Chapter-II

Performance Audit

ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

2.1 Working of Guru Angad Dev Veterinary and Animal Sciences University

Guru Angad Dev Veterinary and Animal Sciences University (GADVASU), Ludhiana was established on 09 August 2005 under GADVASU Act, 2005 and started functioning w.e.f. 21 April 2006. A performance audit of GADVASU, Ludhiana brought out deficiencies/shortcomings which seemed to have impaired its ability to achieve its overall objectives for which the University was established. Some of the significant audit findings are summarized below:

Highlights

- **The University kept surplus funds in current accounts leading to loss of interest of ₹ 1.87 crore. Further, non-utilisation of funds provided by the State Government led to avoidable payment of interest of ₹ 5.50 crore by the State Government.**

  (Paragraphs 2.1.6.3 (i) & (ii))

- **The University submitted incorrect utilisation certificates of ₹ 33.20 crore to the funding agencies without actual utilisation of funds.**

  (Paragraph 2.1.6.6)

- **The University had shortage of teaching as well as non-teaching staff. Colleges of Fisheries, Dairy Science and Technology and Animal Biotechnology were running without adequate infrastructure and manpower as per Minimum Standards of Indian Council of Agricultural Research.**

  (Paragraphs 2.1.7.1 and 2.1.7.3)

- **The University could not create essential infrastructure despite availability of land and funds.**

  (Paragraphs 2.1.7.4 (i) to (v))

- **Internal control mechanism was found deficient as important records were not maintained. There was significant shortfall in meetings of Board of Management.**

  (Paragraphs 2.1.9.1 to 2.1.9.3)

2.1.1 Introduction

Guru Angad Dev Veterinary and Animal Sciences University (GADVASU), Ludhiana was established with the objectives of (i) imparting education in different branches of veterinary, animal and fishery sciences, (ii) advancement of learning and research in veterinary, animal and fishery sciences and other allied sciences and to undertake extension of such specialized knowledge to needy people, (iii) undertaking study on marketing strategies of live-stock and live-stock products, on conservation of live-stock breeds and wild animals, and (iv) raising of veterinary study to international standards. The University conducts diploma[1], under graduate, post graduate courses and Ph. D in veterinary sciences, dairy science and fisheries.

2.1.2 Organizational set-up

The Governor of Punjab is the Chancellor of the University. The Vice-Chancellor (VC) is the Principal Executive and Academic Officer who exercises control over the affairs of the University. VC is assisted by a Registrar, Dean of Post Graduate Studies, Dean of Constituent Colleges, Director Research, Director Students Welfare-*cum*-Estate Officer (DSW), Director Extension Education, Comptroller and Librarian. There are three colleges[2], three Regional Research and Training Centers[3] (RRTC), three Krishi Vigyan Kendras[4] (KVKs) and one Veterinary Polytechnic College at Kaljharani, Bathinda working under the administrative control of the University.

2.1.3 Audit objectives

The audit was conducted to ascertain whether:

- financial management was efficient and effective;
- human resources and other infrastructure were adequate to improve the quality of education and research;
- various activities/programmes were implemented economically, efficiently and effectively; and
- an adequate and effective monitoring and internal control mechanism was in place.

2.1.4 Scope of audit and methodology

Audit covering the period from April 2012 to March 2017 was conducted during December 2016 to May 2017 by test checking the records of the Registrar, Dean Postgraduate Studies, Dean of Constituent Colleges, Director Research, Director Students Welfare-*cum*-Estate Officer (DSW), Director Extension Education, Comptroller, Librarian, Controller of Examination, School of Animal Bio-Technology, College of Fisheries, and College of Dairy Sciences. Six[5] out of 18 departments of College of Veterinary Sciences, one (out of three) RRTC at Talwara and one (out of three) KVK at Booh, district

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[1] Diploma in Veterinary Sciences only.

[2] (i) College of Veterinary Sciences; (ii) College of Dairy Science and Technology; and (iii) College of Fisheries.

[3] (i) Booh (Tarn Taran); (ii) Kaljharani (Bathinda); and (iii) Talwara (Hoshiarpur).

[4] (i) Barnala; (ii) Booh (Tarn Taran); and (iii) Mohali.

[5] (i) Animal Nutrition; (ii) Livestock Product Management; (iii) Medicine; (iv) Parasitology; (v) School of Public Health; and (vi) Veterinary Gynecology and Obstetrics.

Tarn Taran were selected by simple random sampling for test check. An entry conference was held in January 2017 with the Registrar of the University and Assistant Controller (Finance and Accounts) of Directorate of Animal Husbandry, Punjab wherein the audit objectives, criteria, scope and methodology were discussed. The exit conference was held in August 2017 with the Vice Chancellor wherein audit findings were discussed. The replies of the University have suitably been incorporated in the report.

2.1.5 Audit criteria

Criteria against which the audit findings were benchmarked were derived from the following sources:

- GADVASU Act, 2005 (Act);
- Account Code (Code) and Statutes regarding Pension and Provident funds and Pension Rules of Punjab Agricultural University as adopted by GADVASU;
- Minutes of meetings of Board of Management and Academic Council;
- Instructions/guidelines issued by the Central/State Government from time to time; and
- Project proposals of the University and sanction thereof by the funding agencies.

2.1.6 Financial management

2.1.6.1 The University largely depends on grants received from State Government/Indian Council of Agricultural Research (ICAR)/University Grants Commission/Government of India. The details of funds received and expenditure incurred thereagainst during the period 2012-17 are given in **Table 2.1.1** below.

Table 2.1.1: Receipt and expenditure during 2012-17

(₹in crore)

Year	Opening balance	Grant received	Income from internal resources[6]	Total	Expenditure	Closing balance	Percentage utilisation of funds
2012-13	14.70	77.14	4.81	96.65	69.62	27.03	72
2013-14	27.03	85.97	5.04	118.04	104.39	13.65	88
2014-15	13.65	73.79	7.08	94.52	87.43	7.09	93
2015-16	7.09	106.12	11.09	124.30	113.99	10.31	92
2016-17	10.31	96.85	16.39	123.55	107.14	16.41	77
Total		**439.87**	**44.41**		**482.57**		

Source: Data furnished by the University

(i) The information furnished by the University showed closing balance of ₹ 16.41 crore in its books whereas the closing balance as per four bank

[6] Veterinary Hospital income, sale proceeds, fee, auction money, etc.

accounts was ₹ 23.03 crore[7] as on 31 March 2017. The University had not reconciled the difference of ₹ 6.62 crore as no bank reconciliation statement was prepared during the period covered under audit.

(ii) In addition to the above, ₹ 28.25 crore were also lying in the savings bank accounts and Fixed Deposit Receipts with Director Students Welfare-*cum*-Estate Officer on 31 March 2017. The amount was to be used for execution of 75 construction works. However, the amount required for the purpose as per ledger balance of Director Students Welfare-*cum*-Estate Officer was ₹ 17.53 crore. Thus, ₹ 10.72 crore were lying with DSW in excess of requirement. DSW did not surrender the same to the Comptroller as required under paragraph 2.9 of the Account Code that requires submission of a list of excess and surrenders to the Comptroller in month of October. Further, DSW neither reconciled ledger balances with bank accounts nor prepared bank reconciliation statement during the period covered under audit.

The University stated (September 2017) that the bank reconciliation statement had been prepared but had not been audited by the Local Fund Examiner due to shortage of audit staff. However, the same was not supplied to audit (November 2017).

2.1.6.2 Non-preparation of accounts and balance sheet

Audit observed that the University had not prepared accounts and balance sheet since its inception i.e. 2006-07 as required under paragraphs 38 (3) and (4) of Chapter-VII of the Act. The expenditure during 2012-17 was ₹ 482.57 crore. Thus, due to non-preparation of accounts and balance sheet, the same could neither be audited by the Examiner, Local Fund Accounts nor could be placed before Vice Chancellor, Board of Management, Government and the State Legislature as required. Further, the completeness and correctness of financial statement supplied by the University to the audit could also not be verified in absence of accounts and balance sheet. Moreover, lack of these important financial statements would have impaired decision making in the University, especially in areas related to financial management.

The University stated (May 2017) that it had appointed a Chartered Accountant in April 2017 and preparation of the balance sheet was underway.

2.1.6.3 Loss of interest to the State Government and the University

(i) State Government provided (2009-13) ₹ 9.80 crore for five works[8], out of which the University could utilize ₹ 0.78 crore only in August 2013 and the balance ₹ 9.02 crore remained unutilized (May 2017). These works were being executed with funds received from other agencies except construction of

[7] (i) Bank of Baroda A/c No. 29380200000053–₹ 1.42 crore; (ii) Bank of Baroda A/c No. 2938013012410–₹ 14.98 crore; (iii) State Bank of India A/c No. 00000030046441847–₹ 2.79 crore; and (iv) State Bank of India A/c No. 00000035728541456–₹ 3.84 crore.

[8] (i) College of Fisheries–₹ 1.80 crore (utilized ₹ 0.78 crore); (ii) New Goat Shed–₹ 0.33 crore in March 2009; (iii) Critical Care Unit and Small Animal Hospital–₹ 2.42 crore in March 2010; (iv) Referral Hospital–₹ 2.50 crore in March 2009; and (v) Advance Diagnostic Unit–₹ 2.75 crore in March 2009.

the new goat sheds, which was yet to commence (May 2017). As a result, an amount of ₹ 9.02 crore remained blocked during 2009-17 whereas the State Government had to pay interest of ₹ 5.50 crore[9] on its borrowing during this period which could have been avoided. Reply of the University was awaited.

(ii) Department of Finance, Government of Punjab (FD) directed (January 2007) all the Public Sector Undertakings, Autonomous bodies of the State not to keep money in the current accounts and to keep the surplus money in deposits with the bank giving maximum return. The University kept funds in two current accounts[10] on which no interest was earned. The University could have earned interest of ₹ 1.87 crore[11] had the funds been kept in savings bank accounts (calculated at the rate of four *per cent* per annum which is the applicable rate of interest on savings accounts).

The University stated (November 2017) that savings bank account was opened in May 2016. The reply of the University was not acceptable as the University kept operating these current accounts even after opening the savings bank account.

(iii) It was further observed that Department of Animal Husbandry, Fisheries and Dairy Development (Department), Government of Punjab (GOP) released (January 2013) ₹ 9.75 crore[12] to the University for salary[13] for the year 2012-13. The University could not utilize the funds during 2012-13 and requested (April 2013) the Department to re-appropriate the funds from salary head to contingency head during 2013-14**,** which was not acceded to (September 2013) by FD and it further directed GADVASU to deposit the amount alongwith interest into the treasury[14]. The University refunded (November 2013) ₹ 9.75 crore to the Department without any interest as the amount was kept in current account. Thus, due to retention of funds in current account, no interest could be earned whereas the State Government had to pay ₹ 59.10 lakh on its borrowing for the period 01 February 2013 to 04 November 2013.

The University stated (May 2017) that funds were kept in the current account as no savings account had been opened at that time.

2.1.6.4 Excess and avoidable payment of electricity charges

As per Electricity Supply Instructions Manual, supply of electricity to all the Government/Government aided Universities shall be classified under Domestic Supply (DS) category.

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9 Calculated at the average borrowing rate of interest of the State Government for the years 2009-17.

10 (i) State Bank of India Account No. 00000030046441847; and (ii) Bank of Baroda-Account No. 29380200000053.

11 ₹ 0.44 crore in 2012-13; ₹ 0.40 crore in 2013-14; ₹ 0.25 crore in 2014-15; ₹ 0.54 crore in 2015-16; and ₹ 0.24 crore in 2016-17.

12 Under Plan Scheme Animal Husbandry 6–Assistance to Sri Guru Angad Dev Veterinary and Animal Sciences University.

13 Under head 2403-Animal Husbandry-101-Veterinary Services and Animal Health-Sub head 11 & 23-SOE-31 Grant in aid general (Salary).

14 Under the Head “0403-Animal Husbandry”.

It was observed that Punjab State Power Corporation Limited (PSPCL) provided (December 2013) 11 KV connection[15] to GADVASU and billed the energy charges as per the rates of Non-Residential Supply (NRS) which were higher than DS rates. This resulted in excess payment of ₹ 91.33 lakh to PSPCL during December 2013 to October 2017.

The University stated (November 2017) that the matter had been taken up with PSPCL to convert the electricity rates from NRS to DS and the matter was pending with PSPCL.

2.1.6.5 Non-recovery/adjustment of temporary advances

Rule 6.13 of the Accounts Code provides that in case a temporary advance is drawn for a specified purpose, the Drawing and Disbursing Officer is to ensure that the accounts are rendered as early as possible and unspent balance, if any, is to be refunded during the same financial year. However, temporary advances of ₹ 83.14 crore[16] accumulated since inception (2006-07) of the University were lying unadjusted (March 2017).

The University stated (September 2017) that sincere efforts were being made to clear the temporary advances. The reply did not justify accumulation of such huge advances since 2006-07. Moreover, non-adjustment of such advances for long period carries the risk of temporary misappropriation of University's funds.

2.1.6.6 Submission of incorrect utilisation certificate

It was observed that in 17 cases, the University submitted Utilisation Certificates (UCs) of ₹ 33.20 crore ***(Appendix 2.1)*** to the funding agencies prior to the actual utilisation of funds, resulting in furnishing of incorrect UCs.

The University stated (September 2017) that after transferring the funds to PWD, the UCs were submitted as the funds were being used for construction work as per norms. The reply was not acceptable as the UCs were submitted to funding agency prior to actual utilisation of funds. The submission of UCs without actual utilisation of funds was irregular.

2.1.6.7 Non-refund/reflection of interest earned on Grant-in-Aid

During April 2012 to March 2017, the University earned an interest of ₹ 12.12 crore[17] on the funds received from GOI/State Government but had neither deposited the same in the treasury (State funds) nor reflected it in UCs

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15 Electricity meter account No. W51-C801-00529.

16 ₹ 0.73 crore in 2006-07, ₹ 3.15 crore in 2007-08, ₹ 8.36 crore in 2008-09, ₹ 6.63 crore in 2009-10, ₹ 7.48 crore in 2010-11, ₹ 4.53 crore in 2011-12, ₹ 2.57 crore in 2012-13, ₹ 2.64 crore in 2013-14, ₹ 1.54 crore in 2014-15, ₹ 21.83 crore in 2015-16 and ₹ 23.68 crore in 2016-17.

17 (i) Punjab National Bank Account No. 4095000100066126-₹ 0.78 crore; (ii) RKVY-₹ 2.86 crore; (iii) Interest on FDRs ₹ 3.10 crore; (iv) Bank of Baroda Account No. 29380200000102-₹ 0.09 crore; (v) SBI Account No. 0000035728541456-₹ 0.15 crore; and (vi) FDRs ₹ 5.14 crore (interest received from GLADA).

furnished in respect of GOI funds. This was in contravention of the instructions (August 1999) of FD which provide that any interest earned on money kept in banks shall be treated as Government receipt and is to be deposited into treasury.

The University stated (September 2017) that it was accounting for the said amount by using the interest earned for the development of University. Reply was not acceptable as it was in violation of the instructions. Moreover, in absence of reconciliation with the bank, preparation of accounts and balance sheet, and investment register as mentioned in the paragraph 2.1.6.1 (i), 2.1.6.2 and 2.1.9.1, the actual amount of interest earned could not be ascertained.

2.1.7 Human resources and development of infrastructure

2.1.7.1 Shortage of manpower

For the purpose of maintaining academic standards in educational institutions, the availability of qualified and experienced faculty is a pre-requisite. From the information supplied by the University, it was observed that:

- Overall shortage of teaching and non-teaching staff in the University ranged between 40 and 48 *per cent* and 58 and 70 *per cent* respectively during 2012-17.

- At Regional Research and Training Centre (RRTC), Kaljharani, shortage of teaching and non-teaching staff was between 37 and 75 *per cent* and 70 and 97 *per cent* respectively during 2012-17.

- At RRTC, Talwara, no teaching staff was posted during 2012-15 whereas only two against five sanctioned posts were filled up during 2015-17. No non-teaching staff was posted during 2013-17.

- At KVKs Tarn Taran, Mohali and Barnala, there was no shortage of teaching staff but shortage of non-teaching staff ranged between 22 and 89 *per cent* (May 2017).

The University stated (September 2017) that vacancies were not being filled due to shortage of funds. The University attributed shortage of non-teaching staff at KVKs to the instruction issued vide Notification dated 15 January 2015 of the Punjab Government to pay only basic salary to the newly recruited non-teaching staff. It was also stated that University had to often refund to the Indian Council of Agricultural Research (ICAR), amounts received under the salary head since the University was finding it difficult to fill the posts by offering only the basic salary.

2.1.7.2 Shortfall in imparting trainings

Krishi Vigyan Kendras of the University are mandated to educate the unemployed youth, farmers and women about profitable livestock farming *viz.* dairy, poultry, piggery, fisheries, etc.

During 2012-17, there was an overall shortage of 64 *per cent* in imparting trainings at KVK, Booh as training to 171 farmers was imparted against the target of 469 farmers. Year-wise shortfall in imparting training ranged between 28 and 99 *per cent.*

The University attributed (November 2017) shortfall in imparting training to shortage of staff (2013-14 and 2014-15), reshuffling and new appointments of the Assistant Professors during 2015-16 and 2016-17.

2.1.7.3 Non-availability of minimum standards for higher education

It was observed that the College of Fisheries, School of Animal Biotechnology and College of Dairy Science of GADVASU did not fulfil Minimum Standards of Higher Agricultural Education (MSHAE) fixed (March and May 2014) by an expert committee of ICAR with regard to area of land earmarked for different purposes, intake of students in different courses and manpower for different posts, etc. In the College of Fisheries, shortage in area of land earmarked for different purposes, intake of students in different courses and manpower for different posts was 74 to 80, 35 to 75 and 25 to 100 *per cent* respectively as of May 2017. In College of Dairy Science, shortage of manpower was 17 to 100 *per cent* as of May 2017. In School of Animal Biotechnology, shortage of intake of students in different courses was 50 to 100 *per cent* and that of manpower for different posts was 32 to 100 *per cent* as of May 2017.

The University stated (September 2017) that it was following the minimum standards of higher education in letter and spirit. While the standards in veterinary education were governed by the Veterinary Council of India, in other disciplines *viz.* Fisheries and Dairy Sciences, the University was following the ICAR standards. The reply was not acceptable as the prescribed standards in respect of Colleges of Fisheries and College of Dairy Science and Technology were not being met, as pointed out above.

2.1.7.4 Delayed/non-creation of essential infrastructure

(i) A Memorandum of Understanding (MOU) for construction/renovation of buildings was signed (March 2007) between the University and Punjab Urban Planning and Development Authority, Ludhiana (PUDA) (now Greater Ludhiana Area Development Authority (GLADA)). The University was to release further funds to PUDA after submission of monthly statement of expenditure to the University indicating utilisation of earlier releases.

It was observed that the University provided ₹ 38.45 crore[18] out of State/ ICAR funds to PUDA during May 2007 to May 2011 for execution of 40 works and kept on releasing funds without ensuring utilisation of funds. PUDA neither supplied monthly statements of expenditure as required under MOU nor did the University ever asked for the same. Thus, the University failed to exercise financial control over release/utilisation of funds provided to PUDA.

[18] As per statement furnished (July 2012) by the PUDA to the University.

Punjab Urban Planning and Development Authority incurred an expenditure of ₹ 11.86 crore on 24 (out of 40 works). It further executed 10 works other than 40 works for which funds were provided by the University at a cost of ₹ 1.44 crore by diverting funds available with it for the said 40 works. PUDA also deducted an amount of ₹ 0.35 crore on account of pending liability and ₹ 0.11 crore on account of service tax. PUDA expressed its inability to execute the balance works due to shortage of technical staff and refunded ₹ 29.83 crore[19] (principal-₹ 24.69 crore, and interest-₹ 5.14 crore). There was no penalty clause in the MOU with PUDA for non/delayed execution of works.

Out of ₹ 29.83 crore refunded by PUDA, the University utilized ₹ 8.23 crore for execution of three works[20] through PWD out of the remaining 16 works, diverted ₹ 6.62 crore for execution of three works[21], also by PWD, from four works[22], which had been earlier approved and for which various funding agencies had provided funds and the remaining ₹ 14.98 crore[23] were lying un-utilized (May 2017).

Thus, despite availability of land and release of funds by the State Government and ICAR during 2007-11, the University failed to create essential infrastructure.

The University stated (June 2017) that funds available for construction of Advance Diagnostic Unit, Research Centre and Critical Care Unit were not required and re-allocated (March 2017) these funds for infrastructure[24] development of the University with the approval of Vice Chancellor. Funds of Embryo Transfer Technology Lab were diverted (March 2016) for construction of second floor of School of Animal Bio-technology. Despite reallocation of funds, these were lying unutilized as the works were being executed with other funds. The University stated that funds meant for dairy farm would be given to PWD as per progress of work. As regards goat shed, it was stated (April 2017) that rough cost estimate was awaited from PWD. The reply was not acceptable as funds were still lying unutilized for more than seven years from the date of disbursement of funds.

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19 ₹ 0.06 crore in March 2010, ₹ 0.03 crore in September 2010, ₹ 24.12 crore in August 2012, ₹ 3.93 crore in September 2015 and ₹ 1.69 crore in March 2016.

20 (i) College of Dairy Science-₹ 6.50 crore; (ii) Girls Hostel-₹ 0.50 crore; and (iii) Upgradation of dairy farms-₹ 1.23 crore.

21 (i) College of Dairy Science-₹ 4.76 crore to be completed by 30 June 2017; (ii) Girls Hostel-₹ 1.36 crore to be completed by 31 October 2016; and (iii) Animal Biotechnology building-₹ 0.50 crore to be completed by 31 August 2017.

22 (i) Auditorium-₹ 4.76 crore; (ii) International Hostel-₹ 0.94 crore; (iii) Museum-₹ 0.50 crore; and (iv) Animal Bio-technology building-₹ 0.42 crore.

