (amongst 354 AWCs) in January 2012, due to increase in unit cost. Funds were transferred to ZPs with specific condition that keeping in view the

trend of increase in unit cost, ZPs should ensure completion of construction work of AWC building within sanctioned unit cost and within three months of commencement of work.

Test-check of records (July-August 2013) of Director, ICDS, Jaipur and further information collected (October 2015) revealed the position of the funds released and construction of AWCs, as of March 2015, as under:

(₹ in crore)

Year of sanction	Sanctioned by NABARD		Transferred by ICDS to ZPs (along with State share)		Work taken up by ZPs		Present status of AWCs (No.)			Total Expenditure incurred	Amount returned by the ZPs to ICDS	Funds lying unutilised with ZPs (5-(11+12))
	No. (AWCs)	Amount	No.	Amount	No.	Amount	Comp-leted	Work in progress	Cancelled /not started			
1	2	3	4	5	6	7	8	9	10	11	12	13
2009-10	354	12.89	354	12.89	354	12.89	260	NP	69	NP	NP	NP
2010-11	-	-	-	-	-	-	-	-	-	-	-	-
2011-12	656	23.99	656	23.99	656	23.99	309	NP	316	NP	NP	NP
Total	1010	36.88	1010	36.88	1010	36.88	569	56	385	22.61	9.26	5.01

NP- Not provided

The above table shows that ZPs took up the work of construction of 1010 AWCs (₹ 36.88 crore) during the period 2009-12. Of this, 569 AWCs only were completed while 56 AWCs were still under construction after incurring an expenditure of ₹ 22.61 crore and after a lapse of more than three to five years. Construction work of 385 AWCs was cancelled/not started by ZPs. ₹ 9.26 crore was returned to ICDS and a balance of ₹ 5.01 crore remained unutilized in PD accounts of ZPs.

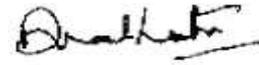
Further, it was intimated (October 2014) by Joint Director, ICDS that all 1,039 AWCs were running in rented buildings. This implies that 569 AWCs completed were also not being utilized by the Department. However, updated position and the amount being paid as rent for these AWCs was not intimated (December 2015).

Thus, the department has not only failed to take up the construction work of 385 AWCs but also failed to monitor the ongoing construction work of 56 AWCs. It also failed to ensure utilization of 569 completed AWCs. This had resulted in incurring of unfruitful expenditure of ₹ 22.61 crore on construction of AWCs and also in blocking of funds of ₹ 14.27 crore (₹ 9.26 crore + ₹ 5.01 crore).

State Government while admitting the facts stated (October 2015) that work of 569 AWCs have since been completed and 56 AWCs were under progress for which respective Chief Executing Officers of ZPs are being requested from time to time to complete the work. Work of 385 AWCs has been cancelled and

₹ 9.26 crore in respect of these works have been refunded by ZPs to government account. Action for handing over of completed AWCs to ZPs was in progress.

The reply establishes that there was absence of effective monitoring due to which, construction work of 56 AWCs could not be completed within the stipulated time. Work of 378 AWCS was cancelled while it could not be started for 7 AWCs. Further, the Department failed to utilise completed AWCs.



JAIPUR,
The 1 April 2016

(DIVYA MALHOTRA)
Principal Accountant General
(General and Social Sector Audit), Rajasthan

Countersigned



NEW DELHI,
The 4 April 2016

(SHASHI KANT SHARMA)
Comptroller and Auditor General of India