

PREFACE

This Report for the year ended March 2017 has been prepared for submission to the Governor of Uttar Pradesh under Article 151 of the Constitution of India.

The Report contains significant results of the compliance audit of the Departments of the Government of Uttar Pradesh under the General and Social Sector Services. The instances mentioned in this Report are those, which came to notice in the course of test-audit for the period 2016-17 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2016-17 have also been included, wherever necessary, giving updated position. The audit observations contained in this report are based on a limited test-check. The State Government is required to review the functioning of all departments to ensure that similar instances do not exist.

Section 18 (1) (b) of the Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 stipulates that the C&AG has the authority to requisition any accounts, books and other documents which deal with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extends. This provision has been further amplified by Regulation 181 of the Regulation on Audit and Accounts 2007 which stipulates that every department or entity shall establish and implement a mechanism to ensure that data information and documents that are required by audit are made available to it in time.

Despite such clear provisions, instances of non-production of records to audit are many. These restrict audit effectiveness. Though such instances are brought to the notice of the authorities on each occasion, follow up by the authorities concerned have not been uniformly swift and effective.

During audit of 10 Schemes for the Audit Report 2016- 2017 (IT Audit on NREGASoft - Rural Development Department, Activities of Sports department, National Food Security Mission -Agriculture Department, Working of Registrars of Births and Deaths - Medical Health & Family Welfare Department, Execution of Gomti riverfront development project - Irrigation and Water Resources Department, Activities of Technical Education department, Functioning of Jails - Prisons Administration and Reform Services Department, Accelerated Irrigation Benefit Programme - Irrigation and Water Resources Department, Implementation of Adarsh Nagar Yojana for Small and Medium Towns - Urban Development Department and Rejuvenation of River Ganga - Panchayati Raj Department), 108 units out of 455 did not produce essential records requisitioned by Audit.

Non-production of records severely limits the exercise of CAG's constitutional mandate and may result in lack of accountability by State Government functionaries and lead to

concealment of fraud, misappropriation, embezzlement etc. The State Government is urged to take appropriate action including flagging of individual instances of non-production of records from a vigilance angle and initiation of disciplinary action against the concerned officials.

Out of 4,046 audit memos issued in respect of seven schemes audited during 2016-17 (IT Audit on NREGASoft, Activities of Sports department, Activities of Technical Education department, Functioning of Jails, Execution of Gomti riverfront development project, Accelerated Irrigation Benefit Programme and Implementation of Adarsh Nagar Yojana for Small and Medium Towns), replies were not received for 787 audit memos and partial replies were received in respect of 164 audit memos by the respective officers in charge.

In respect of compliance audit paragraphs forwarded to the concerned Administrative Secretaries, replies were not received in respect of 11 cases (Irrigation department – 09, Revenue department – 01 and Panchayati Raj department – 01).

This Report is structured in two Chapters.

Chapter-1 is an introduction, also giving details of the auditee profile and the response of Government and auditee units to audit of schemes and compliance audit paragraphs and action taken on earlier Audit Reports.

Chapter-2 is on the compliance audit of Gomti Riverfront Development Project, National Food Security Mission and working of Registrars of Births and Deaths and also includes seven transaction audit paragraphs. Serious irregularities in the award of contracts (₹ 1,525.28 crore) in Gomti riverfront development project are included in this chapter.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.