23 Comptroller-₹ 5.70 crore and DSW-₹ 9.28 crore which was sanctioned for five works i.e (i) Critical Care Unit and Small Animal Hospital:₹ 2.42 crore received in March 2010; (ii) Research Centre and Referral Hospital for equines:₹ 2.50 crore received in March 2009; (iii) Advance Diagnostic Unit:₹ 2.76 crore received in March 2009; (iv) Goat shed:₹ 0.33 crore received in March 2009; (v) Embryo Transfer Technology lab:₹ 0.63 crore received during 2007-08; and (vi) Dairy Farms:₹ 0.64 crore received in March 2009.

24 (i) Construction of new roads; (ii) furnishing of University Auditorium; and (iii) hostel wing for international girl students/NRIs.

(ii) It was further observed that out of ₹ 13.95 crore provided during March 2010 to October 2016 by the Government of India under Rashtriya Krishi Vikas Yojana, ICAR and the State Government for 12 works, the University diverted ₹ 10.60 crore to works other than the approved ones and utilised ₹ 0.42 crore. An amount of ₹ 2.93 crore was still lying unutilized (June 2017) with the University even after lapse of period ranging between eight months and seven years since receipt of funds.

The replies of the University, wherever furnished, were not found convincing as mentioned against each work ***(Appendix 2.2)***. The reply of the University in remaining cases was awaited.

(iii) National Bank for Agriculture and Rural Development (NABARD) approved (December 2011) the project "construction of civil infrastructure for GADVASU" of ₹ 40 crore[25] consisting of five works[26] to be completed by 31 March 2015. The State Government received (February 2012-March 2017) ₹ 30.23 crore from NABARD and contributed its share of ₹ 1.35 crore. The balance funds were yet (June 2017) to be released by the NABARD as well as the State Government. Out of total available funds of ₹ 31.58 crore, the State Government released ₹ 27.21 crore[27] only with delay ranging between two and 16 months to GADVASU leaving ₹ 4.37 crore un-released (June 2017). Further, against the receipt of ₹ 27.21 crore, the University released ₹ 34.99 crore (by diverting ₹ 7.78 crore[28] from other projects) to PWD, which were allotted (May-June 2014) for four (out of five) works[29] at a cost of ₹ 29.12 crore to be completed in May-June 2015. These four works[30] were still incomplete (May 2017). The fifth work of construction of building of Directorate of Extension had not commenced (May 2017) due to non-finalization of lay out plan.

Thus, the University failed to optimally utilize the borrowed funds from NABARD as none of the five works had been completed even after lapse of more than two years beyond the stipulated date of completion of the project i.e. 31 March 2015.

(iv) The University prepared (December 2013) a project proposal of ₹ 69.60 crore (including ₹ 51 crore for building and farms) for "Establishment of infrastructure facilities in New College of Veterinary Science at

[25] ₹ 38 crore as NABARD loan at interest rate of 6.5 *per cent* per annum for seven years and ₹ two crore as State share.

[26] (i) College of Fisheries; (ii) Referral Hospital; (iii) School of Animal Biotechnology; (iv) Milk Plant; and (v) Directorate of Extension.

[27] ₹ 14 crore in July 2013, ₹ 3.42 crore in July 2015, ₹ 2.48 crore in March 2016 and ₹ 7.31 crore in October 2016.

[28] ₹ seven crore from the work of Bovine Hospital funded by RKVY and ₹ 0.78 crore out of ₹ 1.80 crore received (July 2010-March 2011) under "Establishment of College of Fisheries" from State Government and remaining funds of ₹ 1.02 crore still lying unutilized (June 2017).

[29] (i) College of Fisheries; (ii) Referral Hospital; (iii) School of Animal Biotechnology; and (iv) Milk Plant.

[30] Works completed: (i) College of Fisheries:72 *per cent*; (ii) Referral Hospital: 99 *per cent;* (iii) School of Animal Biotechnology:85 *per cent;* and (iv) Milk Plant: 98 *per cent.*

Rampura Phul (Bathinda)" with the objective of producing trained veterinary graduates, for completion by 2015-16. The Executive Engineer, Construction Division 1, PWD (B&R), Bathinda (EE) allotted (December 2014) the work to a contractor for ₹ 58.34 crore to be completed by 30 September 2016. On the request of the University, PWD by adding residential quarters and hostel revised (September 2015) the estimate to ₹ 92.14 crore. State Level Sanctioning Committee, in its 14th meeting approved (August 2015) the revised estimate and emphasized that concerted efforts be made to start the academic session of veterinary graduates from 2016-17. As of May 2017, an amount of ₹ 20 crore only had been received from the State Government which was given to PWD by the University. Due to delay in release of funds to the EE, only 45 *per cent* of the work of the building had been completed at a cost of ₹ 26.67 crore (May 2017). Non-completion of the college resulted in non-achievement of the intended objectives of the project. Moreover, the academic session of 2016-17 could not be started (September 2017) due to non-availability of infrastructure.

(v) The University undertook the work of construction of KVK, Booh through Panchayati Raj Department in June 2013 for ₹ 99 lakh for completion within eight months i.e by January 2014. However, as of January 2014, only ₹ 25.57 lakh had been released. Total funds released as of June 2017 were ₹ 92.55 lakh with which the building work was completed and the work of finishing was under progress (June 2017). Thus, due to non-provision of the requisite funds in time**,** the construction of building had been delayed by almost four years beyond the stipulated date of completion. The University agreed (June 2017) with the facts.

To sum up, most of the projects undertaken by the University to augment its infrastructure were marred by the inability of the University to optimally utilize funds received from the GOI, ICAR and GOP for creation of essential infrastructure.

2.1.7.5 Non-implementation of Wi-Fi in boys' hostels

With a view to extend services like internet, e-mail and access of library through intranet website, the University placed (27 March 2015) a supply order for installation of Wi-Fi in boys hostels at a cost of ₹ 43.60 lakh within maximum 12 weeks i.e by 19 June 2015, extended upto 15 February 2016. Wi-Fi was installed (December 2015) and the firm was paid ₹ 32.26 lakh. However, it was non-functional since February 2016 and the firm was not responding to the requests of the University to rectify the problem. It was further observed that there was no penalty clause in the agreement and hence the University had no means of penalizing the firm or getting the problem rectified by some other firm at the risk and cost of the defaulting firm. The usage reports of the warden of the hostels indicated slow speed of Wi-Fi. As a result, student's research, extension and study work was impaired and the entire expenditure of ₹ 32.26 lakh incurred so far remained un-gainful as it could not serve the intended purpose.

The University stated (September 2017) that the vendor did not complete the work to the University's satisfaction and did not respond to the requests of the

University for more than one year. The University had now cancelled the contract and forfeited (July 2017) the security deposit of ₹ five lakh alongwith interest (₹ 78,416). The reply was not acceptable as the University had taken more than 17 months in taking action against the firm and that too after being pointed out by audit.

2.1.7.6 Non-transfer of land in the name of University

Under Section 34 of Punjab Land Revenue Act, 1887, any person acquiring by inheritance, purchase, mortgage or otherwise, any right in an estate as a land owner, shall report acquisition of the right to the *Patwari* of the estate who shall make an entry in the register of mutations.

Guru Angad Dev Veterinary and Animal Sciences University was carved out of Punjab Agricultural University (PAU) in 2006 with a total campus area of 282.55 acre. However, GADVASU had not got (September 2017) the mutation of the campus area entered in its name as required for having ownership rights. The University stated (September 2017) that process is on for digital mapping of the land. The reply did not justify non-mutation of the land after lapse of more than 11 years since the creation of GADVASU.

2.1.8 Programme implementation

2.1.8.1 Non-establishment of skill development centre

The University proposed (August 2015) to establish a Skill Development Centre (SDC) at its campus with the objective of imparting hands on training to farmers to equip them with the latest technologies and ideas that would enable them to start their own ventures for employment and entrepreneurship.

Government of Punjab (GOP) released (August 2015) ₹ six crore under Rashtriya Krishi Vikas Yojna (RKVY) for the scheme "Sustainable Livestock, Dairy and Fishery Farming". Of this amount the University diverted ₹ five crore for establishing SDC with the approval of State Level Sanctioning Committee (SLSC). SLSC granted (August 2016) ex-post facto approval to the proposal for establishing SDC with an outlay of ₹ 16.95 crore. The University allotted (February 2016) ₹ five crore for construction of SDC. However, the University had not taken any steps for establishment of SDC even after 22 months (June 2017) of availability of funds. The construction had not been started even after one year of the grant of ex-post facto approval by SLSC.

Thus, SDC which was meant to equip the rural population with livelihood skills, was yet to take off and RKVY funds were lying blocked with the University.

2.1.8.2 Non-setting up of facilities for entrepreneurship

Against the project proposal (December 2011) of ₹ 3.92 crore [31] of the University, ICAR approved (February 2012) experiential learning units on

[31] ₹ 0.70 crore for civil works, ₹ 3.17 crore for equipment and ₹ 0.05 crore per week for recurring expenditure.

processing of milk and milk products at a cost of ₹ 95 lakh[32]. As per approval of ICAR, the University had to ensure that the unit should be financially viable after it was fully operational and was able to meet its running cost. The project proposal also envisaged sale of milk products through parlour and University campus sale.

The Dean, College of Dairy Science and Technology transferred (April 2012) ₹ 60 lakh[33], earmarked for works, to Director Students Welfare. However, no construction was done and after four years, the University diverted (March 2016) these funds, without approval of ICAR, for the additional works of building of College of Dairy Sciences and Technology. However, even this work was not undertaken and the amount was still lying (June 2017) unutilized. The University procured equipment valuing ₹ 28.77 lakh out of the balance retained amount of ₹ 35 lakh. However, no milk product was sold to enable the scheme to meet its running cost as envisaged.

The University stated (June 2017) that due to shortage of funds, the funds were re-allocated for additional works of building of College of Dairy Science and Technology. With regard to lack of sale of any product, the University stated that it was not a commercial dairy plant, therefore the equipment were utilized for teaching and training of students, farmers and entrepreneurs as and when required. The University further stated (September 2017) that the funds were not utilized at that time as the amount was too little for a big project. Now, the Milk Plant was likely to be completed soon with funding from NABARD, which would include the facility for sale of milk products also.

The reply was not acceptable as funds provided by ICAR were required to be spent for the purpose for which these were provided but the University diverted funds for other work without approval of ICAR. Moreover, it submitted UC depicting the amount as having been spent for the sanctioned purpose while actually the funds were lying unutilized (June 2017). This tantamounted to misreporting to the funding agency. Even the plea of shortage of funds for the work due to diversion of funds was not acceptable as the funds were not utilized on that work as well. The reply with regard to sale of product was not acceptable as the project proposal of the University itself envisaged the sale of milk and milk products, which had not been achieved.

2.1.8.3 Affiliation to a private college having deficient infrastructure

University's Rules for affiliation of private institutions offering Diploma in Veterinary Science and Animal Health Technology *inter alia* provide that the applicant body is required to complete staff requirements of the first year as per norms and the University will give a letter for admitting students if the staff and other facilities are adequate. In case of finding deficiency, the University may also resort to reduction of intake capacity.

[32] ₹ 60 lakh for works, ₹ 30 lakh for equipment and ₹ 5 lakh for recurring expenditure.

[33] ₹ 50.85 lakh for construction of block in experimental dairy plant and ₹ 9.15 lakh for construction of milk parlour.

The University granted (November 2014) provisional affiliation to Baba Hira Dass Ji College of Veterinary Pharmacy at village Badal (district Sri Muktsar Sahib) for admitting 60 students for one academic year of Diploma in Veterinary Science and Animal Health Technology in 2015-16, subject to fulfilment of prescribed conditions of infrastructure[34] and manpower[35] before commencement of the session 2015-16. The University re-inspected (June 2015) the College with reference to the revised guidelines[36] as per directions of the Board of Management and found deficiencies[37] but retained the provisional affiliation granted to the college for 60 seats subject to fulfilment of conditions before starting session 2015-16.

The University again inspected (May 2016) the college for enhancement of seats from 60 to 100 at the request of the college for the academic year 2016-17 and decided not to increase the seats in view of non-rectification of deficiencies pointed out earlier. The University re-inspected (August 2016) and still noticed deficiencies in infrastructure[38]. Despite this, the University granted (August 2016) provisional affiliation to the college for 80 seats for one year with the condition to remove the deficiencies before the start of the academic session 2016-17.

The University stated (April 2017) that while the building of boys hostel was under construction, land and staff were available. The reply was not acceptable as deficiencies in terms of area, infrastructure and teaching and non-teaching staff had been pointed out by the University itself on four occasions. Thus, grant of affiliation to the college and subsequent increase in intake of student despite deficiencies was in violation of its own Rules by the University which extended undue favour to the private college. Besides possibility of compromising on the quality of education being imparted to students enrolled there could not be ruled out.

2.1.8.4 Under utilisation of Instructional Poultry Processing Unit and Poultry Products Manufacturing Unit

An Instructional Poultry Processing Unit and Poultry Products Manufacturing Unit having capacity of processing 300 birds per hour was established (March 2011) in the University at a cost of ₹ 55.11 lakh[39] with the objectives of (i) imparting hands on training to Bachelor of Veterinary Science and Animal Health students regarding processing of poultry; (ii) upgrading skills

34 Canteen, student hostel, animal farm for student training, museum and student common room.

35 Principal, teaching staff, laboratory staff, animal attendants and office staff.

36 The college should have minimum 5-6 acre land, at least five regular full time teaching staff (excluding Principal), adequate non-teaching staff, laboratory, Museum, library, computer room, staff and student common room, etc.

37 (i) No Principal, faculty and staff; (ii) lacks hostel facility of its own for lodging and boarding of girl and boy students; (iii) had insufficient number of laboratory equipment; (iv) had no animal farm/shed of its own; and (v) three acre land against requirement of minimum 5-6 acre.

38 Insufficient area, insufficient teaching and non-teaching staff, lack of proper hostel facilities for boys and girls, non-availability of museum, students common room, sports facility, etc.

39 Machinery-₹ 38.13 lakh; Renovation-₹ 16.29 lakh and Electrical Meter-₹ 0.69 lakh.

through training programmes of butchers and workers engaged in production of poultry and poultry products indigenously; and (iii) developing manpower in quality control and assurance programme. The project was sponsored by Ministry of Food Processing Industries, Government of India (GOI) with the condition that the University would run at least four Entrepreneurship Development Programmes (EDP) and two refresher/skill upgradation training programmes every year at commercial rates to recover its running cost.

Though the plant had started in October 2011, the requisite clearance from Punjab Pollution Control Board was not obtained till May 2017. The plant was operative for 22 days and processed 1,318 birds only during 2011-17. Further, practical training to Undergraduate/Postgraduate students was imparted on 13 days only during 2012-17 and training to farmers was given on seven days during 2014-16. No training to butchers/slaughter workers was given during 2011-17 though provided for in the proposal. Moreover, no EDP and refresher/skill up-gradation training programmes were conducted as required under the conditions of GOI. Thus, the poultry processing unit was grossly under-utilized despite incurring an expenditure of ₹ 55.11 lakh and had not fulfilled the envisaged objectives.

The University stated (November 2017) that it applied for NOC from Punjab Pollution Control Board (PPCB) in October 2013. However, PPCB did not issue the NOC due to non-fulfillment of certain conditions by the University, especially of installation of effluent treatment plant which had now been installed. Thereafter, application for NOC had been submitted (October 2013) and NOC was awaited from PPCB. Due to this reason, commercial slaughter in the unit was not done. The reply was not acceptable as the University could not arrange NOC from PPCB even after six years from start of plant in October 2011 and took two years to move application (October 2013) to PPCB for grant of NOC. Further, no reasons for shortfall in providing trainings to the students, farmers and butcher/slaughter workers were intimated.

2.1.8.5 Failure to safeguard the financial and legal rights of the University by not getting the technology patented

With a view to promote dairy entrepreneurship, the University prepared (2012-13) a project titled “Development of Hybrid Prototype for Chilling Milk” (PCM) with the expected outputs of (i) chilling unit which would run on solar energy alone or in combination with biogas energy or conventional energy resources; (ii) technology transfer to the stakeholders; and (iii) patent of the product.

The University purchased (March 2014-November 2014) solar panels of 6 kilowatt for ₹ eight lakh and chilling unit for ₹ 42,900 and developed the PCM. However, no action was taken to get the product patented as envisaged in the scheme. Further, the University executed (September 2015) a Memorandum of Understanding (MOU) with a firm for utilizing the technology of PCM based GADVASU Milk Chiller (Chiller). The firm was to supply five complimentary chillers to the University within six months of commercial production. However, the firm provided only one unit of milk chiller. Further, the firm was required to pay to the University royalty of ₹ 1,100 per unit sold as per MOU. However, the University had no information about the scale of commercial production and number of units sold by the firm. The University had not received (May 2017) any royalty from the firm.

The University stated (November 2017) that it was decided (July 2015) to advertise the technology for its transfer and action was taken accordingly. The reply was not acceptable as it was evident that the University had failed to safeguard its legal and financial rights by not getting the technology patented. It had also failed to get financial benefits by way of royalty from the firm.

2.1.8.6 Non-implementation of Integrated University Management System

An expression of interest was invited (January 2010) for establishment of Integrated University Management System (IUMS). Two bidders applied (February 2010) and the University placed (March 2010) a supply order with the bidder, who had quoted the lowest rates, for purchase of seven modules of IUMS at a total cost of ₹ 32.65 lakh without executing any agreement with the firm as required.

The entire bid amount of ₹ 32.65 lakh was deposited (March 2010) in the name of the firm through a Letter of Credit (LC) in a bank, ignoring the payment schedule[40]. An amount of ₹ 8.16 lakh (25 *per cent* of order value) was released to the firm in November 2010 after acceptance of System Requirements and Specifications and the balance amount was still lying in the form of LC and none of the modules of IUMS had been implemented so far (March 2017).

The University stated (April 2017) that it had filed a suit (May 2016) in court against the firm for recovery of ₹ 8.16 lakh alongwith interest. It was further stated that the firm had been asked telephonically to renew or resubmit the bank draft of earnest money deposit. The reply was not acceptable as the University did not act promptly as it took more than seven years to initiate action against the firm and had even failed to get the earnest money deposit renewed. Moreover, non-execution of any agreement with the vendor has jeopardized the chances of any recovery from the firm.

2.1.9 Internal control mechanism

2.1.9.1 Non-maintenance of Register of Investment

Rule 3.17 of Account Code provides that in order to watch the recovery of interest on the amount invested, an account of investments shall be maintained in a Register of Investment.

It was observed that though the Comptroller intimated (June 2017) that the University had an investment of ₹ 10.72 crore, yet no Register of Investment

[40] (i) System requirement and specifications acceptance:25 *per cent*, (ii) For each module wise go-live:25 *per cent* and (iii) After final acceptance of the system:50 *per cent.*

was maintained. Further, as per information supplied by the University, deposits of GPF/CPF amounting to ₹ 62.06 crore[41] were kept in banks as on 31 March 2017 and ₹ 19.92 crore were lying with Director Student Welfare-*cum*-Estate Officer in fixed deposits as on 31 March 2017. However no Investment register was maintained in both the said cases.

In absence of Register of Investment, audit could not verify the completeness of the information of investment and know the source, date of receipt, purpose of receipt, date of investment and reinvestment, interest earned, utilisation of funds/interest. There was, thus, lack of control of the University on the management of huge amount of money invested in different instruments.

The University stated (September 2017) that the records were kept but not maintained in the prescribed manner and further stated that these were now being maintained. However, no documentary evidence was supplied to audit (November 2017).

2.1.9.2 Non-maintenance of fish production and sale register

No records were maintained during 2012-17 showing the quantity and the date on which fish seed were put into pond, the fish produced and the quantity of fish sold. In absence of such records, there was no mechanism to compare the production and sale of fish with the sale proceeds, which were ₹ 3.89 lakh during 2012-17.

The University stated (September 2017) that fish production records were maintained. The reply was not acceptable as the only records maintained were in the form of receipt book in respect of sale of fish.

2.1.9.3 Shortfall in meetings of the Board of Management

During 2012-17, only 12 meetings of the Board of Management were held against the minimum requirement of 30 meetings (at least once every two months) as per paragraph 13 (K) of the Act, thereby leaving a shortfall of 18 meetings (60 *per cent*). The University stated (July 2017) that the meetings of the Board of Management were held as and when its approval for some items was required. The reply was not acceptable as the Board of Management was required to meet at least once in two months to ensure proper functioning of the University.

2.1.10 Conclusion

Proper management of funds received by the University from State/Central Government's agencies was lacking as these were not properly and timely utilized, resulting in blockade of funds and non-fulfilment of the envisaged objectives. Instances of retention of funds in current accounts resulting in loss of interest and submission of incorrect utilisation certificates to the funding agencies were noticed.

There was shortage of teaching and non-teaching staff in the University and shortfall in training at Krishi Vigyan Kendras. Implementation of projects for

41 ₹ 0.88 crore into savings bank account; ₹ 61.18 crore in the form of fixed deposits.

infrastructure creation was found deficient as despite availability of land and funds, the University could not create the infrastructure as envisaged. Facilities envisaged for skill development and entrepreneurship had not even been started though funds had been available. Patent for the technology of milk chiller developed by the University was not obtained thereby compromising its financial rights. The Integrated University Management System was still not implemented. Internal control mechanism was deficient as the necessary records such as investment register, fish production and sale register, etc. were not maintained. There was also significant shortfall in meetings of the Board of Management.

2.1.11 Recommendations

The University may ensure:

(i) Optimal utilisation of funds so as to avoid blocking of funds;

(ii) Timely adjustment of temporary advances;

(iii) Filling up of vacant posts of teaching and non-teaching staff; and

(iv) Creation of necessary infrastructure facilities within the prescribed time schedule through better project management.

The matter was referred to the Government in August 2017; reply was awaited (November 2017).

HEALTH AND FAMILY WELFARE DEPARTMENT

2.2 Management of Cancer Control Programme in Punjab

The Cancer Control Programme in the State was being implemented mainly through two Schemes *viz.* 'National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke' (NPCDCS) – a Centrally sponsored scheme and 'Mukh Mantri Punjab Cancer Raahat Kosh Scheme' (MMPCRKS) – a State sponsored scheme. A performance audit of these two schemes brought out many deficiencies which seemed to have impaired effective management of Cancer Control Programme in Punjab. Some of the significant audit findings are summarized below:

Highlights

- **District action plans had not been prepared. Funds of ₹ 2.79 crore were irregularly diverted to other non-communicable diseases (NCD) programmes outside NPCDCS.**

  (Paragraphs 2.2.6.1 and 2.2.7.1)

- **Out of 14 Cardiac and Cancer Care Units (CCU) established in the State, cancer care facility was available only in one CCU at Bathinda which was not yet operational due to non-posting of requisite staff.**

  (Paragraph 2.2.8.1)

- **There was an overall shortage of manpower ranging between 21 and 86 *per cent* as per NPCDCS guidelines during 2012-17. Posts of State Programme Coordinator, District Programme Officers and District Programme Coordinators had remained vacant since 2010-11.**

  (Paragraph 2.2.9.1)

- **Activities related to cancer were not carried out at Community Health Centre, Public Health Centre and Sub Centre levels till 2015-16. In 2016-17, 32 patients suffering from cancer were detected during screening of 12,579 patients.**

  (Paragraph 2.2.10.1)

2.2.1 Introduction

Government of India (GOI) initiated the National Cancer Control Programme (NCCP) in 1975. Later, GOI launched National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS) in the year 2010 after merging NCCP with NPCDCS, under the flagship programme National Rural Health Mission (NRHM). The NPCDCS aims at integration of non-communicable diseases (NCD) interventions in the

National Health Mission[42] framework for optimization of scarce resources and provision of seamless services to the patients as also for ensuring long term sustainability of interventions. Besides, the State Government also initiated (April 2011) "Mukh Mantri Punjab Cancer Raahat Kosh Scheme (MMPCRKS)" and formed "Mukh Mantri Punjab Cancer Raahat Kosh Society" (Society) for its implementation for the welfare and providing financial assistance to the cancer patients throughout the State of Punjab.

2.2.2 Organizational setup

National NCD Cell established in the Directorate General of Health Services, Ministry of Health and Family Welfare, GOI is responsible for planning, providing overall guidance to States for implementation of NPCDCS. At State level, Principal Secretary to Government of Punjab, Department of Health and Family Welfare (Principal Secretary) is the administrative head and the Director, Health and Family Welfare (DH&FW) is the departmental head for implementation of both the schemes *viz.* NPCDCS and MMPCRKS. The DH&FW is assisted by the State Non-Communicable Diseases Cell (SNCDC) under NPCDCS and the State Cancer Control Cell (SCCC) under MMPCRKS for management of cancer control programme in the State. Besides, nine Government hospitals and nine private hospitals are empanelled[43] for diagnosis and treatment of cancer patients under MMPCRKS.

2.2.3 Audit objectives

The Audit objectives were to ascertain whether:

- planning was adequate and financial resources were utilized effectively;
- infrastructure and human resource were adequate and effective;
- implementation of the NPCDCS and MMPCRKS was carried out in a manner to achieve the desired results; and
- internal control and monitoring mechanism was effective and efficient.

2.2.4 Audit scope and methodology

The performance audit covered the period 2012-17[44] and was conducted between August 2016 and July 2017 by test-check of records of State Health

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[42] National Urban Health Mission (NUHM) was launched (01 May 2013) as a sub-mission of an over-arching National Health Mission (NHM), with National Rural Health Mission (NRHM) being the other sub-mission.

[43] **Government hospitals:** (i) Government Medical College and Hospital (GMCH), Patiala; (ii) GMCH, Amritsar; (iii) GMCH, Faridkot; (iv) Advanced Cancer Diagnostic and Treatment Centre, Bathinda; (v) Homi Bhaba Cancer Hospital, Civil Hospital, Sangrur; (vi) Acharya Tulsi Regional Cancer Hospital, Bikaner. (vii) GMCH, Chandigarh; (viii) PGIMER, Chandigarh; and (ix) AIIMS, New Delhi. **Private hospitals:** (i) CMC, Ludhiana; (ii) Sri Guru Ramdass Charitable Hospital Amritsar; (iii) DMC, Ludhiana; (iv) Oswal Cancer Hospital, Ludhiana; (v) Max Super Specialty Hospital, Bathinda; (vi) Max Super Specialty Hospital SAS Nagar; (vii) IVY Hospital, SAS Nagar; (viii) Patel Hospital, Jalandhar; and (ix) Capitol Hospital, Jalandhar.

[44] Since MMPCRKS Society was maintaining records calender year-wise, records pertaining to the period 01.01.2012 to 31.03.2017 were test-checked.

Society (SHS), Director, Health and Family Welfare, SNCDC, SCCC and seven[45] (32 *per cent*) out of 22 District NCD Cells[46]. Besides, a beneficiary survey covering 70 beneficiaries[47] (ten each from seven selected districts) was carried out to assess the impact of both the programmes in the State.

An entry conference was held with the Director, Health and Family Welfare, Punjab (DH&FW) in February 2017 wherein audit objectives, scope, methodology and audit criteria were discussed. The findings of the performance audit were discussed with the Principal Secretary, Health and Family Welfare, Punjab in the exit conference held in August 2017 and replies of the Department have been suitably incorporated in the report.

2.2.5 Audit criteria

The audit criteria were derived from the following sources:

- NPCDCS guidelines and related instructions issued by Government of India;
- State Programme Implementation Plans approved by Government of India; and
- MMPCRKS guidelines issued by Government of Punjab from time to time.

Audit findings

2.2.6 Planning

2.2.6.1 Non preparation of District action plan

Paragraph 2.4.3 of NPCDCS guidelines stipulates that the District NCD Cell, which is responsible for overall planning, implementation, monitoring and evaluation of different activities and achievement of physical and financial targets planned under the programme in the District, shall prepare District action plan for implementation of NPCDCS strategies. Audit, however, observed that the annual action plan at State level was being prepared on adhoc basis, as neither the District action plans were prepared in any of the NCD Cells of the test-checked districts nor were they involved or consulted while preparing the State action plan during 2012-17.

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45 (i) Amritsar (2015-16); (ii) Bathinda (2012-13); (iii) Ferozepur (2015-16); (iv) Hoshiarpur (2012-13); (v) Kapurthala (2014-15); (vi) Mansa (2012-13); and (vii) Sangrur (2015-16) selected by adopting Probability Proportional to Size Without Replacement method, based on number of cancer patients registered under NPCDCS and MMPCRKS, except for Bathinda which was selected on judgmental basis, it being one of the districts covered under NPCDCS right from inception of the scheme and major expenditure was incurred in this district.

46 NPCDCS was implemented in 4 districts during 2012-14; 7 districts during 2014-15; 14 districts during 2015-16; and 22 districts from 2016-17 onwards.

47 Selected by adopting Systematic Random Sampling method.

In the exit conference, the Department, while admitting the facts, contended that planning for tertiary care[48] was required to be done at State level and the same was being done. The reply was not in line with the guidelines *ibid* which emphasized that the Districts had an important role in prevention, control and early diagnosis of the disease.

2.2.7 Financial management

2.2.7.1 National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS)

For implementation of NPCDCS, the State Health Society (SHS) communicated its requirement of funds through programme implementation plans (PIP) for various activities under NHM. On the basis of approved PIPs, GOI and the State Government was to provide funds in the ratio of 75:25 during 2012-15 and 60:40 during 2015-17. The position of receipt and expenditure under NPCDCS during 2012-17 is depicted in **Table 2.2.1** below.

Table 2.2.1: Receipt and expenditure under NPCDCS during 2012-17

(₹ in crore)

Year	Approved outlay		Opening balance	Funds received by SHS		Funds released by SHS to SNCDC		Interest	Total funds (4+7+8+9)	Expen-diture	Closing balance
	GOI share	State share		GOI share	State share	GOI share	State share				
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
2012-13	-	-	5.40	-	-	-	-	0.24	5.64	2.79	2.85
2013-14	-	-	2.85	-	-	-	-	0.20	3.05	2.00	1.05
2014-15	8.52	2.84	1.05	6.23	1.71	6.23	-	0.12	7.40	2.78	2.08#
2015-16	6.31	4.20	4.62#	4.00	1.33	2.20	3.04	0.15	10.01	5.39	4.62
2016-17	5.16	3.44	4.62	3.60	3.33	3.07	0.85	0.18	8.72	7.35	1.37@
Total	**19.99**	**10.48**		**13.83**	**6.37**	**11.50**	**3.89**	**0.89**		**20.31**	

Source: Departmental data

 # ₹2.54 crore was refunded to GOI during 2014-15 and were received back from GOI in 2015-16.

@ Includes ₹0.40 crore transferred to NHM as loan.

Note: *Funds position of whole NPCDCS has been given, as the separate position in respect of Cancer component was not available with the Department.*

It was observed that:

➢ No funds were released by GOI and the State Government during 2012-14 as no action plan was sent to GOI due to unspent balance of ₹ 5.40 crore and ₹ 2.85 crore lying with the Department as of March 2012 and March 2013 respectively.

➢ Funds ranging between ₹ 1.05 crore and ₹ 4.62 crore remained unspent during 2012-17.

➢ Although SHS received ₹ 20.20 crore under NPCDCS yet it released only ₹ 15.39 crore to SNCDC during 2012-17, thus holding back ₹ 4.81 crore,

[48] Tertiary care is specialized consultative health care, usually for inpatients and on referral from a primary or secondary health center, in a facility that has personnel and facilities for advanced medical investigation and treatment.

which were used for NCD programmes[49] other than NPCDCS. It was noticed that though the NHM guidelines provided for flexibility for inter-usability of funds from one component to another under NCD programmes limited to a ceiling of 10 *per cent* (i.e. ₹ 2.02 crore) only, diversion of ₹ 2.79 crore (out of ₹ 4.81 crore) beyond the prescribed ceiling was irregular.

➢ The balance State share of ₹ 0.78 crore for the years 2014-16 released to SHS in April 2017 was yet to be transferred to SNCDC (August 2017).

In the exit conference, the Department stated that due to lack of planning at State level and lack of capacity to utilize the available funds, no action plan was sent to GOI during 2012-14. It attributed the reasons for short utilisation of funds during 2012-17 to late receipt of funds from GOI and the State Government. Thus, non-utilisation/non-release of funds impacted various activities *viz.* training and Information, Education and Communication (IEC) under NPCDCS, as discussed in the report.

2.2.7.2 Mukh Mantri Punjab Cancer Raahat Kosh Scheme (MMPCRKS)

For implementation of MMPCRKS, the State Government provided financial assistance limited to ₹ 1.50 lakh per patient eligible[50] for the treatment of cancer through 18 empanelled Government (nine) and private (nine) hospitals in the State of Punjab. As per MMPCRKS guidelines, funds were to be transferred to concerned Government hospitals in advance on estimation basis. As regards private hospitals, cost of treatment was to be reimbursed on production of utilisation certificates[51] (UC) by these hospitals.

The position of receipt and expenditure under MMPCRKS during January 2012 to March 2017 is depicted **in Table 2.2.2** below.

Table 2.2.2: Receipt and expenditure under MMPCRKS during 01.01.2012 to 31.03.2017

(₹ in crore)

Year (Calendar Year)	Opening balance	Funds received from State	Interest	Loan from CADA*	Total available funds	Expendi-ture	Closing balance
1	**2**	**3**	**4**	**5**	**6 (2+3+4+5)**	**7**	**8 (6-7)**
2012	0.12	22.50	0.27	0	22.89	22.51	0.38
2013	0.38	39.15	0.71	0	40.24	39.18	1.06
2014	1.06	11.45	0.33	0	12.84	11.48	1.36
2015	1.36	0	0.58	5.00	6.94	2.18	4.76
2016	4.76	37.50	0.40	10.00	52.66	42.53	10.13
2017 (up to 03/17)	10.13	12.50	0.04	0	22.67	20.49	2.18
Total		**123.10**	**2.33**	**15.00**		**138.37**	

Source: Departmental data

**** CADA = Punjab State Cancer and Drug Addiction Treatment Infrastructure Fund being maintained by the Punjab Health Systems Corporation.***

[49] National Tobacco Control Programme (NTCP), National Mental Health Programme (NMHP), National Programme for Control of Blindness (NPCB) and National Programme for Health Care of Elderly (NPHCE).

[50] All BPL and other patients in the State who are diagnosed with cancer disease by the Government/empaneled hospitals, except for Government and ESI employees with medical reimbursement facility and other patients who are covered under any medical insurance policy, are eligible for financial assistance under the Scheme.

[51] UC for 25 *per cent* of the sanctioned amount to SCCC through Civil Surgeon and three UCs for remaining 75 *per cent* directly to SCCC.

Against the total available funds of ₹ 140.55 crore [52], expenditure of ₹ 138.37 crore was incurred during 01 January 2012 to 31 March 2017, which included ₹ 123.10 crore[53] transferred to empanelled hospitals for treatment of cancer patients under MMPCRKS. During test-check of records in respect of five empanelled hospitals in seven selected districts, Audit noticed the following:

(i) During 2012-17, the State Cancer Control Cell (SCCC) released ₹ 6.18 crore to Sri Guru Teg Bahadur Hospital (SGTB) (now Guru Nanak Dev (GND) Hospital w.e.f. June 2015), Amritsar for the treatment of 2,211 cancer patients. Of these, GND Hospital incurred an expenditure of ₹ 5.32 crore on the treatment of 1,691 cancer patients and ₹ 1.21 crore (inclusive of interest of ₹ 0.35 crore) pertaining to 520 patients who did not report to the hospital after sanctioning of fund, was lying unspent with GND Hospital as of March 2017.

The Department stated (August 2017) that GND Hospital, Amritsar would be asked to refund the unspent balance.

(ii) MMPCRKS guidelines prohibit office and other miscellaneous expenditure from MMPCRKS funds. Audit, however, noticed that an amount of ₹ 0.17 crore was incurred on salary, travelling allowance and other contingencies by SCCC (₹ 0.15 crore) and GND Hospital, Amritsar (₹ 0.02 crore). The SCCC (October 2016) and the Medical Superintendent, GND Hospital, Amritsar (May 2017) stated that the expenditure was incurred out of the interest money of MMPCRKS funds. The replies were not acceptable as the expenditure of ₹ 0.17 crore was incurred in contravention of the guidelines.

2.2.8 Infrastructure

Paragraph 1.2 of NPCDCS guidelines envisages institutionalization of NPCDCS at district level within the District Health Society and sharing of its administrative and financial structure with NHM as a crucial programme strategy for providing seamless services to the patients and also for ensuring long term sustainability of interventions. During examination of NPCDCS, Audit noticed the following:

2.2.8.1 Availability of health centres

The District NCD Cell is responsible for overall planning, implementation, monitoring and evaluation of different activities and achievement of physical and financial targets planned under the programme in the District. All the Districts are to have regular NCD clinics for screening, management, counselling and awareness generation for NCD including cancer. Further, District CCUs are to provide emergency, rehabilitative care and management of cancer, etc. and Sub Divisional Hospitals (SDH)/Community Health Centres (CHC) are to conduct comprehensive examination of patients for early diagnosis and treatment.

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52 ₹ 0.12 crore + ₹ 123.10 crore + ₹ 2.33 crore + ₹ 15.00 crore = ₹ 140.55 crore.

53 ₹ 78.23 crore to Government hospitals and ₹ 44.87 crore to private hospitals.

The position of targets vis-à-vis achievement in respect of availability of health centres under NPCDCS in the State as of March 2017 is depicted in **Table 2.2.3** below.

Table 2.2.3: Targets vis-à-vis achievement in respect of availability of health centres under NPCDCS in the State as of March 2017

Sr. No.	Health centres	Target	Achievement	Shortfall (percentage)
1.	District NCD Cell and Clinics	22	22	Nil
2.	District Cardiac Care Unit and Cancer Care Unit	22	14	8 (36)
3.	SDH/CHC NCD Clinic	192	191	1 (1)

Source: Departmental data

It was observed that though there were almost adequate number of District NCD Cells and Clinics available at District and Sub Divisional Hospital (SDH) & Community Health Centre (CHC) levels respectively, shortfall in availability of District Cardiac Care Unit and Cancer Care Unit (CCU) was 36 *per cent* in the State. Out of 14 CCUs established in the State, cancer care facility was available only in one CCU at Bathinda (May 2012) and that too was not operational due to non-posting of requisite staff.

The Department stated (August 2017) that NPCDCS had been implemented in Punjab in a phased manner. It was also added that efforts were being made to recruit more specialists to make the cancer facilities operational in the State.

2.2.8.2 Lack of investigation facilities

As per NPCDCS guidelines, laboratory investigation and diagnostic facilities *viz.* pathology (blood sugar, lipid profile, liver function test and kidney function test) and radio-diagnosis (X-Ray, ECG, USG, ECHO, CT Scan, MRI, etc.) should be available in the District NCD Clinics.

Audit observed that pathology and radio-diagnosis facilities were available in the test-checked districts except for two districts i.e. Amritsar and Sangrur, where radio-diagnosis facilities (X-Ray, ECG, USG, ECHO, CT Scan, MRI, etc.) were not available.

Further, as per Report of Punjab Cancer Atlas (2012-13) of the Indian Council of Medical Research, Breast cancer was the leading type of cancer in females in Punjab. Mammography is a simple radio-graphic technique which helps in detecting irregularities in the breast tissue. However, the Mammography machine was not available in the State except for Civil Hospital, Bathinda and that too was not functional due to non-posting of a Radiologist. Thus, facilities of diagnosis and treatment for breast cancer could not be provided to the patients. It was further noticed that data with regard to number of cases of breast cancer in the State for the period 2012-13 to October 2016 was not available with SNCDC. During November 2016 to July 2017, 957 cases of breast cancer were detected in the State.

The Department assured (August 2017) to look into the matter. It was also added that efforts were being made to depute more specialists at the district level.

2.2.9 Human resource management

2.2.9.1 Shortage of manpower

Against the requirement of 1,271 posts as per NPCDCS guidelines, only 202 posts in different cadres had been sanctioned against which 172 posts (14 *per cent* of the requirement) were filled as of March 2017. There was an overall shortage of staff ranging between 21 and 86 *per cent* ***(Appendix 2.3)***. The post of State Programme Coordinator/Assistant, District Programme Officer (DPO) and District Programme Coordinator/Assistant (DPC) was also lying vacant since 2010-11. It was further observed that there was shortage of specialists and physicians at the district level ranging between 39 and 92 *per cent*.

In the exit conference, the Department stated that efforts were being made to depute more specialists at the district level. As regards non-deployment of DPCs, it was stated that the Deputy Medical Commissioners were working as DPCs.

2.2.9.2 Training

Paragraph 1.4.4 of NPCDCS guidelines provides that health professionals and health care providers at various levels of health care are to be trained for health promotion, NCD prevention, early detection and management of cancer, diabetes, cardiovascular diseases (CVD) and stroke. For imparting training for programme management and specialized training for diagnosis, treatment of cancer, etc., a nodal agency is to be identified to develop training material, organize training of health care providers at different levels and for monitoring the quality of the training. Structured training programmes are to be developed to provide quality training with appropriate curriculum to various categories of staff.

Audit observed that though SNCDC imparted training to staff on different components under NPCDCS during 2013-16, no training was provided to Auxiliary Nursing Midwiferies (ANM) for screening of cancer patients during this period despite availability of funds[54]. During 2016-17, 3,120 ANMs (under NHM) were imparted training for screening of cancer patients. In the test-checked districts, 1,091 out of 1,557 ANMs were imparted training for screening of cancer patients, leaving 466 ANMs untrained[55] as of July 2017. It was further noticed that SNCDC had neither identified any nodal agency to develop training material and monitor the quality of training imparted nor developed any structured training programmes.

The Department stated (August 2017) that ANMs were now being given specialized trainings for cancer care through Visual Inspection with Acetic

[54] There was unspent balance of ₹ 2.85 crore, ₹ 1.05 crore and ₹ 2.08 crore at the end of financial years 2012-13, 2013-14 and 2014-15 respectively and during 2015-17, against the funds of ₹ 40 lakh available for training activities, only ₹ 2.05 lakh (five *per cent*) was spent for the purpose.

[55] (i) Amritsar (110); (ii) Bathinda (9); (iii) Ferozepur (57); (iv) Hoshiarpur (158); (v) Kapurthala (16); and (vi) Mansa (116).

acid (VIA) technique. It was added that material for preparation of structured training programme was to be provided by GOI, which was received during 2017-18. The reply was not convincing as the State NCD Cell did not make any efforts to obtain the requisite training material from GOI for preparation of structured training programmes during 2012-17, which showed a causal approach on its part to impart requisite training under NPCDCS Scheme.

2.2.10 Programme implementation

During test-check of records of NPCDCS and MMPCRKS, Audit noticed the following:

2.2.10.1 Strategy for early diagnosis

As per paragraphs 2.3.1 & 2.3.2 of NPCDCS guidelines, activities with regard to health promotion for behaviour change, counselling, opportunistic screening[56] for awareness generation and identification of early warning signals of common cancer and referral of suspected cases to Community Health Centres (CHC) are to be conducted at Sub Centre (SC) and Primary Health Centre (PHC). Further, free NCD clinics are to be established at CHCs for comprehensive examination of patients. Priority is to be given to the strengthening of CHCs for screening of common cancers (oral, breast and cervix), clinic, laboratory investigations and referral services.

Audit observed that there were 56 CHCs (having NCD clinics), 109 PHCs and 1,064 SCs as of March 2017 in seven selected districts. However, no activities related to cancer were carried out at these health centres till 2015-16. The screening of patients was conducted only in 2016-17 when 12,579[57] patients were screened. Of these, 32[58] patients suffering from cancer were detected in four test-checked districts. It was further noticed that no screening camps were organized in any of the selected districts except for Sangrur where screening of patients was done by organizing 20 camps during 2016-17. Thus, adequate efforts were lacking at CHC, PHC and SCs level for screening the patients for awareness generation and identification of early warning signals of common cancer.

The Department stated (August 2017) that Sangrur was selected as a pilot district for screening camps during 2016-17 and now ANMs were being trained for cancer screening through VIA technique.

2.2.10.2 Information, Education and Communication (IEC) activities

As per NPCDCS guidelines, public awareness through various channels of communication i.e. mass media (radio and television), community education, print media (posters, banners, etc.), counselling to the patients, camps, interpersonal

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56 Screening involves simple history (such as family history of diabetes, history of alcohol, tobacco consumption, dietary habits, etc.) general physical examination, calculation of BMI, to identify those individuals who are at a high risk of developing cancer warranting further investigation/action.

57 (i) Amritsar (7,786); (ii) Bathinda (657); (iii) Ferozepur (1,694); and (iv) Sangrur (2,442).

58 (i) Amritsar (0); (ii) Bathinda (1); (iii) Ferozepur (31); and (iv) Sangrur (0).

communication, etc. are to be organized at Sub Centre to State levels to sensitize public about the risk factors, promotion of healthy life style[59] and services made under the programme.

Audit observed that during 2012-17, only 102 awareness camps were organized by spending ₹ 20.60 lakh (39 *per cent*) against ₹ 53.50 lakh available for IEC activities. However, these camps were held only on World Cancer Day (4 February) and National Cancer Awareness Day (7 November). It was noticed that IEC activities were carried out only in three[60] (out of seven) selected districts during 2012-17. Apart from this, no IEC activities were organized at any level in the State during 2012-17 in spite of the fact that the funds of ₹ 32.90 lakh were still available (March 2017) for the purpose.

The Department, while admitting the audit observations, stated (August 2017) that a mobile application for IEC activities was being developed.

2.2.10.3 Other irregularities

(i) Paragraph 1.4.7 of NPCDCS guidelines provides that AYUSH doctors can play an important role in prevention and control of NCDs through primary healthcare network. They can be involved in health promotion through behaviour change, counselling of patients and treatment using Indigenous System of Medicines. The AYUSH practitioners, thus need to be integrated with the National NCD prevention and control programs especially NPCDCS.

However, on being enquired in seven test-checked districts about involvement of available 143 AYUSH doctors in health promotion through Indigenous System of Medicines and their integration with NPCDCS, the District Programme Officers confirmed (March-June 2017) that AYUSH doctors had not played any role in implementation of NPCDCS Scheme during 2012-17.

The Department stated (August 2017) that AYUSH doctors could only be involved in early detection and awareness purpose, and since the cancer patients needed tertiary level care, AYUSH doctors were not involved in treatment of cancer. The fact, however, remains that the objective of prevention and control of NCDs through primary health care network could have been supplemented by involving AYUSH doctors.

(ii) As per paragraph 2.2.1 of NPCDCS guidelines, Technical Resource Groups (TRG) were to be set up by the State to provide technical guidance, advice and to review the progress of programme for enhancing the quality of implementation of Scheme.

Audit, however, observed that no such TRGs had been formed in the State as well as in the selected districts to enhance the quality of implementation of NPCDCS. In the exit conference, the Department admitted the audit observations.

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[59] Intake of healthy food; physical activity through sports & exercise; avoidance of tobacco and alcohol; stress management; warning signs of cancer; etc.

[60] (i) Amritsar (distributed 24 banners during 2016-17); (ii) Bathinda (organized 59 IPC camps during 2013-17); (iii) Mansa (organized five IPC camps during 2012-17).

2.2.10.4 Impact assessment

(i) Beneficiaries' survey

In order to assess the impact of NPCDCS and MMPCRKS on the cancer patients, a joint survey by Audit along with the representatives of the Department of seven selected districts was conducted (May 2017) in respect of 70 (out of 15,908) beneficiaries (ten each from seven selected districts) registered under MMPCRKS. Responses to some important parameters relating to programme management, satisfaction level of the beneficiaries, post counselling, etc. derived from the interviews of the beneficiaries are depicted in **Table 2.2.4** below.

Table 2.2.4: Results of beneficiary survey

Sr. No.	Parameters	Responses	Percentage
1.	Number of beneficiaries		
	(i) who incurred expenditure in addition to the financial assistance received under MMPCRKS	61	87
	(ii) who did not incur expenditure in addition to the financial assistance received under MMPCRKS	9	13
2.	Status of treatment:		
	(i) Number of mortality cases	29	41
	(ii) Number of cured cases	09	13
	(iii) Number of patients under treatment	32	46
3.	Number of beneficiaries		
	(i) who purchased medicines from market during the treatment under MMPCRKS	2	3
	(ii) who did not purchase medicines from market during the treatment under MMPCRKS	68	97
4.	Satisfaction level:		
	(i) Number of patients/relatives who were not satisfied with the treatment under MMPCRKS	26	37
	(ii) Number of patients/relatives who were satisfied with the treatment under MMPCRKS	44	63

Source: Beneficiary survey conducted by Audit

Audit observed that:

- Apart from the financial assistance provided under MMPCRKS, 61 beneficiaries (87 *per cent*) incurred additional expenditure on their treatment. Of these, 33 beneficiaries were sanctioned funds ranging between ₹ 0.03 lakh and ₹ 1.48 lakh against the admissible amount of ₹ 1.50 lakh each under MMPCRKS. However, these beneficiaries incurred additional expenditure of their own for treatment of cancer.

- Sixty one beneficiaries who incurred expenditure in addition to the financial assistance under MMPCRKS did not approach the Government health centres due to lack of facilities.

- No data with regard to death or patients cured under NPCDCS/MMPCRKS was available with SNCDC/SCCC. However, during survey, 41 *per cent* cases of death and 13 *per cent* cured cases were reported.

- Two beneficiaries purchased medicines of ₹ 0.10 lakh from market while receiving treatment under MMPCRKS.

- Thirty seven *per cent* beneficiaries were not satisfied with the treatment provided under the MMPCRKS mainly due to lack of cancer care facilities in Government hospitals and inadequate financial assistance under the Scheme.

In the exit conference, the Department accepted the audit observations. As regards purchase of medicines from market by two beneficiaries, it was stated that matter had been referred to the concerned hospitals.

(ii) Sustainable Development Goals

The global burden of cancer is increasing at an alarming rate and presents a major public health and development challenge. In 2012, it was estimated that there were over 14 million new cases of cancer and over 8 million deaths from cancer. By 2030, these startling figures were expected to increase to over 21 million new cases a year and 13 million deaths. To overcome this problem, United Nations General Assembly consisting of 194 countries (including India) adopted (September 2015) 17 Sustainable Development Goals (SDG) which *inter alia* included reduction of one third premature mortality from non-communicable diseases (including cancer) by 2030.

Audit observed that no centralized data in respect of total number of cancer patients that existed during 2012-17 was available with the Health Department. In the absence of this, achievement with respect to SDGs could not be measured.

The Department stated (August 2017) that target of reducing the cancer patients by one-third in the State in line with SDGs was not applicable to NCDs. The reply was not correct as 17 SDGs adopted during September 2015 included reduction of one third premature mortality from NCDs (including cancer) by 2030.

2.2.11 Internal control and monitoring mechanism

Internal control and monitoring mechanism of activities of a department plays a vital role in successful implementation of various schemes and efficient and effective running of the department. Some of the deficiencies in internal control and monitoring mechanism noticed during the test-check of records of NPCDCS and MMPCRKS are discussed as under:

(i) With a view to create a wider knowledge base in the community for effective prevention, detection, referrals and treatment strategies and to build a strong monitoring and evaluation system through the public health infrastructure, convergence of NPCDCS activities had not been done with the on-going interventions of NHM including National Tobacco Control Programme (NTCP), National Programme for Health Care of Elderly (NPHCE), etc., as required under paragraph 1.2 of NPCDCS guidelines.

The Department stated (August 2017) that the convergence of NPCDCS activities with other related programmes would be done at State and District levels.

(ii) As per MMPCRKS guidelines, detailed estimate of cost along with tentative time schedule of treatment from the hospital where the treatment is on-going is to be sent to SCCC with the application file.

Audit observed that tentative time schedule of treatment was not being mentioned along with detailed estimate while submitting the applications by the empanelled hospital authorities to SCCC and the funds were being sanctioned to these hospitals without complying with the MMPCRKS guidelines.

In the exit conference, the Department stated that the detailed estimates were prepared by the doctors of empanelled hospitals and the period of treatment was not mentioned as nature of treatment might vary during the course of treatment. The reply of the Department was not in line with the provisions under the MMPCRKS guidelines. Moreover, the knowledge of tentative schedule of treatment would help SCCC to keep track of UCs and unspent balance lying with the Government empanelled hospitals.

(iii) As per Memorandum of Association (MoA), annual accounts of the MMPCRKS Society shall be audited annually by the Chartered Accountant to be appointed by the Department of Health and Family Welfare, Punjab. Audit, however, noticed that the annual accounts had not been prepared by the Society during 2012-17.

The Department, while admitting the facts, assured (August 2017) to prepare the annual accounts.

2.2.12 Conclusion

Management of Cancer Control Programme in the State left scope for improvement in many areas. District action plans were not prepared and funds of ₹ 2.79 crore were irregularly diverted to other NCD programmes outside NPCDCS. Cancer care facilities were lacking in the District NCD Clinics. Shortage of staff ranged between 21 and 86 *per cent* during 2012-17. Training for screening of cancer patients was not provided to ANMs deployed under NHM during 2012-16. Adequate efforts were not made for making the public aware through IEC activities and also for screening the patients to identify early warning signals of common cancer. Non-convergence of NPCDCS activities with on-going interventions of NHM, not mentioning the tentative time schedule of treatment in the applications under MMPCRKS and non-maintenance of annual accounts by MMPCRKS Society showed weak internal control mechanism in the Department.

2.2.13 Recommendations

In the light of audit findings, the State Government may consider:

(i) Strengthening the planning process by preparing District action plans to bridge gaps in infrastructure and manpower and ensuring optimum utilisation of available financial resources;

(ii) Providing adequate cancer care facilities and manpower in NCD Clinics and outsourcing the investigation facilities in PPP mode till Radiologists are in place;

(iii) Carrying out adequate awareness generation and other cancer related activities to identify early warning signals of common cancer in the patients; and

(iv) Strengthening internal control mechanism by prioritizing quality assurance monitoring/activities for effective management of Cancer Control Programme in the State.

The matter was referred to Government in July 2017; reply was awaited (November 2017).

HOUSING AND URBAN DEVELOPMENT DEPARTMENT

2.3 Working of Greater Mohali Area Development Authority

Greater Mohali Area Development Authority (GMADA) was set-up in August 2006 under the Punjab Regional and Town Planning and Development Act, 1995 (PRPA). The performance audit on the working of Greater Mohali Area Development Authority brought out lack of planning, deficiencies in financial management and execution of developmental projects, non-construction of houses for Economically Weaker Sections (EWS) of the society, delay in development and disposal of acquired land and regularization of unauthorized colonies and marriage palaces, non/short recovery of external developmental charges and license fee, planning and scrutiny charges, etc. that undermined the achievement of its overall objectives. Some of the significant audit findings are summarized below:

Highlights

- **Greater Mohali Area Development Authority could not provide houses to the Economically Weaker Sections of the society in spite of earmarking of 263.29 acre land and 201 flats in mega residential projects.**

  (Paragraph 2.3.6.2)

- **During 2012-16, loans of ₹ 1,694.70 crore were raised by GMADA whereas it repaid only an amount of ₹ 244.50 crore during the same period.**

  (Paragraph 2.3.7.2)

- **Greater Mohali Area Development Authority incurred/released ₹ 289.88 crore for the works which did not fall in its jurisdiction.**

  (Paragraph 2.3.7.4)

- **Change of land use charges of ₹ 67.34 crore of IT City were not deposited into Government account and ₹ 98.16 crore were adjusted against other works without concurrence of the Finance Department.**

  (Paragraph 2.3.7.5)

- **Greater Mohali Area Development Authority did not transfer the planning charges of ₹ 1.16 crore to Chief Town Planner.**

  (Paragraph 2.3.7.6 (i))

- **Piecemeal acquisition of land led to an avoidable extra expenditure of ₹ 18.40 crore.**

  (Paragraph 2.3.8.1)

- **An amount of interest of ₹ 2.18 crore was paid to the land owners due to delay in payment of enhanced compensation.**

  (Paragraph 2.3.8.2)

- **External Development Charges and License Fee of ₹ 174.57 crore from 18 developers of colonies and ₹ 230.46 crore from 13 developers of mega projects were recoverable as of August 2017.**

  (Paragraph 2.3.10.2 (i))

- **Two sewerage schemes could not be put to use due to ill planning, even after incurring an expenditure of ₹ 8.23 crore.**

  (Paragraph 2.3.11.2)

2.3.1 Introduction

The Government of Punjab (GOP) set up (August 2006) Greater Mohali Area Development Authority (GMADA) primarily to execute plans and programmes, acquire, hold and dispose of moveable and immoveable properties and execute works of external development of area under its jurisdiction.

2.3.2 Organizational set-up

Greater Mohali Area Development Authority constituted under Sub-Section 29 (i) of PRPA consists of Chairman, Chief Administrator (CA) and nine members nominated by GOP.

2.3.3 Audit objectives

The objectives of audit were to ascertain, whether:

- the master plan was implemented with adequate planning and process of acquisition of land was completed in time;
- "housing for all scheme" for the benefit of economically weaker sections of the society was implemented effectively;
- adequate funds were available for implementation of various schemes ;
- the change of land use charges, external development charges, licence fee, planning and regularization charges, scrutiny fee, composition fee, labour cess, etc. were correctly assessed and recovered in time;
- expenditure on developmental works was incurred economically, efficiently and in accordance with the provisions of PWD code; and
- adequate internal control mechanism was in place to monitor proper functioning of GMADA.

2.3.4 Audit scope and methodology

Audit covering the period 2012-17 was conducted between November 2016 and July 2017 by test check of the records maintained by GMADA. GMADA executed 70 works valuing ₹ 1724.26 crore for construction and development of residential/commercial projects during the period of audit. Audit selected all the 18 development works sanctioned/executed (100 *per cent*) on which expenditure of more than ₹ 20 crore was incurred; 13 (25 *per cent*) out of 52 sanctioned/executed works on which expenditure between ₹ one crore and ₹ 20 crore was incurred and seven land acquisition cases (28 *per cent*) out of 25 by adopting Probability Proportional to Size Without Replacement method. The records of designated planning agency i.e. Town and Country Planning Wing of Department of Housing and Urban Development (DH&UD) were also test checked.

An entry conference was held with Additional Chief Administrator (Finance and Accounts) in November 2016 and the exit conference was held in October 2017 with the Chief Administrator GMADA and replies of the Department have suitably been incorporated in the report.

2.3.5 Audit criteria

The following were the sources of audit criteria adopted for audit:

- Punjab Regional and Town Planning and Development Act, 1995;
- Policies made by Government from time to time for allotment and development of land; and
- Instructions issued by Government from time to time.

Audit findings

2.3.6 Planning

The Senior Town Planner (STP) and District Town Planner (DTP), Mohali are entrusted with preparation of Master Plan, Zonal Development Plans and sanction of maps of properties in accordance with GOP orders issued from time to time and building bye laws. Audit findings relating to planning are discussed in succeeding paragraphs.

2.3.6.1 Delay in approval of master plan

As per Section 56 to 78 of PRPA, after declaration of Local Planning Area by the State Government, the designated planning agency i.e. Chief Town Planner (CTP) would prepare and submit the master plan within a period of one year to the Board[61] for approval.

Audit observed that the State Government, between March 2006 and July 2014, notified seven areas in GMADA jurisdiction as Local Planning Areas (LPA). Master Plans of these areas were prepared and submitted by CTP, Punjab to the Board for approval with a delay of one year to three years.

GMADA stated (October 2017) that approval of the Board had been obtained for such delay in preparation of master plans. The reply was not acceptable as

[61] Punjab Regional and Town Planning and Development Board.

delay in preparation of master plans and zonal plans led to un-authorized construction in these areas.

2.3.6.2 Non-implementation of policy of providing houses

To promote the construction of houses for the economically weaker sections (EWS) of the society, GOP, DH&UD notified (November 2008) a policy for allotment of one-room/two-rooms tenements on five *per cent* land reserved in Mega/Super Mega Housing Projects approved in the State. As the scheme had failed to take off due to various reasons and majority of sites earmarked for EWS houses were not developed, the GOP again notified (December 2013) that in case of housing projects where plotted as well as flatted development was undertaken by the developer, the area reserved for EWS shall be transferred free of cost to the concerned Authority for utilizing the land for construction of houses for EWS/Low Income Group (LIG). In Group Housing Projects having area of more than five acre, the promoter shall have the option of either providing housing for EWS/LIG (10 *per cent* dwelling units) in the project in a separate block as per norms/policy[62] of the Government or paying to the Development Authority at the rate of ₹ 1,500 per square feet as EWS Fund in lieu of construction of ten *per cent* dwelling units for EWS/LIG. On the pattern of Government of India's scheme "Affordable Housing for all 2022", GOP framed (September 2015) 'Housing for all scheme' for the benefit of EWS and LIG of the State. Under this scheme, the land transferred to GMADA by developers under the EWS/LIG scheme and other suitable land belonging to GOP and local authorities were to be identified and handed over to the Executing Authorities for construction of these houses.

Audit noticed that out of 263.29 acre of land earmarked by 39 developers in their housing projects, 16 developers of 16 projects transferred 156.83 acre land to GMADA on which construction was yet to be started (November 2017), while the land measuring 106.46 acre was still to be mutated (November 2017) by 23 developers in the name of GMADA. Although 201 flats were earmarked by six private developers in their group housing schemes for EWS/LIG housing, none of the six developers had transferred any flat in the group housing schemes (March 2017). Due to non-fixing of any time frame in the policy, the scheme could not take off thereby depriving housing for the economically weaker sections of the society. However, there is no penalty clause for non-adherence to the provisions of the schemes.

GMADA stated (October 2017) that all earlier policies in this regard had been scrapped and now free houses would be provided under Punjab Shehri Awas Yojna scheme launched on 05 September 2017 to homeless SC/BC category beneficiaries only whose annual income was less than ₹ three lakh. For this purpose, a new demand survey had been completed (September 2017).

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[62] (i) One/two rooms tenements shall be constructed for EWS and LIG in 50:50 ratio in the area reserved in the concerned mega project; (ii) The maximum height shall not exceed four storey including ground floor; (iii) Ground coverage shall not exceed by 30 *per cent* of the total area; (iv) The promoter shall have to construct minimum 80 units for each acre.

Thus, due to non-implementation of policies framed by the Government from time to time, the objective of the schemes stood defeated.

2.3.7 Financial management

2.3.7.1 Budget estimate and actual receipts and expenditure

Section 52 of PRPA requires GMADA to prepare a budget in respect of the next financial year showing its estimated receipts and expenditure and to forward it to the State Government. Year-wise detail of budget estimates and actual receipts and expenditure during 2012-17 is given in **Table 2.3.1** below.

Table 2.3.1: Budget estimate and actual receipts and expenditure during 2012-17

(₹ in crore)

Year	Receipt		Expenditure		(-)Saving/ (+) Excess	Percen-tage
	Budget estimate	Actual	Budget estimate	Actual		
1	2	3	4	5	6	7
2012-13	1585.53	1136.58	1547.03	892.58	(-) 244	--
2013-14	2168.50	716.16	2103.92	1425.16	(+) 709	99.00
2014-15	2501.32	1120.22	2500.59	1302.22	(+) 182	16.24
2015-16	2278.35	1049.65	2277.95	1851.65	(+) 802	76.41
2016-17	1636.51	980.16	1636.51	1165.17	(+) 185.01	18.88

Source: Departmental figures

Above table shows that there was excess expenditure against receipts ranging between 16 and 99 *per cent* during 2012-17.

GMADA stated (October 2017) that decline in the receipts was due to recession in the real estate market.

2.3.7.2 Borrowings by GMADA

Section 51 of PRPA authorized GMADA to borrow money by way of loans or debentures or bonds or such other financial instruments from such sources, other than the State Government and on such terms and conditions as it may determine from time to time. The Principal Secretary while approving the budget estimates for 2013-14 to 2015-16 directed (between January 2015 and February 2015) that efforts be made to reduce the interest liability and to sell the vacant sites by rationalizing the prices.

For the acquisition of land for IT City, Eco City I and II and Sectors 88 and 89, GMADA raised term loans from different banks during the years 2012-16 and availed overdraft facility of ₹ 912.83 crore from the banks by mortgaging the property as a collateral security. An interest of ₹ 756.95 crore was paid on these borrowings during 2012-16 as per details given in **Table 2.3.2** below.

Table 2.3.2: Year-wise details of secured loans borrowed from different banks during 2012-16

(₹ in crore)

Year	Opening balance as on 01.04.2012	Loans raised during the year	Total	Loans repaid during the year	Closing balance	Interest paid during the year
1	**2**	**3**	**4 (2+3)**	**5**	**6 (5-4)**	**7**
2012-13	1555.63	Nil	1555.63	244.50	1311.13*	152.73
2013-14	1310.86*	709.90	2020.76	Nil	2020.76	166.92
2014-15	2020.76	181.58	2202.34	Nil	2202.34	208.38
2015-16	2202.34	803.22	3005.56	Nil	3005.56	228.92
2016-17**	--	--	--	--	--	--
Total		**1694.70**		**244.50**		**756.95**

Source: Departmental figures

* ***There was difference of ₹ 0.27 crore in the opening and closing balance for the year 2012-13 and 2013-14 due to exclusion of ₹ 0.27 crore (bank guarantee) in the opening balance of 2013-14 for which no reasons were given.***

** ***The accounts for the year 2016-17 have not been finalised (November 2017).***

As shown above, GMADA raised term loans of ₹ 1,694.70 crore during 2012-16 out of which ₹ 244.50 crore were repaid during 2012-13 leaving balance of ₹ 3,005.56 crore (including opening balance of ₹ 1,555.63 crore) to be repaid (March 2017).

There was no repayment of loan during 2013-14 to 2015-16. As a result, the debt liability of GMADA had almost doubled during 2012-16.

GMADA stated (October 2017) that receipts i.e. External Development Charges (EDC)/License Fee (LF) had been deposited in the overdraft account (ODA) and repayment of loan and interest was made from that account. However, efforts were being made to reduce the loan amount and the latest figures would be provided to audit. However, the same has not been provided to audit (November 2017).

2.3.7.3 Outstanding recovery of loan from Punjab Municipal Infrastructure Development Company

GMADA gave ₹ 20 crore (October and December 2011) loan to Punjab Municipal Infrastructure Development Company (PMIDC) for giving as grant-in-aid to various urban local bodies for various developmental works at the interest rate of six *per cent* per annum compounded quarterly. Out of ₹ 20 crore, an amount of ₹ 17.53 crore was still recoverable (March 2016). The decision to grant loan to PMIDC at the rate of six *per cent* was unjustified as GMADA was raising term loans from banks and paying interest at the rate of 9 to 10 *per cent*.

GMADA stated (October 2017) that efforts were being made to recover the outstanding amount. However, the reply was silent about disbursing the loan at the rate of six *per cent* when the GMADA was raising loan at the rate of 9 to 10 *per cent.*

2.3.7.4 Release of funds for developmental works at the behest of the Government

On the directions of the GOP, GMADA released ₹ 638.33 crore (December 2014) to various Municipal Corporations, PWD and Punjab Health Systems Corporation, etc. for execution of various developmental works. Out of this, ₹ 289.88 crore[63] were either transferred to other departments or spent on the acquisition of land for airport and conducting Agro summit which were outside the scope of GMADA. Since GMADA resorted to incremental borrowing every year to finance its operations (Paragraph 2.3.7.2), funding of activities outside its scope further increased its debt burden.

Further, in respect of the funds transferred/incurred on the works within the jurisdiction of GMADA, utilisation certificates (UCs) for ₹ 347.95 crore were not obtained from the concerned Municipal Councils to ensure that these funds were actually utilized for the purpose for which these were released.

GMADA stated (October 2017) that funds amounting to ₹ 289.88 crore were transferred for developmental works with the approval of Chairman of GMADA. It was stated that some UCs had been received and remaining would be obtained at the earliest.

2.3.7.5 Non-deposit and irregular adjustment of Change of Land Use charges

According to GOP, DH&UD notification (October 2012), all development authorities working under the Department were to deposit Change of Land Use (CLU) charges in the treasury at par with private promoters/colonizers for the development of projects/colonies.

GMADA acquired (November 2011-December 2013) 2,914 acre of land for setting up of residential urban estates in Sector 88-89, IT City (super mega industrial project), Eco City Phase-II and Medi City. But, CLU charges of ₹ 160.83 crore[64] were not deposited with the CTP for onward deposit into treasury. CTP demanded (January 2015) CLU charges in respect of above said four projects. Instead of depositing the amount with the CTP, GMADA proposed (January 2015) an adjustment of expenditure of ₹ 98.16 crore incurred on developmental works by it at the behest of the Government, which was approved by the Deputy Chief Minister being Deputy Chairman of GMADA. The CTP on receipt of the adjustment orders granted permission (March 2015 to June 2015) for three projects (₹ 53.04 crore of Sector 88-89, ₹ 40.45 crore of Eco City II and Medi City II and ₹ 4.67 crore of Social Infrastructure Fund) except IT city. The CLU charges of ₹ 67.34 crore in respect of IT city had not been deposited into Government account

63 Transferred to other departments:(i) Memorial of Baba Banda Singh Bahadur at village Chhaper Chirri-₹ 92 crore; (ii) Punjab Health Systems Corporation-₹ 15 crore; and (iii) Punjab Freedom Movement Memorial Foundation, Jalandhar ₹ 0.50 crore. Expenditure incurred itself:(i) Airport at Mohali-₹ 175.88 crore; and (ii) Agro summit-₹ 6.50 crore.

64 ₹ 53.04 crore-Sector 88-89, ₹ 67.34 crore-IT City, ₹ 24 crore-Eco City and ₹ 16.45 crore-Medi City.

(September 2017). The adjustment of CLU charges, which is Government revenue, without the concurrence of the Finance Department was irregular.

GMADA stated (October 2017) that the matter was put up to the Authority of GMADA where Principal Secretary Finance was also a member. It further stated that the CLU charges of ₹ 98.16 crore were adjusted upon the approval of Authority and approval for adjustment of CLU charges in respect of IT City had also been similarly received. The reply was not justified as concurrence of the Finance Department was required for adjustment of CLU charges.

2.3.7.6 Non-depositing of planning charges/scrutiny fee and labour cess

(i) The Board approved (April 2006) rate of ₹ 200 per acre for the preparation of Outline Master Plan and ₹ 2 per square yard for the preparation of layout plans, zonal plans, part outlay plans of various sites. Out of the collection of planning charges, 86 *per cent* was to be deposited in the State Treasury by the planning agency and 14 *per cent* retained by CTP to take care of the expenses incurred by it in discharging statutory duties assigned to it by the Board.

Audit observed that during 2012-17, CTP prepared Outline Master Plan of 58,273 hectare and layout plans, zonal plans of 2,255.48 hectare but, GMADA/PUDA did not transfer the planning charges of ₹ 8.28 crore[65] to CTP. Thus, due to retention of planning charges by GMADA, not only did the Government suffer a loss of revenue of ₹ 7.12 crore (86 *per cent* of ₹ 8.28 crore), CTP also could not get its share of ₹ 1.16 crore to take care of expenses incurred by it in discharging its statutory duties.

(ii) Government of Punjab decided (March 2005) to charge 50 *per cent* of the scrutiny fee[66] being charged by the respective development agencies for those building applications which were referred for advice to CTP and the fee so received was to be deposited in the treasury by CTP.

Audit observed that during 2012-17, CTP technically approved 26 building (both commercial and residential) plans having covered area of more than 5,000 square feet. Although, GMADA recovered (October 2013 to October 2016) ₹ 1.47 crore as scrutiny fee in 10 cases, it did not transfer ₹ 0.74 crore (50 *per cent)* to CTP for depositing the same into Government account.

GMADA stated (October 2017) that the reconciliation would be done. Final outcome was still awaited (November 2017).

(iii) Audit observed that in violation of instructions (November 2013) of Labour Commissioner for recovery of labour cess, four building plans were approved by GMADA wherein the estimated cost of construction was calculated at the rate of ₹ 750 instead of ₹ 900 per square feet as prescribed in the said instructions. It resulted in short recovery of labour cess of

[65] (58,273 hectare x 2.47x ₹ 200 and 2,255.48 x 11,959.90×₹ 2)=₹ 8.28 crore.
One hectare = 2.47 acre, one hectare=11,959.9 sq. yard.

[66] ₹ 5 per sq. feet for covered area of building and ₹ 2.50 per running feet for boundary wall.

₹ 19.88 lakh. Further, in 13 cases, labour cess of ₹ 5.24 crore[67] was short deposited by the concerned developers/promoters.

GMADA stated (October 2017) that some amount had been recovered but did not provide any details of the recovered amount (November 2017).

2.3.8 Acquisition and sale of land

Out of 25 cases of acquisition of land in which compensation of ₹ 1,255 crore was paid during the period of audit, seven cases against which compensation of ₹ 1,068 crore was paid during 2012-17 were selected and examined on the basis of Probability Proportional to Size Without Replacement method.

2.3.8.1 Avoidable expenditure on acquisition of land

Audit observed that Land Acquisition Collector acquired 79.9109 acre land between January 2013 and November 2014 for construction of two master plan roads. The acquisition was done in piecemeal manner due to various reasons[68]. The piecemeal acquisition of land resulted in avoidable extra expenditure of ₹ 18.40 crore due to subsequent enhancement in rates of land. Had the alignment of these roads been properly planned, this extra expenditure could have been avoided.

GMADA did not furnish any relevant reply.

2.3.8.2 Avoidable payment of interest

Section 28 of Land Acquisition Act, 1894 provides that if the sum which, in the opinion of the court the Collector ought to have awarded as compensation, is in excess of the sum which the Collector did award as compensation, the court may direct the Collector to pay interest on such excess at the rate of nine *per cent* per annum for the first year and 15 *per cent* per annum thereafter from the date on which the possession of the land was taken to the date of payment of such excess.

Audit observed that the Supreme Court in case of Paramjit Panag and others (122 cases) v/s State of Punjab enhanced (January 2014) the land compensation to farmers from ₹ one lakh as awarded by the Punjab and Haryana High Court to ₹ two lakh per acre. The enhanced compensation was required to be deposited by LAC, GMADA within three months from the date of the Supreme Court's decision. LAC paid (January and February 2016) the enhanced compensation of ₹ 7.90 crore in 122 cases with a delay of 22 months which resulted in avoidable payment of interest of ₹ 2.18 crore.

GMADA stated (October 2017) that the delay was due to the shortage of manpower and office procedures and further stated that it was making consistent efforts to reduce this liability in future. Thus, failure of GMADA to

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67 Calculated at the rate of ₹ 900 per sq. feet.

68 Missing *khasra* numbers (a number which is allocated to identify parts of land) falling in the alignment of the road, change in alignment of the road and requirement of land for setting up of 300 metre mix land use on both sides of the road, etc.

ensure timely compliance of Court's orders resulted in avoidable expenditure of ₹ 2.18 crore towards interest.

2.3.9 Sale and disposal of plots/commercial/institutional sites

GMADA carved out 12,080 (residential, commercial, institutional and industrial) plots during the period 2012-17, out of which 11,821 plots (98 *per cent)* were sold during the period covered under audit. Audit examined the efficacy of developing and selling these properties and the findings are as follows:

2.3.9.1 Delay in allotment/sale of booth sites

Audit observed that GMADA launched (November 2013) a scheme for auction of 247 booth sites located in Sectors 53, 56, 59, 61, 64 and 68 of Mohali, to be allotted through the sealed bid system. Out of 146 bids received, 11 bids were cancelled as the bidders had opted for more than one booth site without depositing the required earnest money. Out of remaining 135 bidders, 47 bidders were found eligible for the allotment of booth sites. However, out of 47 successful bidders, 14 bidders did not deposit 25 *per cent* of the tentative price within 30 days of publication of result as was required as per Notice Inviting Tender. Consequently, allotment letters were not issued to these 14 bidders. As of July 2017, ₹ 1.75 crore was still recoverable from 15 successful (out of 33) bidders. However, no reply regarding action taken to levy of penalty as per rules was given by GMADA. No further efforts were made by GMADA to re-auction the remaining 214 (88 *per cent*) booth sites even after four years from the launching of the scheme. Had the re-auction of the booth sites been done, it could have fetched a minimum revenue of ₹ 370.79 crore[69].

GMADA stated (October 2017) that these booth sites could not be sold due to recession in real estate market.

2.3.9.2 Slow disposal of land of IT City

GMADA acquired (December 2011) 1,686.06 acre valuing ₹ 2,849.30 crore by raising loans from banks for setting up an IT City/Knowledge Park in Sector 83, Mohali. As per the IT policy, out of total area, net area of about 400 acre (145 sites) was to be earmarked for allotment to IT industries and balance area for residential purposes, parks, etc.

Out of 1,686.06 acre, 116 acre were allotted to IT units and 177.63 acre to individual allottees for residential purposes, on which GMADA earned ₹ 573.16 crore as of October 2017. Remaining 1,392.43 acre (83 *per cent*) was yet to be disposed of (March 2017) even after six years from the launch of the project.

Further, GMADA transferred (July 2013) 40 acre land (out of 116 acre earmarked for IT units) to the Department of Electronic and Information Technology (DEIT) for setting up Electronic System Design and

69 Calculated at the minimum prevailing rates of the respective sectors.

Manufacturing (ESDM) sector. DEIT lacked expertise to develop the land before allotting or leasing plots in the proposed sector, as a result of which no further progress could be made. DEIT had not prepared (October 2017) any Detailed Project Report or action plan for setting up an ESDM sector.

On the issue of non-development of 40 acre land allotted to DEIT, GMADA stated that the matter would be taken up with the IT department.

2.3.9.3 Non-achievement of targeted allotment

Audit noticed that GMADA called (December 2011) applications for the allotment of 4,500 Purab Premium Apartments of various types in Sector 88, Mohali on free hold basis against which 1,620 applications were received. Letters of Intent were to be issued in May 2012 and the possession of apartments was to be offered by May 2015. The construction work of apartments was started in May 2013. GMADA allotted (June-July 2016) 1,079 apartments out of which possession of 793 apartments had been given as of March 2017. While 96 applicants defaulted, the remaining 190 applicants withdrew applications due to non-handing over of possession of apartments within the stipulated period. GMADA stated (October 2017) that out of 96 defaulters, 85 cases had been regularised and only 11 cases were pending. Thus, delayed start of construction and non-completion of project within the stipulated period not only resulted in non-achievement of the targeted sale of apartments but also in avoidable expenditure of ₹ 4.70 crore towards interest to 190 applicants. These 190 apartments had not been offered for sale (September 2017).

2.3.10 Mega Housing Projects developed by private promoters

2.3.10.1 Non-completion of Mega Housing Projects by private developers

As per provision laid down in Industrial Policy 2003, the time period for the implementation of Mega Housing Projects/Mega Industrial Park is three years from the date of signing of agreement between the promoters and State Government unless otherwise extended for further period of not more than one year by the Government on the request of the promoter for reasons to be recorded in writing.

Government of Punjab approved (August 2005 to June 2014) 17 projects of 5,012.03 acre for setting up mega residential projects in the jurisdiction of GMADA, against which the promoters obtained CLU of 4,312.299 acre and CTP technically approved the layout plans of 3,228.63 acre leaving balance area of 1,083.669 acre undeveloped as of March 2017. There was poor monitoring of progress of works as a result of which 14 projects (out of 17) remained incomplete[70].

[70] Targeted date of completion of 10 projects was between September 2008 and September 2009 but no targeted date of completion was available in records in remaining four projects.

The promoters attributed the delay in completion of projects to non-provision of road connectivity, electricity, water and sewerage, etc. and acquisition of land of village field paths by GMADA.

GMADA stated (October 2017) that a penalty of ₹ 10,000 per acre per year had been levied on the promoters for non-completion of their Mega Housing Projects. However, no evidence in this regard was produced to audit.

2.3.10.2 Non/short recovery of External Developmental Charges and License Fee

External Development Charges (EDC) and License Fee (LF) were to be deposited in lump sum or in installments with GMADA by the colonizers, failing which interest at the rate of 10 *per cent* (normal) and three *per cent* (penal) was chargeable.

(i) Audit observed that ₹ 174.57 crore from 18 developers of colonies and ₹ 230.46 crore from 13 developers of mega projects on account of EDC and LF were recoverable (August 2017) in spite of frequently allowing moratoriums and increasing the number of installments between June 2010 and January 2017 to recover the overdue amount.

GMADA stated (October 2017) that penal interest at the rate of three *per cent* per annum on outstanding EDC and LF would be charged from the defaulters.

(ii) Government of Punjab, DH&UD accorded (May 2003) sanction to change of land use from agriculture to educational purpose in respect of Indo-Global Education Foundation for setting up an Engineering and Architecture College in Village Abhipur (Mullanpur), District Mohali on a land measuring 39.30 acre with the condition that the applicant would get layout and building plans approved from competent authorities and pay the land use conversion charges as and when levied by the Government/concerned agency.

Audit observed that building plan of only architectural block of Indo-Global College was approved in March 2004. GMADA directed (June 2009 and August 2011) the institution to deposit various charges[71] of ₹ 3.42 crore. Without obtaining the requisite charges, GMADA sent (September 2013) the building plan of the institute to CTP for approval. DTP, Mohali observed although the institute had obtained approval of only one block, it had constructed 11 blocks without approval of GMADA. The CTP directed (January 2015) the institute to submit documentary evidence i.e. No Dues Certificate received from GMADA for EDC/CLU/LF charges so that the building plans could be approved. Meanwhile, the rates of EDC in case of educational institutions were enhanced (May 2013) from ₹ 6.67 lakh[72] to ₹ 9 lakh per acre whereas CLU charges were waived off. The institute deposited ₹ 3.42 crore as EDC, CLU charges and LF in March 2015 which were calculated by GMADA during the year 2009 and requested the CTP to approve the building plan as per regularization policy of May 2015.

[71] EDC, CLU and LF were not chargeable prior to notification of January 2008.

[72] The rates of EDC were one fourth of ₹ 26.70 lakh per acre in case of residential projects.

The building plans were actually approved in February 2016. Thus, non-recovery of EDC and LF at the applicable rates at the time of approval of building plans led to short recovery of EDC/LF charges of ₹ 52.21 lakh.

GMADA attributed the reason to recession in real estate market. The reply was not in consonance with the issue discussed in the paragraph.

2.3.11 Execution of works

GMADA executed 70 works valuing ₹ 1724.26 crore for construction and development of residential/commercial projects during the period of audit. Out of these, 31 works valuing ₹ 1500.65 crore (87.03 *per cent*) were test checked. Audit findings are discussed below:

2.3.11.1 Poor planning in implementation of water supply scheme

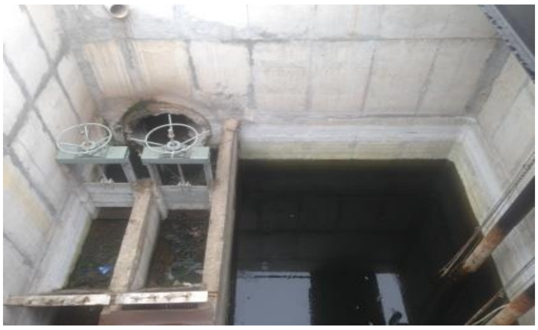
The Chief Engineer accorded (December 2010) administrative approval of ₹ 168.79 crore for augmentation of water supply scheme (Phase V and VI) from Kajauli head works to water works at Mohali for carrying 80 million gallons per day (mgd) to Chandigarh and Mohali (40 mgd each). The expenditure was to be shared equally between Chandigarh Administration and GMADA. The Detailed Notice Inviting Tender (DNIT) of the work was approved for ₹ 156.39 crore. The work was allotted (March 2012) to an agency (M/s WELSPUN Projects Limited, Baroda) at a cost of ₹ 155.88 crore with a time limit of 30 months from the date of allotment.

The work which was to be completed in August 2014 was still lying incomplete (October 2017) even after incurring an expenditure of ₹ 170.93 crore on laying of pipeline. The scheme got delayed due to non handing over/delay in handing over encumbrance free land for construction, non-obtaining of permission for removing utilities, electrical poles, trees, delay in obtaining of permission from Railway authorities, Forest Department, NHAI, etc. Non-completion of the work not only resulted in delay in augmenting supply of water to the residents of Mohali and Chandigarh but also led to lapse of warranty of machinery parts *viz.* pumps, valves, panels, etc. installed on the project.

GMADA stated (October 2017) that the present Haryana Government had agreed to release 40 mgd water to be used by Chandigarh Administration only. As regards the balance 40 mgd water for use by Mohali, no decision had yet been taken. It was thus clear from the reply that the expenditure incurred so far was not likely to yield any value in near future for Mohali, the city being serviced by GMADA.

2.3.11.2 Unfruitful expenditure on incomplete sewerage scheme

The work of designing and construction of 1.5 million litres discharge (mld) sewerage treatment plant (STP) and 4 mld capacity STP at Dera Bassi was allotted (December 2011) to M/s Hydrotech Paryavaran India Private Limited at a cost of ₹ 11.90 crore with a time limit of six months. However, work of construction of 4 mld STP could not be started due to stay orders (May 2012) of the Punjab and Haryana High Court. Construction of 1.5 mld STP also could not be started as this land was under dispute. The Municipal Committee and GMADA decided (April 2013) to shift the work of construction of 1.5 mld capacity STP to Lalru in place of Dera Bassi as the contractor had already procured machinery and equipment. An expenditure of ₹ 3.96 crore was incurred on this STP but it could not be commissioned (June 2017) due to non-construction of an outfall sewer[73], as physically verified by audit. Further, an alternative site for construction of 4 mld STP at Dera Bassi was handed over (May 2015) to the contractor. Work of this STP was still incomplete even after incurring an expenditure of ₹ 4.27 crore (June 2017) as the new site was low lying and required earth filling for protection of plant at a cost of ₹ 44.60 lakh. GMADA asked (April 2016) the Executive Officer, Nagar Council Dera Bassi to execute the earth work and provide a separate approach road to 4 mld STP from the main road. Thus, non-obtaining of encumbrance free land and ill planning in setting up of STPs led to ungainful expenditure of ₹ 8.23 crore (₹ 4.27 crore+₹ 3.96 crore) as both the STPs could not be commissioned (June 2017), as is evident from the following photographs:

STP Lalru and Dera Bassi (19.06.2017)

GMADA stated (October 2017) that the work of STP at Dera Bassi had been completed and it would be commissioned in November 2017. However, in respect of STP, Lalru, though the STP had been completed, it could not be commissioned as the households were reluctant to avail the facility of sewerage treatment for fear that Municipal Council would charge them for this.

2.3.11.3 Irregular enhancement in agreement cost of works

As per the clause 36.1 of the standard bidding document, if the final quantity of work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 *per cent* and the change exceeds one *per cent* of the contract price, the engineer shall adjust the rate to allow for the change. However, rates shall not be adjusted if thereby the initial contract price is exceeded by more than 15 *per cent*, except with the prior approval of GMADA.

[73] A pipeline to dispose of the treated water at final disposal point.

It was observed that in four works[74], against the administrative approval of ₹ 76.30 crore, estimates of ₹ 72.87 crore were prepared and these works were allotted for ₹ 68.39 crore. Thereafter, the allotted amount was enhanced to ₹ 125.26 crore against which an expenditure of ₹ 125.98 crore was incurred. The reasons for enhancement in agreement costs were execution of non-scheduled items and allotment of additional works[75] which were not included in the scope of work while preparing the estimates and calling for tenders. Audit observed that there was no practice in GMADA of preparing Detailed Project Reports (DPR) based on detailed surveys and thereafter framing of project estimates based on the DPR, as provided in PWD code. Thus, there was a lack of rigour in framing of estimates in GMADA. Though the non-scheduled items were approved by the competent authority, allotment of additional works to the contractors without calling for fresh tenders and without approval of the tender processing committee was irregular.

During exit conference (October 2017) it was stated that the matter was under vigilance inquiry.

2.3.11.4 Unjustified expenditure

The work of internal development i.e. Construction of roads, public health, electrical and horticulture services of Mullanpur Urban Estate (Eco City), New Chandigarh was allotted (July 2012) to an agency at a cost of ₹ 154.71 crore with time limit of 18 months. 32 parks were to be developed in the project area along with providing and fixing of 110 playways. The residential/ commercial plots were sold to the general public by way of draw of lots.

It was observed that as per instructions of Superintending Engineer GMADA, 59 playways were procured and fixed (December 2014) in the parks and payment of ₹ 0.36 crore for 20 playways only had been made to the contractor so far. During site visit, it was noticed that this area had not been developed and no residents/users had started residing and using this facility. As the playways were likely to deteriorate with time, their installation prior to the completion of the project and much prior to the area being inhabited, was unjustified.

GMADA stated (October 2017) that the work of installation of remaining playways had been stopped to avoid any further unjustified expenditure.

2.3.11.5 Sub-standard work

As per the clause 31.1(a) of the standard bidding document, the contractor is required to set up fully equipped field laboratory for conducting quality

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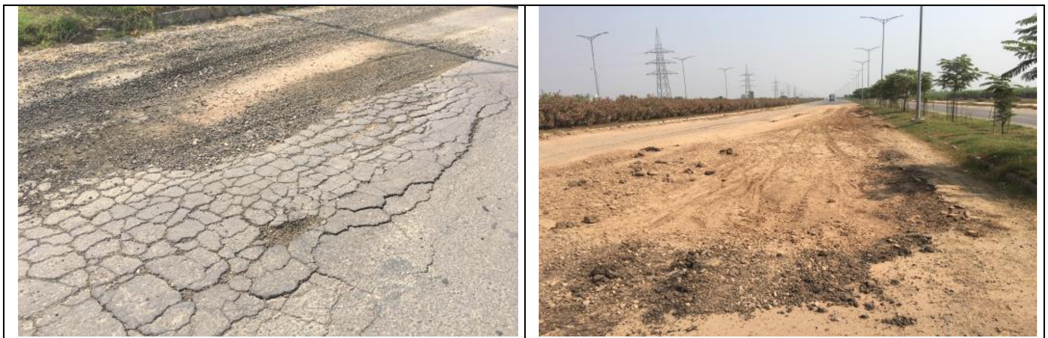
74 (i) Providing sewerage scheme in Kurali town; (ii) Golf academy and Golf range in Mohali; (iii) Construction of 200 feet wide road near Zirakpur; and (iv) Maintenance of parks/green belts in Mohali.

75 (i) Construction of additional STP at Kurali-₹ 3.73 crore; (ii) Changes in design and structure of work relating to Golf Academy-₹ 7.51 crore; (iii) Construction of railway under bridge and slip road-₹ 5.74 crore; and (iv) Maintenance of works of neighbourhood parks of Sector 56 to 71.

control tests as per relevant specifications. Records for this purpose should be maintained in the prescribed format and contractor should supply copy thereof to the engineer regularly with the bills without which no payments are to be made. Further, clause 32.1 provides that the engineer should check the contractor's work and notify the contractor of any defects that are found.

It was noticed that Chief Administrator, GMADA accorded (December 2012) administrative approval of ₹ 108.64 crore for construction of 200 feet wide road from Airport road junction to Kharar-Banur road. The estimate of the work was technically sanctioned for ₹ 95.50 crore and it was allotted (February 2013) to an agency for ₹ 92.51 crore with a stipulated time of completion of 15 months (May 2014). The road work was completed in April 2014 at a cost of ₹ 62.37 crore. Inspection of the road by the Director Projects, GMADA (November 2014) revealed that the dense bituminous macadam (DBM) laid in different reaches was showing signs of cracks/settlement. Further, as per the inspection carried out (December 2014) by the Adviser (Technical) to Chief Minister, Punjab, the DBM was provided with a bitumen content of 4.7 *per cent* against the requirement of 4.5 *per cent* as per the design of National Institute of Technical Training and Research. As per report, the higher content of bitumen was only required when the material and grading was not up to the requisite standard. This clearly implied that the DBM laid in various reaches had developed cracks and patches of DBM had been repaired at many places.

It was further observed that the contractor, instead of setting up a fully equipped laboratory as required in the bidding document, furnished the consent of another laboratory for conducting material testing on its behalf. As the inspection carried out within eight months after the completion of the work revealed major shortcomings, it was apparent that monitoring and supervision of work during its execution was ineffective, which led to execution of substandard work. The deficiencies pointed out continued to persist as shown in the photographs despite repeated repair of the road.



Photograph of Airport road junction to Kharar-Banur road as on 10 October 2017

GMADA agreed (October 2017) that the faults occurred due to inadequate supervision at the time of execution and the matter was under vigilance inquiry.

2.3.11.6 Poor planning in execution of road construction

Chief Administrator, GMADA accorded (December 2009) administrative approval of ₹ 86.63 crore for construction of 200 feet wide three-lane dual carriageway with three bridges and without service roads against the earlier plan of four-lane dual carriageway with service roads, from the Union Territory boundary upto the T-junction of Kurali-Siswan road in Mohali district.

Audit noticed that the work was allotted (September 2010) to an agency (M/s Omaxe Infrastructure and Construction Limited) at a cost of ₹ 70.43 crore, which was 14.50 *per cent* less than the DNIT, with a time limit of 12 months for road work and 16 months for bridge works. An expenditure of ₹ 52.17 crore had been incurred on the work up to March 2017. Though the earlier proposal to have service roads had been shelved, GMADA again decided to construct service roads, the work of which was allotted (May 2013) to another agency (M/s Ceigal India Limited) at the cost of ₹ 34.03 crore, which was 0.81 *per cent* less than the DNIT, with a time limit of 12 months. The cost of work was enhanced (December 2015) from ₹ 34.03 crore to ₹ 41.99 crore due to allotment of work of two underpasses on the road to the same agency without calling for fresh tenders. The work was still incomplete (September 2017) as some land required for completion of the service roads was still to be acquired and some repair work on the underpasses was still pending. An expenditure of ₹ 38.09 crore on service road and ₹ 11.68 crore on underpasses had been incurred.

The allotment of additional work of underpasses to M/s Ceigal India Limited without calling fresh tenders and without obtaining approval of the Tender Processing Committee was an undue favour to the agency. Moreover, had the requirement of service roads and underpasses been assessed at the time of initial tendering of the road work, an extra expenditure of approximately ₹ 5.58 crore could have been avoided as the rate at which the work was awarded (September 2010) to M/s Omaxe Infrastructure and Construction Limited was much lower than the rates at which the additional work was subsequently awarded (May 2013) to M/s Ceigal India Limited.

GMADA stated (October 2017) that the piecemeal execution of main road, service roads and under paths was taken as per decision taken by the concerned Minister.

2.3.11.7 Extra expenditure due to change in specifications

The work of construction of 1620 apartments of various types including sports complex, community centre, 52 booths and other sports facilities with external development alongwith maintenance for ten years was allotted (May 2013) to an agency in Sector 88, Mohali at a cost of ₹ 715.50 crore with a time limit of 27 months.

It was noticed that as per the DNIT/Estimate, mixed concrete M25 and M30 grades in foundation as well as super structure was to be used as per structural drawings. But CE, GMADA approved (May 2015) the use of self-compacting concrete in place of M25 and M30 ready mix concrete leading to an extra expenditure of ₹ 9.90 crore incurred on the work so far (November 2017) .

GMADA stated (October 2017) that specification was changed due to inadequate space for vibrator for which approval of Technical Adviser to Chief Minister had been obtained.

2.3.11.8 Ineffective clause of insurance in the agreements

As per general condition number 15 of bidding document adopted by GMADA, the contractor is required to provide insurance cover from the start date to the end of the defect liability period in the event of loss of or damage to the works, plant and materials; loss of or damage to equipment; loss of or damage to property (except the works, plant, material and equipment) and personal injury or death. If the contractor does not provide any policy or certificate as required, the employer may effect the insurance cover which the contractor was to provide and recover the premium from the payments otherwise due to the contractor.

Audit noticed that GMADA entered into 10 agreements with different agencies/contractors for execution of works of ₹ 1,566.56 crore during the period under audit. The contractors neither provided any insurance cover in the joint names of the employer and the contractor nor did GMADA effect the insurance which the contractor was to provide and recover the premium paid for such cover from the contractor.

GMADA stated (October 2017) that inclusion of insurance clause in the bidding document would be enforced in future and ongoing projects would be got insured.

2.3.11.9 Avoidable expenditure

The Chief Administrator, GMADA accorded (November 2011) administrative approval of ₹ 6.59 crore for widening and strengthening of road from Sector 58/59 (PTL Chowk[76]) to new bus stand, Sector-57, Mohali. The estimate of the work was technically approved (August 2011) for ₹ 5.32 crore. Chief Administrator, GMADA revised (December 2012) the administrative approval to ₹ 5.33 crore.

The work was allotted (November 2011) to a contractor for ₹ 5.55 crore with a time limit of six months. An expenditure of ₹ 4.26 crore was incurred upto March 2014 on this work. Further, CA, GMADA accorded (January 2014) administrative approval of another ₹ 57.22 lakh for shifting of 200 mm MS pipe line from police station to Markfed office of Sector 57, Mohali as water leakage was damaging newly strengthened road. The work was allotted (May 2015) to another agency at a cost of ₹ 37.07 lakh with a completion time of four months. CA, GMADA again accorded (February 2014) another administrative approval of ₹ 82.84 lakh for reconstruction of damaged road

[76] Punjab Tractors Limited chowk.

portion and an expenditure of ₹ 58.96 lakh was incurred on reconstruction of the road.

GMADA stated (October 2017) that extra expenditure on repair of damaged road was incurred with the approval of competent authority. The reply was not justified as had the whole work been planned properly and pipelines got shifted before widening of the road, the expenditure of ₹ 58.96 lakh could have been avoided.

2.3.12 Environmental safeguards

With a view to protect the environment, conserve soil and restrict the excavation of top soil for manufacture of bricks and prevent the dumping and disposal of fly ash discharged from coal or lignite based Thermal Power Plant (TPP) on land, Ministry of Environment and Research issued (August 2003) instructions that projects within a specified radius of 100 kms (revised to 300 kms in January 2016) from TPPs must use fly ash based products.

Audit noticed that GMADA allotted (September 2010 to March 2015) nine major developmental projects of ₹ 1,434.43 crore for setting up of new urban estates and other developmental works. In violation of *ibid* instructions issued by Ministry of Environment and Research, the Engineering wing of GMADA, except in case of development of IT City, did not include any provision in the agreements for utilisation of fly ash and fly ash products despite the fact that project sites fell within a radius of 100 kms of thermal power plants at Ropar and Rajpura.

GMADA stated (October 2017) that in most of the works, Puzzolana Portland Cement containing 40 *per cent* fly ash was used. However, provision for use of fly ash bricks would be made in the contracts.

2.3.13 Enforcing regulations

2.3.13.1 Unauthorized construction of buildings by institutes

Five institutes [77] applied for regularization of unauthorized buildings constructed in their campuses under GOP, DH&UD's policy notified in August 2016. These institutions constructed the buildings in 138.64 acre in violation of building rules without obtaining CLU of 62.23 acre. Three institutes [78] obtained CLU of 76.41 acre initially before setting up these institutions, whereas two institutes did not obtain CLU of 13.31 acre before construction of buildings. This was indicative of poor enforcement and monitoring of construction activities by GMADA. This not only resulted in loss of revenue on account of CLU charges to the Government but also endangered the safety of the students studying in these institutes as the building bye-laws such as construction of set-back and fire escape and

[77] (i) Rayat Bahra group of institutes; (ii) Chandigarh University; (iii) Mata Sahib Kaur Public School; (iv) Dashmesh Khalsa College; and (v) Chandigarh Group of Colleges.

[78] (i) Chandigarh Group of Colleges; (ii) Chandigarh University; and (iii) Rayat Bahra group of institutes.

construction of ramps and toilets for handicapped students to ensure their safety were not adhered to in the construction of these buildings.

GMADA attributed the reason to shortage of staff and stated that these institutes had to pay very heavy penalty under the compounding policy but no documentary evidence regarding levy and recovery of penalty was produced to audit. However, the fact remained that GMADA was not effective in enforcing its construction policies.

2.3.13.2 Regularization of unauthorized marriage palaces and setting up of new marriage palaces

(i) Government of Punjab, DH&UD notified (November 2012 with subsequent amendments in January 2013, November 2015 and August 2016) policy guidelines and building norms for regularization of existing marriage palaces and setting up of new marriage palaces in the State. The validity period of Change of Land Use (CLU) was two years from the date of grant of such permission and the building plan of the existing structure was required to be got approved from the competent authorities within six months after the grant of the CLU of the site.

The owners of 89 marriage palaces applied for regularization during 2012-17. Out of these, 24 applications were rejected due to non-fulfilment of the prescribed norms whereas six marriage palaces were to be regularized by the respective Municipal Corporations as these were falling in their jurisdiction. Out of 59 cases in which CLU was approved between January 2013 and December 2016, the building plans of 10 marriage palaces had not been approved so far (September 2017). Further, the CLU charges of ₹ 0.81 crore were still recoverable from 16 owners to whom CLUs were granted during January 2013 and August 2015.

(ii) As per policy guidelines (November 2012), in addition to CLU, EDC, PF and SIF, lump sum fee (₹ 1,14,500 per acre or fraction thereof) and processing fee (₹ 5,000 for first acre and ₹ 1,000 for each additional acre or fraction thereof) etc. is to be paid by the applicant for the approval of building plan of existing and new marriage palaces. This was replaced by a scrutiny fee (August 2016) which was to be levied at the rate of ₹ five per square feet of covered area of the building and ₹ 2.50 per running feet of the boundary wall. While approving the CLU, it was to be clearly mentioned in the letter that permission of CLU was not to be considered as regularization of existing structure at the site unless the building plan of the existing structure was got approved from the competent authority within six months period after the grant of CLU.

Audit noticed that although the CLU of 24 existing marriage palaces were approved between February 2013 and October 2015, but the building plans thereof were approved between November 2016 and April 2017 (delayed beyond six months of the period of CLU), which resulted in loss of revenue of ₹ 37.58 lakh to the Government due to reduction of rates w.e.f. August 2016 and violation of terms and conditions of CLU.

To both the above matters, GMADA attributed the reason to shortage of staff. The reply was not justified as delay in finalization of applications resulted in loss of revenue to the Government.

2.3.13.3 Regularization of unauthorized colonies/buildings/plots

Government of Punjab issued instructions (August 2013 and October 2014) for the regularization of unauthorized colonies/buildings.

Out of 295 applications received for regularization of colonies, No Objection Certificate (NOC) was issued to 33 colonies only (11.19 *per cent*) and 255 applications[79] were pending finalization. Further, out of 6,996 applications in respect of plots/buildings, NOC for 3,365 buildings/plots (48.10 *per cent*) was issued and 3,614 applications[80] were pending finalization.

2.3.13.4 Short realization of composition fee and non-obtaining of utilisation certificates

(i) As per Government instructions (August 2013), composition fee[81] received from the developers/plot holders for regularization of colonies and buildings is to be deposited into the Government treasury.

Audit observed that in 14 out of 33 regularized colonies, composition fee of ₹ 1.38 crore only out of ₹ 6.71 crore was collected and deposited with the concerned District Town Planners and ₹ 5.33 crore was still outstanding. Whereas, in respect of 19 remaining colonies, no amount had been received.

(ii) Further, GMADA transferred regularization charges[82] of ₹ 0.75 crore between October 2015 and January 2017 to the Department of Panchayats and Rural Development, Punjab as per instructions (October 2015) of Housing and Urban Development Department for providing basic amenities/ infrastructure in the regularized colonies. GMADA had no information regarding utilisation of these funds. In spite of reminders issued to the Executive Engineer/ Director, Department of Rural Development and Panchayats, no documentary evidence in support of utilisation of these funds was shown to audit.

Without the receipt of UCs, the utilisation of transferred funds for the purpose for which it were provided could not be ensured.

2.3.13.5 Improper monitoring leading to inordinate delay in finalization of unauthorized colonies

Audit noticed that as per DH&UD notification (August 2013), STP, Mohali, after verifying the ground realities for the regularization of unauthorized colonies by the DTPs, recommended eight colonies for regularization.

[79] Seven applications out of 295 were rejected.
[80] Seventeen applications out 6996 were rejected.
[81] The fee which is paid by the developer of an unauthorized colony for regularization of the colony.
[82] The charges paid by the plot holders/building owners of the unauthorized colonies for regularization of their properties.

Further, Estate Officer (Regulatory), in spite of recommendations (between December 2013 and June 2016) of the DTP, irregularly retained these cases, owners of which had deposited ₹ 11.82 lakh i.e. ten *per cent* composition fee charges at the time of submission of their applications. It did not issue any demand notice to the owners of these colonies to deposit the remaining charges as of October 2017. Thus, the very purpose of the policy was defeated besides causing a financial loss to the State exchequer.

GMADA stated (October 2017) that demand notices had been issued.

2.3.13.6 Non-revalidation of bank drafts towards regularization charges

Bank drafts of ₹ 5.69 lakh received from the applicants for regularisation of their properties were not encashed due to late submission and these were returned to EO (Regulatory) for revalidation. However, the whereabouts of the bank drafts were not traceable in the records.

GMADA stated that bank drafts would be traced and reconciled. Inspite of the assurance given (July 2017), GMADA failed to trace and reconcile the bank drafts (November 2017) for realization of revenue.

2.3.13.7 Non-monitoring of business of promoters and estate agents

Rule 27 of Punjab Apartments and Property Regulations Rules, 1995 provides that the Promoter/Estate Agent is to produce and submit the statement of accounts duly certified by the Chartered Accountant to the competent authority within a period of six months after the close of the financial year.

Audit observed that 248 promoters and 543 estate agents to whom certificates of registration were issued/renewed during 2012-17 for carrying out business or activities, had neither submitted the statement of accounts duly certified by the Chartered Accountant on due date after the close of financial year nor had the records and accounts of the promoters and estate agents been inspected by GMADA. This led to non-monitoring of business of real estate promoters and agents.

GMADA stated (October 2017) that with the formulation of Real Estate Regulatory Authority in June 2017, these issues would be better taken care of by a professional authority specially formulated for regulation purpose.

2.3.14 Targets and achievements of sustainable development goals

To make cities and human settlements inclusive, safe and sustainable, all development agencies should prepare and implement proposals for setting up new urban estates after these are approved by the competent/designated authority. GMADA has a policy in place for allotment of plots/houses to general public and allotment of sites for setting up of institutions, hospitals/super speciality hospitals, nursing homes, hotel sites, multiplex sites, charitable and cultural institutions, etc. However, GMADA has not surveyed the population living in slums and in formal settlements. One of the objectives of sustainable development goals is to ensure that land utilisation rate is proportional to population growth rate. However, GMADA has not undertaken any exercise to arrive at any information regarding achievement of these goals. Further, GMADA could not provide affordable/LIG/EWS housing to the weaker sections of the society in spite of provisions laid down in the Act and policies framed from time to time as discussed in paragraph 2.3.6.2.

2.3.15 Internal control mechanism

2.3.15.1 Non-conducting of internal audit

Internal Audit has been recognized as an aid to the higher management for monitoring the financial performance and effectiveness of various programs, schemes and activities. This also facilitates minimising various risks involved in carrying out various tasks related to scheme implementation.
It was noticed that no internal audit of the GMADA was conducted during the year 2012-17 by any internal and external agency. Thus, an important tool for assessing effectiveness of controls in place was overlooked.

GMADA stated (October 2017) that internal audit could not be conducted because of shortage of staff.

2.3.16 Non-production of records

Despite assurance by the ACA (F&A) during entry conference and subsequent reminders to the Chief Engineer of GMADA, the tenders of 24 out of 31 selected works were not furnished to audit. Due to non production of tenders, audit of sampled tenders could not be completed. GMADA stated (August 2017) that the relevant records were in the custody of Vigilance Department.

2.3.17 Conclusion

Greater Mohali Area Development Authority failed to provide houses to EWS of the society in spite of earmarking of 263.29 acre land and 201 flats in Mega residential projects and the provision in PRPA Act. CLU charges of ₹ 67.34 crore of IT City were not deposited into Government account. GMADA raised loan of ₹ 1694.70 crore during 2012-16 against which an amount of ₹ 244.50 crore only was repaid in 2012-13. CLU charges of ₹ 98.16 crore were adjusted against the transfer of funds to other departments at behest of the Government without concurrence of the Finance Department. The percentage share of ₹ 7.12 crore out of ₹ 8.28 crore of planning charges levied by the CTP on account of approval of zoning plans/sites plans and layout plan of GMADA were not deposited with CTP. External Development Charges and License Fee of ₹ 174.57 crore from 18 developers of colonies and ₹ 230.46 crore from 13 developers of mega projects was not recovered. Instances of releasing funds for works beyond the jurisdiction of GMADA, piecemeal acquisition of land leading to an extra expenditure of ₹ 18.40 crore and avoidable payment of interest of ₹ 2.18 crore due to delay in payment of enhanced compensation as per Hon'ble Supreme Court's directions were also noticed.

2.3.18 Recommendations

In the light of audit findings, the State Government may consider to:

(i) Direct GMADA to speed up the work of construction of houses to the EWS so that the land earmarked for construction of these houses could be utilized;

(ii) Ensure deposit of CLU charges before launching any Urban Estate and obtain concurrence of Finance Department for adjusting CLU charges against the transfer of fund;

(iii) Direct GMADA to acquire land after proper survey and issue instructions for early sale of acquired land to avoid burden of accumulated loan;

(iv) Ensure timely payment of land compensation to the land owners to avoid interest besides hardships to the land owners; and

(v) Ensure availability of land and proper selection of sites prior to execution of works.

The matter was referred to Government in July 2017; reply was awaited (November 2017).

WELFARE OF SCHEDULED CASTES AND BACKWARD CLASSES DEPARTMENT

2.4 Implementation of schemes for educational development of Scheduled Caste students

The Government of India and the State Government are implementing various schemes for promotion of education among Scheduled Caste (SC) students. Performance audit of the implementation of schemes for educational development of Scheduled Caste students for the period 2012-17 brought out lack of planning and deficiencies in both financial management and execution of programme which undermined the overall objective of the schemes. Some of the significant audit findings are summarized below:

Highlights

- **Study tour charges of ₹ 33 crore were claimed by 769 institutions for 49,422 students during the years 2013-16 against the admissible amount of ₹ 7.91 crore resulting in excess reimbursement of ₹ 25.09 crore.**

  (Paragraph 2.4.8.1 (ii) (a))

- **Book Allowance for ineligible 4,167 students amounting to ₹ 0.50 crore was claimed by 213 Nursing Colleges/Para Medical Colleges/Medical Colleges during 2013-14.**

  (Paragraph 2.4.8.1 (ii) (b))

- **Double claim of ₹ 59.12 lakh by 115 SC students and concerned institutions on account of Maintenance Allowance and fee in the same session during the years 2012-17 was noticed.**

  (Paragraph 2.4.8.1 (iv))

- **During 2012-17, ₹ 9.64 crore was claimed by 41 institutions in respect of 2,441 students at Post Matric level who had dropped out/not appeared in the examination.**

  (Paragraph 2.4.8.1 (v))

- **Sixteen Government institutions and 12 private institutions collected ₹ 5.04 crore and ₹ 3.32 crore respectively on account of examination fee/school funds/registration fee from 19,536 and 16,882 SC students during the sessions 2013-14 to 2016-17, though the amounts were also claimed from the Department.**

  (Paragraphs 2.4.8.1 (vi)(a & f))

- **Hi-Tech Polytechnic College, Bathinda claimed and was paid fee and Maintenance Allowance for 479 students on the portal against the actual 398 number of students resulting in reimbursement of ₹ 26.02 lakh out of which ₹ 15 lakh had been paid for 81 students.**

  (Paragraph 2.4.8.1 (vi) (g))

- **Financial assistance of ₹ 1.30 crore in respect of 23,049 post matric and post graduate level girl students during 2012-17 had not been claimed and disbursed by 46 institutions.**

(Paragraph 2.4.9.1 (i))

2.4.1 Introduction

Under Article 46 of the Constitution of India, the State is responsible for promoting the education and economic interests of the weaker sections of the society, particularly those belonging to Scheduled Caste (SCs). As per the census of 2011, SCs constituted 31.94 *per cent* (88.61 lakh) of the State's population (277.43 lakh). The literacy rate of SCs in the State was 64.81 *per cent* as compared to overall literacy rate of 75.84 *per cent* of the State. The Government of India and the State Government are implementing various schemes for promotion of education among SC students. The list of all the schemes being implemented in the State and their funding pattern for education of SC students are given in ***Appendix 2.4***.

The objectives of these schemes are to provide financial assistance to the SC students, increase enrolment, ensure retention of SCs in educational institutions, reduce dropout rates and increase their representation in educational and professional institutions.

2.4.2 Organizational set up

The Department of Welfare of Scheduled Castes and Backward Classes (Department) functions under the overall control and supervision of Principal Secretary to Government of Punjab. The Director, Welfare of Scheduled Castes and Backward Classes (DWSCBC) is responsible for the preparation and implementation of various schemes and is assisted by an Additional Director (AD), two Joint Directors (JDs) and three Deputy Directors (DDs) at Headquarters and 22 District Welfare Officers (DWOs) at the district level. All the schemes for SC students are implemented through the General Education, Technical Education and Research and Medical Education Departments.

2.4.3 Audit objectives

The audit was conducted to assess whether:

- proper planning was done for effective implementation of the schemes;
- allocation, release and utilisation of funds earmarked for various schemes was judicious, adequate and effective;
- implementation of education schemes for SC students was as per guidelines and was carried out in an economic, effective and efficient manner;
- scholarships were disbursed to students as per norms and within time schedule of the schemes;
- inclusive and equitable quality education and promote lifelong learning opportunities for all were ensured; and
- monitoring and internal control mechanism at various levels were effective.

2.4.4 Audit scope and methodology

Audit of the implementation of schemes related to educational development of SC students for the period 2012-17 was conducted between January and July 2017 by test checking the records of all 21 Central and State schemes ***(Appendix 2.4)*** implemented by the DWSCBC and DWOs of six[83] districts (out of 22 districts) selected by adopting the Probability Proportional to Size without Replacement method of sampling. On the basis of institutes having maximum number of SC students eligible under these schemes, two units each from primary schools, senior secondary schools, Industrial Training Institutes (ITI), private technical colleges and one unit each from Government colleges, nursing colleges and B. Ed colleges were selected and test checked in each selected district. Besides, records of Dr. Ambedkar Institute of Careers and Courses (AICC), Sahibjada Ajit Singh Nagar, Mohali, Government Mohindra College, Patiala and North-West Institute of Engineering and Technology, Dudhike (Moga) were also test checked with regard to the schemes being implemented by the Department. Entry and exit conferences were held on 24 January 2017 with Additional Director and 21 July 2017 with Director Welfare SC/BC. The replies of the Department given in the exit conference held (October 2017) with Pr. Secretary Welfare SC/BC have been suitably incorporated in the report.

2.4.5 Audit criteria

The audit criteria were derived from the following sources:

- Punjab Financial Rules;
- Annual Plans and Budget Estimates;
- Instructions/guidelines issued from time to time by Government of India and Government of Punjab; and
- Electronic data in respect of beneficiaries available with DWSCBC.

Audit findings

2.4.6 Planning

Proper planning is necessary for spreading awareness of different schemes and for ensuring correct identification of eligible SC students for these schemes. However, the Department had neither prepared any perspective plan for spreading awareness nor carried out any exercise to identify beneficiaries for implementation of these schemes. Further, there were other such schemes which were either not implemented or partially implemented as only a few students applied for scholarship under these schemes. Thus, due to lack of awareness and survey of target beneficiaries, the Department could not extend benefits of these schemes to all the eligible SC students.

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[83] (i) Bathinda; (ii) Hoshiarpur; (iii) Jalandhar; (iv) Moga; (v) Patiala; and (vi) Sri Muktsar Sahib.

The Department agreed that due to acute shortage of infrastructure, identification of eligible SC students could not be carried out. Further, due to non-release of funds, scholarship could not be provided to the students timely under the said schemes which discouraged the students to apply for scholarship under these schemes.

2.4.7 Financial management

Funds for implementation of these schemes were provided by GOI and Government of Punjab (GOP). The funding pattern between GOI and GOP during 2012-17 relating to various schemes is given in ***Appendix 2.4***.

Budget provision and expenditure incurred during the year 2012-17 is given in **Table 2.4.1** below.

Table 2.4.1: Allotment and Expenditure during 2012-17

(₹ in crore)

Year	Allotment		Released		Total			Short release		
	Central	State	Central	State	Allotment	Released	Utilized	Central	State	Total
2012-13	65.81	144.10	4.81	67.71	209.91	72.52	72.38	61.00 *(93)*	76.39 *(53)*	137.39 *(65)*
2013-14	350.12	220.44	302.09	154.03	570.56	456.12	454.80	48.03 *(14)*	66.41 *(30)*	114.44 *(20)*
2014-15	494.35	201.43	468.56	144.79	695.78	613.35	614.26	25.79 *(05)*	56.64 *(28)*	82.43 *(12)*
2015-16	354.86	239.50	141.95	168.30	594.36	310.25	310.25	212.91 *(60)*	71.20 *(30)*	284.11 *(48)*
2016-17	331.68	142.25	312.01	64.50	473.93	376.51	376.51	19.67 *(06)*	77.75 *(55)*	97.42 *(21)*
Total	**1596.82**	**947.72**	**1229.42**	**599.33**	**2544.54**	**1828.75**	**1828.20**	**367.40**	**348.39**	**715.79*(28)***

Source: As per allotment and expenditure figures furnished by DWSCBC
Figures in parentheses indicate percentage.

(a) It is seen that against the total allocation of ₹ 2,544.54 crore under various schemes, Finance Department had released ₹ 1,828.75 crore (72 *per cent*) only during 2012-17.

Audit further observed that:

- No expenditure was incurred out of ₹ 14.77 crore allocated under three Centrally/State sponsored schemes [84] despite availability of eligible beneficiaries.
- Against the budget allocation of ₹ 1,810 lakh for the years 2012-17 under two[85] State sponsored schemes, ₹ 162 lakh were released during 2012-13 and no funds were released during the period 2013-17. Thus, the very purpose of the schemes was defeated.
- Against the budget allocation of ₹ 76.76 lakh under two[86] State sponsored schemes**,** funds of ₹ 49.35 lakh only were released for two[87] years and no funds were released for three[88] years.

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[84] (i) Up-gradation of merit of SC students (CSS); (ii) Free Text Books to SC girls students studying in 10+1 and 10+2 classes (100 *per cent* State); and (iii) Free coaching to SC and other BC students (CSS).

[85] (i) Award to brilliant SC students; and (ii) Encouragement award to SC girl students for pursuing 10+2 education.

[86] (i) Award to SC sports students (6 to 12 classes); and (ii) Coaching for stenography.

[87] Funds were released for two years i.e. 2015-17 under the scheme 'Award to SC sports students' (6th to 12th classes), and for 2012-13 & 2014-15 under the scheme 'Coaching for stenography'

[88] No funds were released for three years i.e. 2012-15 under the scheme 'Award to SC sports students' (6 to 12th classes) and for 2013-14 & 2015-17 under the scheme 'Coaching for stenography'

- In respect of five[89] scholarship schemes benefit of scholarship to 25,62,696 SC students was not given in the same session during the period 2012-13 to 2015-16 and no scholarship was released for the year 2016-17 to 9,71,137 students under these schemes.

The Department replied (October 2017) that funds were not released by GOI as per proposal and State Government had also not released the allotted funds.

(b) Non-release of central assistance

As per paragraph XIII of Post Matric Scholarship (PMS) scheme, the scheme is implemented by the State Government and Union Territory Administrations, which receive 100 *per cent* central assistance from the GOI for the total expenditure under the scheme, excluding the expenditure to be met out of the committed liability[90]. The objective of the scheme was to provide financial assistance to the SC students studying at post matriculation or post secondary stage to enable them to complete their education. Financial assistance given under the scheme was not to be utilized for any other purpose.

Scrutiny of budget and expenditure of PMS scheme for the period 2012-13 to 2016-17 revealed that GOI had released funds of ₹ 280.81 crore for the year 2013-14 under the scheme but the Finance Department, Government of Punjab had released ₹ 279.77 crore only and balance amount of ₹ 1.04 crore was still lying with the State Government (October 2017).

The Department assured (October 2017) that efforts would be made to get the funds of ₹ 1.04 crore released from State Government.

Implementation of schemes

Irregularities noticed in the implementation of Central and State schemes are discussed in the following paragraphs:

2.4.8 Centrally sponsored schemes

2.4.8.1 Post Matric Scholarship scheme

The Post Matric Scholarship scheme for SC students was launched (July 2010) with the objective of providing financial assistance to SC students studying at

89 (i) Promotion of education among Educationally Backward classes; (ii) Pre-Matric Scholarship for SC students studying in Class 9th & 10th; (iii) Attendance scholarship for SC primary girl students; (iv) Post Matric scholarship scheme for SC students; and (v) Award to SC sports students (6-12th classes)

90 The level of committed liability of respective State Governments for a year is equivalent to the level of the actual expenditure incurred by them under the scheme during the terminal year of the last five year plan period and is required to be borne by the State Government.

post matriculation or post-secondary stage to enable them to complete their education. Scholarship will be paid to the students whose parents/guardians' annual income from all sources does not exceed ₹ 2.50 lakh. The scholarship includes maintenance allowance (MA), reimbursement of compulsory non-refundable fee and study tour charges, thesis typing/printing charges for research scholars, book allowances for students pursuing correspondence courses, book bank facility for specified courses and additional allowance for students with disabilities. Paragraph X (ii) of the scheme provides that if a student is found to have obtained a scholarship by false statements, his/her scholarship is to be cancelled forthwith and the amount of the scholarship already paid is to be recovered, at the discretion of the concerned State Government and the student concerned is to be blacklisted and debarred from scholarship under any scheme. Further, as per clause (iii) of the paragraph, a scholarship awarded may be cancelled if the scholar changes the subject of study for which the scholarship was originally awarded or changes the institution of study, without the prior approval of the State Government.

(i) Portal data

The DWSCBC got a web portal developed (2013-14) through National Informatics Centre (NIC) for receiving on-line scholarship applications from eligible SC students, maintaining transparency in the system and for proper maintenance of record. As per procedure, an eligible SC student applies for scholarship on the portal. The concerned institute after checking/updating the data of applications forwards it to the sanctioning authority who in turn forwards it to the implementing department. The verified data of applications is then forwarded to DWSCBC by the implementing department.

(a) Lack of validation controls

On checking of data pertaining to the scheme for the year 2014-15, the Department found that 3,433 students were shown as having taken admission in two different institutes, thereby detecting duplicate records on the portal. The Department instead of rectifying the defects in the system rejected both the records with the result that there were chances of denial of legitimate claim of a student.

During analysis of applicants data for 2015-17 by audit, the following anomalies were noticed:

- In 2,077 cases (1,054+1,023), same details i.e. applicant ID, Aadhaar number, student's name, father's name and date of birth were entered in the data.
- In 154 cases (86+68) pertaining to 77 applicants, the applicant ID was different though other particulars such as Aadhaar number, student's name, father's name, date of birth and the name of institute were identical.
- In 743 cases (415+328) pertaining to 371 applicants, the applicants ID was different though other particulars Aadhaar number, student's name, father's name and date of birth were identical. The applicants in these cases had been shown as admitted in two or more different institutes.

- In 1,534 cases (813+721) pertaining to 750 applicants, the applicant ID was different and Aadhaar number was same but one or more of other fields like student's name, father's name and date of birth were different.
- In 618 cases (294+324) pertaining to 309 (147+162) applicants, particulars such as applicant's name, father's name and date of birth were same but Aadhaar numbers were different and these applicants were shown to have taken admission in different institutes.
- In 17,147 cases pertaining to 2015-16, details of Aadhaar number were not captured and in 83 cases the number was not of the required length of twelve digits.
- In 111 cases, dummy/invalid Aadhaar numbers were captured as ("000000000000").
- In 57 cases, bank account numbers were invalid. These numbers were either Alpha numeric or captured as ("000000000000").

All the above instances were indicative of serious system deficiencies and absence of robust validation controls in the system. In the absence of these specific controls, especially on the uniqueness of Aadhaar numbers and its biometric authentication, there is no assurance on the integrity of the data in the portal as is brought out in paragraph 2.4.8.1 (iv). There were also chances of payment to two different institutes for the same applicant and multiple payments to the same applicant. In case of invalid bank account number of a student, it could not be ascertained whether the scholarship had been transferred to the student or not as the process to transfer the scholarship in these cases was not explained by the Department.

The Department stated (October 2017) that improvements in the portal were being made i.e. it had started capturing the Aadhaar of student's father/mother/ guardian from the year 2017-18.

(b) Requirement of amendment in portal of PMS scheme

As per judgment (October 2014) of the Punjab and Haryana High Court, private institutions could collect fee from the SC students and submit an undertaking that they would not claim reimbursement of fee from the Government. In such cases, fee and Maintenance Allowance (MA) would be disbursed directly to the account of beneficiary.

Test check of portal data of DWSCBC for 2015-16 and 2016-17 under the scheme revealed that information on 'whether fee was collected from the student or not' on the basis of said judgment was not being captured in the database (October 2017). Hence there was a chance of disbursement of ineligible claims of PMS.

The Department stated (October 2017) that necessary amendment would be made in the portal.

(ii) Excess claim/reimbursement of study tour charges and book allowance

(a) Paragraph V (iv) of PMS scheme guidelines provides for study tour charges up to a maximum of ₹ 1,600 per annum, limited to the actual expenditure incurred by the students of professional and technical courses provided that the head of the institution certifies that the study tour was essential for the completion of their course of study.

Audit scrutiny of applicants' data for the period from 2013-14 to 2015-16 revealed that the department had reimbursed study tour charges to 769 institutions amounting to ₹ 33 crore in respect of 49,422[91] students against the admissible amount of ₹ 7.91 crore (at the rate of ₹ 1,600 per annum). This resulted in excess reimbursement of ₹ 25.09 crore. In the selected six districts, amount of excess reimbursement was ₹ 10.28 [92] crore pertaining to 296 institutes and 20,692 students.

The Department stated (October 2017) that amount paid in excess would be adjusted during final payment for the year 2015-16.

(b) Paragraph V (vi) of PMS scheme provides that the students pursuing correspondence/distance education courses are also eligible for an annual allowance of ₹ 1200 for essential/prescribed books besides reimbursement of course fee.

Audit scrutiny of applicant data revealed that 4,167 regular students of 213 nursing colleges, para-medical colleges and medical colleges under Director, Research and Medical Education had claimed and were paid ₹ 50 lakh on account of 'Book Allowance' for the year 2013-14 in contravention of provisions of the scheme. In case of selected six districts, amount of inadmissible reimbursement was ₹ 19.76 lakh pertaining to 83 institutes and 1,647 students.

The Department stated (October 2017) that book allowance demanded/recommended for the year 2013-14 had already been paid to the institutions and same would be adjusted in the next claim.

It was, therefore, apparent that the Department had sanctioned the claims on study tour charges and 'Book Allowance' without verifying admissibility. There were no internal controls or checks in the department to prevent reimbursement against inadmissible claims.

(iii) Excess claim/reimbursement of maintenance allowance to hostellers availing free boarding/lodging facility

As per note 3 under clause (i) of para V of PMS Scheme, scholars who are entitled to free boarding and lodging are to be paid maintenance charges at 1/3rd of hosteller's rate.

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[91] 605 institutions-43,372 students in 2013-14, 14 institutions-301 students in 2014-15 and 150 institutions-5,749 students in 2015-16.

[92] Total claimed amount ₹ 13.59 crore–admissible amount ₹ 3.31 crore=excess claim ₹ 10.28 crore.

During 2014-17, six[93] Government Senior Secondary Residential Schools (GSSRS), which provided free boarding and lodging to 2,518 students, submitted claims of ₹ 98.30 lakh for Maintenance Allowance (MA) against the admissible amount of ₹ 32.77 lakh[94]. This resulted in excess claim of ₹ 65.53 lakh. Out of this amount, Maintenance Allowance of ₹ 13.08 lakh for 2014-15 had already been disbursed to the students.

The Department stated (October 2017) that recovery in such cases was difficult but directions would be issued to implementing department for further necessary action.

(iv) Double claim/reimbursement of fee and Maintenance Allowance

Analysis of electronic data in respect of beneficiaries in 17 institutions in four[95] out of six selected districts revealed that the particulars of 115 SC students *viz.* name, father's name, date of birth, etc. appeared twice in the data related to scholarship claimed by beneficiaries during 2012-17, which implied that these students as well as the concerned institutions had claimed the fee and Maintenance Allowance amounting to ₹ 59.12 lakh twice. However, out of the above, the Department had stopped the payment of ₹ 9.92 lakh for the year 2014-15 and payment of ₹ 1.28 lakh for the year 2016-17 was yet to be made.

(v) In-admissible claim of fee and Maintenance Allowance

As per paragraph X (i) of the scheme, the scholarship is payable on the satisfactory progress and conduct of the scholar and if it is reported by the Head of the Institution at any time that a scholar has failed to make satisfactory progress or has been guilty of misconduct such as resorting to or participating in strikes, irregularity in attendance without the permission of the authority concerned, etc., the authority sanctioning the scholarship may either cancel the scholarship or stop or withhold further payment for such period as it may think fit.

Test check of the records in respect of 41 institutions relating to selected six districts revealed that 2,441 post matric students had left the institute in mid-session during 2012-17. However, fee as well Maintenance Allowance of ₹ 9.64 crore had been claimed by these institutions in respect of the 2,441 students from the DWSCBC.

With regard to the above two issues/paragraphs (iv and v), the Department stated (October 2017) that they had already stopped the payment for the year 2014-15 and amounts paid on these accounts for the year 2012-14 and 2015-16 would also be adjusted while making the next payment. It further stated that no payment had been made for the year 2016-17.

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93 (i) GSSRS, Amritsar; (ii) GSSRS, Bathinda; (iii) GSSRS, Jalandhar (School shifted to Hoshiarpur in 2016-17); (iv) GSSRS, Ludhiana; (v) GSSRS, Mohali; and (vi) GSSRS, Patiala.

94 Total claimed amount for 2014-17 ₹ 98.30 lakh–total admissible amount ₹ 32.77 lakh(₹ 98.30 lakhx1/3)=₹ 65.53 lakh

95 (i) Hoshiarpur; (ii) Jalandhar; (iii) Moga; and (iv) Patiala.

(vi) Irregular collection of fee and deprival of benefits of the scheme to eligible students

Government institutions

(a) During 2013-17, 16 Government institutions of selected districts had collected examination fee/school funds/registration fee of ₹ 5.04 crore from 19,536 eligible SC students, in contravention of guidelines of scheme and Government instructions (March 2013), which provide that Government and recognized institutes are to ensure that non-refundable fee is not to be charged from the eligible SC students/candidates. Further, it was also noticed that these institutions had also claimed the said amount from the DWSCBC which was disbursed to the SC students after two years.

The Department stated (October 2017) that instructions had already been issued to the DPI (SE) (August 2015 and July 2016). However, matter would be referred to the implementing department for necessary action

(b) Test check of the records in respect of 11 Government institutions[96] under selected six districts revealed that these institutions had enrolled 11,830 SC students for two years duration courses i.e. 10+2 and Elementary Teacher Training during 2012-17 and also collected the fee/funds amounting to ₹ 147.51 lakh from these students who were otherwise eligible for scholarship under PMS scheme. Though these institutions had claimed the said amount from the DWSCBC for further reimbursement to the SC students, but the same had not been reimbursed by the Department (July 2017) for which no reasons were found on record. These students had already left the institutions (except 1st year students of 2016-17). This resulted in depriving the eligible SC students of the intended benefit of the scheme.

The Department replied (October 2017) that despite best efforts, this problem had occurred due to late and less release of funds by GOI. However, efforts would be made to make the payment timely to the concerned institutions as well as students as per availability of funds.

(c) As per paragraph (iv) of guidelines of the Scheme, scholarship was to be paid to the students whose parents'/guardians' income from all sources did not exceed ₹ 2.50 lakh per annum. It was, however, noticed that Government Girls Senior Secondary School, Bathinda denied scholarship amounting to ₹ 1.13 lakh to 31 students during 2013-16 by applying income criteria of ₹ two lakh per annum (instead of ₹ 2.50 lakh per annum) and imposing condition of minimum 55 *per cent* of marks, which was not in line with the guidelines of the Scheme. This resulted in depriving the eligible students of the benefits of the scheme.

The Department stated (October 2017) that instructions would be issued to the DPI (Schools) to follow the guidelines of the scheme properly.

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96 (i) GGSSS, Bagha Purana; (ii) GGSSS, Bathinda; (iii) GSSS, Garhshankar; (iv) GGSSS, Giddarbaha; (v) GGSSS, Railway Mandi, Hoshiarpur; (vi) GGSSS, Nehru Garden, Jalandhar; (vii) GGSSS, Moga; (viii) GGSSS, Muktsar; (ix) GGSSS, Nabha; (x) GGSSS, Phillour; and (xi) District Institute of Education and Training (DIET), Ajjowal (Hoshiarpur).

(d) An amount of ₹ 2.79 lakh was transferred to three[97] Government institutions by the DWSCBC during the year 2015-16 and 2016-17 on account of reimbursement of fee but the said amount was not disbursed to the beneficiaries till the date of audit (May-June 2017).

The Principal, District Institute of Education and Training (DIET), Hoshiarpur and Principal, GSSS (G) Giddarbaha replied (May-June 2017) that the amount could not be disbursed as the details of the beneficiaries as well as relevant year were not provided by the DWSCBC. It was further stated that the matter had been taken up (September 2016) with the Director but reply was awaited. No reply was furnished by the Principal, DIET Jalandhar.

The Department replied (October 2017) that details of students and concerned years would be sent to these institutions.

(e) As per paragraph V (i) of Scheme, Maintenance Allowance of ₹ 530 per month (day scholars) has been fixed for professional courses and post graduate courses i.e. M.A/M.Sc/M.Com.

Test check of the records in respect of Principal, Government College, Hoshiarpur revealed that Maintenance Allowance in respect of 45 students of professional and post graduate courses was claimed at the rate of ₹ 300 per month for the session 2012-13 and 2013-14 instead of ₹ 530 per month as admissible to these students under the said scheme. This resulted in denial of benefit of Maintenance Allowance to extent of ₹ 1.02 lakh.

The Department stated (October 2017) that the institution would be asked to recommend the Maintenance Allowance as per guidelines of the scheme in future.

Private institutions

(f) During 2013-17, 12 private institutions[98] in selected districts had collected ₹ 331.95 lakh on account of examination fee/admission fee/ registration fee from 16,882 eligible SC students in contravention of Government instructions (March 2013) and also claimed the said amount from the DWSCBC, which was not reimbursed to SC students.

The Department stated (October 2017) that there was no such check available to ascertain whether any kind of fee were being taken from the students or not. However, if the institutions had collected any kind of fee from the students, the same would be adjusted in the next year's claim.

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[97] (i) Principal, District Institute of Education and Training (DIET), Ajjowal (Hoshiarpur)- ₹ 2,06,679; (ii) Principal, DIET, Rampur Lallian (Jalandhar)-₹ 15,154; and (iii) Principal, GSSS (Girls), Giddarbaha- ₹ 56,718.

[98] (i) Mother Marry Institute of Nursing, Hoshiarpur; (ii) Lyallpur Khalsa College for Boys, Jalandhar; (iii) Guru Nanak Nursing Training Institute Hospital, Jalandhar; (iv) Mehar Chand Polytechnic College, Jalandhar; (v) Satyam College of Polytechnic, Jalandhar; (vi) Partabpur, ITC, Partabpura, Jalandhar; (vii) MLM School for Nursing, VPO Killi Chahal, Moga; (viii) Lala Lajpat Rai Memorial Poly College, Ajitwal; (ix) MLM Polytech College, Moga; (x) Adesh Polytechnic College, Sri Muktsar Sahib; (xi) Patiala Polytechnic College, Rakhra; and (xii) Malwa ITC, Burar Patran, Patiala.

(g) Wrong claim of fee and maintenance allowance

Analysis of portal data of scholarship for SC students for the year 2015-16 revealed that Hi-Tech Polytechnic College, Bathinda had claimed fee and maintenance allowance from DWSCBC of 479 students. Whereas the actual number of students in the college was 398 students. This resulted in wrong claim of ₹ 26.02 lakh out of which ₹ 15 lakh (58 *per cent*) for 81 students had been paid. This was also indicative of lack of diligence in scrutinizing such claims before sanctioning the reimbursements.

The Department stated (October 2017) that amount paid in excess would be adjusted while making the final payment and directions would be issued to the implementing department to initiate necessary action against the institute.

(vii) Short reimbursement of claims of Educational Institutions by DWSCBC

Test check of records in respect of 46 institutions under selected districts revealed that these institutions had provided free education to SC students under the PMS scheme and claimed an amount of ₹ 171 crore on account of fee from DWSCBC as per GOP instructions (March 2013) during the period 2012-17. However, an amount of ₹ 83 crore only was reimbursed to these institutions and balance amount of ₹ 88 crore was still pending for reimbursement.

The Department stated (October 2017) that reimbursement of claims to the Institutions could not be made due to short release of funds by Government of India. The liability would be cleared as and when the funds were received.

2.4.8.2 Pre-matric scholarship scheme

The Pre Matric Scholarship scheme for SC students was launched (July 2012) with the objective of providing financial support to parents of SC children studying in classes IX and X so that the incidence of drop-out, especially in the transition from the elementary to the secondary stage is minimized and to improve participation of SC children in classes IX and X, so that they have a better chance of progressing to the post-matric stage of education. Under this scheme, scholarship of ₹ 2,250 per annum is to be paid to students whose parents/guardians’ income from all sources does not exceed ₹ 2 lakh per annum and fulfill the other eligibility conditions.

(i) In-admissible claim of scholarship in respect of dropped out SC students

As per condition 4(iv) of the scheme, a student is eligible for this scholarship if she/he is regular, full time student in a Government school or in a school recognized by the Government or by a Central/State Board of Secondary Education.

During the session 2012-13 to 2016-17, seven[99] Government Senior Secondary Schools in five out of six selected districts claimed and paid scholarship amounting to ₹ 8.59 lakh to 385 students of 9th and 10th class who did not appear in the annual examination or had left the school during the session and were thus not eligible for this scholarship.

The Department stated (October 2017) that the matter had been referred to the implementing department for initiating suitable action.

(ii) In-admissible claim/payment of scholarship in respect of re-appeared SC students

As per condition 4(v) of the scheme, scholarship for study in any class is to be awarded for only one year and if a student repeats the same class, he/she will not be entitled for scholarship.

Test check of the records of Principal, Government Senior Secondary School (Girls), Gidderbaha, revealed that there were 15 students who failed in 9th (10 students) and 10th class (5 students) during the sessions 2013-14 and 2014-15 and got admission again in the same class during 2014-15 and 2015-16, respectively. However, the school authorities claimed ₹ 33,750 for the said sessions against the guidelines of the scheme. This resulted in irregular payment of ₹ 33,750.

The Department stated (October 2017) that the matter had been referred to the implementing department for initiating suitable action.

2.4.8.3 Irregular utilisation of Central assistance under Pre-matric scholarship for children whose parents are engaged in unclean occupations

Pre-matric scholarship for children whose parents are engaged in unclean occupations was launched with effect from 01 July 2011, which provides that Scholarship will be admissible to the children/wards of Indian Nationals whose parents are presently engaged in manual scavenging, tanning and/or flaying and waste picking/collecting. Full central assistance is provided by the GOI for the total expenditure under the scheme over and above the respective committed liability of State Government/U.T.

(i) DWSCBC had utilised the Central funds of ₹ 33.21 lakh (₹ 12.74 lakh +₹ 20.47 lakh) in 2012-13 and 2014-15 to clear the backlog of 2010-11, 2011-12 and 2013-14 which was required to be cleared from the committed liability of State Government of ₹ 64.56 lakh per annum.

The Department stated (October 2017) that the funds of GOI were utilized due to non-release of funds by the State Government against committed liability.

[99] (i) GGSSS, Bathinda; (ii) GGSSS, Giddarbaha; (iii) GGSSS, Nehru Garden, Jalandhar; (iv) GGSSS, Moga; (v) GGSSS, Sri Muktsar Sahib; (vi) GSSS (B), Nabha; and (vii) GGSSS, Phillour.

(ii) Out of financial assistance of ₹ 156.35 lakh released by GOI prior to 2011-12, ₹ 77.69 lakh were lying unutilized with the State Government despite pending claims of ₹ 1.91 crore in respect of 10,322 beneficiaries for 2016-17 (March 2017).

The Department replied (October 2017) that the balance amount of Central funds of ₹ 77.69 lakh lying with Government of Punjab would be utilized shortly.

2.4.8.4 Scheme for setting up of Institute for training in stenography to SC students

A centrally sponsored scheme for setting up of an institute of training in typing and stenography was launched during 1987-88 with the objective of skill development of Below Poverty Line (BPL) SC candidates to help them get employment opportunities.

Dr. Ambedkar Institute of Careers and Courses, Mohali, under the administration of DWSCBC was providing training in typing and shorthand in English/Punjabi to the SC candidates under the said scheme. During 2012-16, out of 298 candidates trained, only 32 candidates (10.74 *per cent*) had passed the examination conducted by the Language Department. This showed the poor performance of the institute despite incurring an expenditure of ₹ 20.45 lakh as financial assistance to the beneficiaries.

The Principal stated (February 2017) that poor performance of the scheme was due to weak background of beneficiaries as they belonged to the rural areas and most of them were lacking communication skills and proficiency in language. The reply was not convincing as trainings should have been designed keeping in view the background of the candidates as the whole objective of the scheme was to provide better opportunities to the candidates from such background.

The Department also stated (October 2017) that necessary steps would be taken for improvement.

2.4.8.5 Setting up of institutions for pre examination

A centrally sponsored scheme of coaching and allied assistance for weaker sections of the society like Scheduled Castes, Other Backward Classes and Minorities having family income of below ₹ one lakh per annum was launched in September 2001. The purpose of the scheme was to assist the weaker sections of the society to enhance their skill and abilities for overall development.

(i) Short achievement of targets

During test check of records in the office of Principal, AICC Mohali, it was noticed that the institute had enrolled 739 trainees for coaching under various competitive examinations against the target of 1,200 during the years 2012-17.

Shortfall in enrolment ranged from 10 to 54 *per cent* as detailed in **Table 2.4.2** below.

Table 2.4.2: Detail of enrolment of students

Year	Target	Achievement (enrolment)	Shortage in percentage
2012-13	240	215	10.42
2013-14	240	136	43.33
2014-15	240	122	49.17
2015-16	240	156	35.00
2016-17	240	110	54.17
Total	**1200**	**739**	**38.42**

Source: Departmental data

The AICC stated that the low enrolment was due to the criteria of low income of the parents of the candidates and their consequent lack of awareness.

The Department stated (October 2017) that the criteria of family income had been revised and students whose parents' income was up to ₹ three lakh were also eligible and this would help to improve the enrolment.

(ii) Poor performance of the scheme

Scrutiny revealed that the said institute provided coaching to candidates for recruitment to Group 'A' and 'B' under the Central and State Governments, Public Sector Undertakings, banks as well as private sector. During 2012-17, coaching had been provided to 699[100] candidates under all the courses out of which only 93 candidates (13.30 *per cent*) were successful. Further, out of 699, 301 candidates who received coaching for appearing in Punjab Civil Service (PCS) and Indian Administrative Service (IAS) preliminary examinations, only eight candidates (2.66 *per cent*) had qualified the said examinations. This showed that performance of scheme was not satisfactory and more efforts were required to improve the quality of coaching being imparted.

The Department stated (October 2017) that necessary steps would be taken for improvement.

2.4.9 State schemes

2.4.9.1 Non-claiming/providing of financial assistance to SC girl students studying in post matric and post graduate classes

The scheme 'Special grant to SC girl students studying in post-matric and post graduate classes' was started by the State Government in 1980-81. From the year 2012-13, under this scheme, financial assistance at the rate of ₹ 50 and ₹ 60 per month is given to students studying in post-matric and post-graduate classes respectively whose parents/guardians' income does not exceed ₹ 60,965 per annum. This grant is in addition to Post-Matric Scholarship.

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[100] Total enrolment was 739 during 2012-17 and training of 40 students was under process as on 31 March 2017.

(i) During scrutiny of scholarship records in respect of 46 institutions under six selected districts, it was noticed that 23,049 SC girl students who were studying in these institutions at post matric and post graduate level during the period 2012-17 were eligible to get financial assistance of ₹ 1.30 crore under the said scheme but neither were these students asked to apply nor was the financial assistance claimed by the institutions. This resulted in depriving the eligible students of the intended benefits of scheme.

The Department stated (October 2017) that wide publicity would be done for increasing awareness among the candidates as well as institutions to apply for scholarship under the scheme.

(ii) During scrutiny of scholarship records in respect of five [101] Government Senior Secondary Schools under four districts for the years 2012-17, it was noticed that 2,965 SC girls students studying in 10+1 and 10+2 classes had applied for scholarship under the said scheme during the years 2012-13 to 2014-15 and their applications were also recommended and forwarded to DWSCBC by these institutions However, no scholarship was paid to these students under this scheme by the DWSCBC for which no reasons were found on record. This resulted in deprival of financial assistance of ₹ 16.43 lakh to SC girl students. Audit was informed by the Principal, GGSSS, Nabha (March 2017) that they faced problems in uploading the scholarship applications on to the portal in respect of eligible students during the years 2015-16 and 2016-17. Audit noted that even in respect of the applications for the years 2012-13 and 2013-14 which had been uploaded, no action to release the scholarship had been taken by DWSCBC.

The Department stated (October 2017) that this was due to non-release of funds by the Finance Department.

2.4.9.2 Non-refund of examination fee

Under a scheme 'Promotion of Education among educationally backward classes', the examination fee of SC students whose parents' annual income is less than ₹ 50,000 is required to be refunded by DWSCBC to the Punjab School Education Board (PSEB).

Test check of the records of DWSCBC revealed that an amount of ₹ 34.71 crore on account of examination fee of 10th class for the period from 1990-91 to 2016-17 was payable to PSEB by the DWSCBC as of 31 March 2017 in respect of eligible SC students. Non-payment of the due amount to PSEB resulted in un-discharged liability to that extent against the Department.

The Department stated (October 2017) that a proposal amounting to ₹ 34.71 crore had been sent to Finance Department (FD) during the year 2017-18, which was under consideration of the FD.

[101] (i) GGSSS, Nabha (Patiala); (ii) GGSSS Nehru Garden, Jalandhar; (iii) GSSS, Garhshankar (Hoshiarpur); (iv) GGSSS, Hoshiarpur; and (v) GGSSS, Bathinda.

2.4.9.3 Unfruitful expenditure on scholarships in New Courses/ vocational training in Industrial Training Institutes for SC students

New courses/vocational trainings in Industrial Training Institutes (ITIs) for SC students were started in the year 2008-09. The objective of the scheme was to provide skill development/vocational training to youth possessing certain minimum qualifications in National/State Council for vocational training (NCVT/SCVT) approved trades to the SC youth. Duration of these trades/courses ranged between one year to two years and during training, a scholarship of ₹ 750 per month per student was to be provided to the respective institute for further disbursement.

Test check of records of Government ITI (B) Patiala and ITI (B) Hoshiarpur revealed that during the years 2012-16, 167 students who got admission under the said scheme had left the institute after short period without completion of course/training but an amount of ₹ 5.78 lakh on account of scholarship for the period of attendance of these students was claimed and paid to these students by the institutions.

The Department stated (October 2017) that the matter had been referred to implementing department for initiating suitable action.

2.4.9.4 In-admissible claim/payment of attendance scholarship to SC primary girl students

The scheme, 'Attendance Scholarship to SC primary girl students' was introduced from the year 2008-09 under State Plan Sector. Under this scheme, the attendance scholarship at the rate of ₹ 50 per month for 10 months in a year is awarded to those SC girls studying in primary classes subject to the condition that their parents do not have more than five acre of land and are not income tax payees. A minimum of 75 *per cent* class attendance is required for becoming eligible for award of scholarship.

During test check of attendance records of 12 primary schools[102] in six selected districts for the period 2012-17, it was noticed that scholarship of ₹ 9.48 lakh was claimed by the concerned schools and paid (up to the year 2015-16) by the DWSCBC to 1976 girl students whose attendance was below 75 *per cent.*

The Department stated (October 2017) that the matter had been referred to implementing department for initiating suitable action.

2.4.10 Other points of interest

2.4.10.1 Sustainable Development Goals

Test check of enrolment data for the period 2012-13 to 2016-17 in respect of 53 Educational Institutions at Primary, Upper Primary, Sr. Secondary &

[102] (i) GPS, Kot Samir (Bathinda); (ii) GPS, Sanjay Nagar (Bathinda); (iii) GPS, Chhangla (Hoshiarpur); (iv) GPS, Puriharan (Hoshiarpur); (v) Shiv Devi Primary School, Jalandhar; (vi) GPS, Bilga (Jalandhar); (vii) GPS, Butter (Moga); (viii) GPS, Chirik (Moga); (ix) GPS, Krishna Basti (Samana); (x) GPS, Marouri (Patiala); (xi) GPS, West-2 Malout; and (xii) GPS, Abul Khurana (Muktsar).

Technical/Professional courses level covered in audit under various schemes revealed the numbers of SC students enrolled in Class I to Class VIII, 10+1/10+2, and Technical/professional level which is given in **Table 2.4.3** below.

Table 2.4.3: Details of SC students enrolled in Class I to VIII, 10+1/10+2 and Technical/professional level

Class	Total number of SC students enrolled in various institutions with percentage (Base year as 2012-13)									Decline/ increase in percentage with base year 2012-13
	2012-13	2013-14		2014-15		2015-16		2016-17		
	No. of students (percentage)	No. of students	Per-centage	No. of students	Percen-tage	No. of students	Percen-tage	No. of students	Percen-tage	
1 to 5	1539 (100)	1463	95	1377	89	1415	92	1291	84	-16
6 to 8	1266 (100)	1242	98	1180	93	1181	93	1203	95	-5
10+1/10+2	2260(100)	2625	116	2634	117	2461	109	2576	114	+14
Technical/ Professional education	3850 (100)	5715	148	7605	198	8676	225	7938	206	+106

Source: Departmental data

The above table showed that the percentage of enrolment of SC students in the case of primary & upper primary level declined by 16 *per cent* and five *per cent* respectively in the year 2016-17 as compared to 2012-13 which reflected that the objective of the schemes to increase enrolment was not achieved.

The Department accepted (July 2017) the audit observations and stated that necessary steps will be taken to improve enrolment at primary and upper primary levels.

The table also showed that the percentage enrolment of SC students in the case of Higher Secondary and Technical/Professional courses increased by 14 *per cent* and 106 *per cent* respectively during the year 2016-17 in comparison to the year 2012-13 which reflected a positive trend of enrolment.

2.4.11 Internal control and monitoring

Audit observed that no separate Internal Audit Wing was set up in DWSCBC to conduct internal audit of field offices. The Department had not developed any system of monitoring and evaluation. As a result, it was unaware of the irregularities discussed in the preceding paragraphs.

The Department stated (October 2017) that action was already under way for evolving an effective monitoring mechanism within the Department.

2.4.12 Conclusion

The Department had not prepared any Perspective or Annual Plan for implementation of the schemes. Implementation of schemes suffered due to under utilisation as well as delayed release of grants. There were serious gaps in implementation of the schemes as a result of which reimbursement of fee as well as scholarships were made to ineligible students. Due to lack of adequate publicity, there was lack of awareness amongst the target population resulting in a large number of students remaining deprived of scholarship benefits. Monitoring of the schemes was poor and no evaluation of the schemes was conducted to assess their impact.

2.4.13 Recommendations

In the light of audit findings, the State Government may consider the following:

(i) Take immediate steps to carry out a survey of all eligible beneficiaries and update the database with valid details;

(ii) Ensure allocation and timely release of adequate funds so that scholarships can be disbursed on time;

(iii) Ensure integrity of applicants data by introducing strong validation controls in the system;

(iv) Widely publicize schemes for creating awareness among potential beneficiaries;

(v) Institute a robust mechanism for verification of applicants' data for ensuring the scholarships are disbursed only to eligible students;

(vi) Set up an internal audit wing and evolve an effective monitoring mechanism to monitor the financial activities of the Department at headquarters and district levels to ensure proper implementation of schemes; and

(vii) Institute a system of undertaking effective impact assessment studies of different scholarship schemes periodically.

The matter was referred to Government in August 2017; reply was awaited (November 2017).