Report of the Comptroller and Auditor General of India

on

Social, General and Economic Sectors

(Non-Public Sector Undertakings)

for the year ended 31 March 2013

The Report has been laid on the table of the Parliament house on 01-08-2014

Government of National Capital Territory of Delhi

Report No. 2 of the year 2014

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PREFACE

This Report of the Comptroller and Auditor General of India has been prepared for submission to the Lieutenant Governor of the National Capital Territory of Delhi under Article 151(2) of the Constitution of India for being laid before the State Legislature.

The Report for the year ended 31 March 2013 contains significant results of the performance audit, compliance audit and Information Technology audit of the departments of the Government of National Capital Territory of Delhi under the Social, General and Economic Sectors (Non-Public Sector Undertakings).

The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2012-13 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2012-13 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued (March 2002) by the Comptroller and Auditor General of India.

Overview

OVERVIEW

This Report contains five Performance audits on Delhi Urban Shelter Improvement Board, Directorate of Training and Technical Education, Maintenance Zones of the Public Works Department, Flood Control and Drainage System and one Information Technology audit on Computerization of PAO functions and preparation of Appropriation and Finance Accounts of GNCTD and 10 paragraphs involving ₹ 321.34 crore relating to excess/wasteful/unfruitful/infructuous/avoidable expenditure, idle investment, blocking of funds etc. Some of the major findings are mentioned below:

PERFORMANCE AUDIT

Delhi Urban Shelter Improvement Board

- The Board did not form the Urban Shelter Consultative Committee and *Basti Vikas Samitis* and did not initiate any new housing scheme for relocation of residents of *Jhuggi Jhopri Bastis*.

  (Paragraph 2.1.2)

- The Board had neither prepared any long term perspective plan nor annual plan.

  (Paragraph 2.1.3)

- The roads and drainages in the *JJ Bastis* were in dilapidated condition. The Board failed to provide even basic facility of public toilets.

  (Paragraph 2.1.4.1 & 2.1.4.2)

- Irregularities were noticed in award of contract for running and management of night shelters.

  (Paragraph 2.1.5)

- The Board did not have a complete and reliable record of its properties. ₹ 232.10 crore was outstanding to be recovered from allottees of its properties.

  (Paragraph 2.1.6.2)

Directorate of Training and Technical Education

- There was saving in plan expenditure which increased from ₹ 2.21 crore (7.43 *per cent*) in 2008-09 to ₹ 21.41 crore (30.58 *per cent*) in 2012-13.

  (Paragraph 2.2.2)

- The dropout rate of students ranged from 16 to 23 *per cent* during 2008-12.

  (Paragraph 2.2.3)

- In ITIs, 292 out of 1140 sanctioned posts were vacant. In Polytechnics, 309 out of 1080 technical posts were vacant. Eight out of nine posts of Principals and 21 posts out of 25 sanctioned posts of Head of the Department were vacant. Vacancies in Craft Instructors and Group Instructors posts (upto 31 and 62 *per cent* respectively) were high.

(Paragraphs 2.2.4 & 2.2.4.1)

- The ITIs were found deficient in required tools and equipment as compared to 'Standard Tool List' prescribed by the NCVT.

(Paragraph 2.2.5.2)

- New trades and additional 106 new units (with intake capacity of 2236) in existing trades were introduced in academic session 2011-12, without ensuring necessary infrastructure and faculty members. None of the trades introduced under CoE could be affiliated with the NCVT.

(Paragraphs 2.2.7.4, 2.2.7.2 & 2.2.10.1)

- Only one inspection each in two ITIs against 170 targeted inspections of 17 ITIs was done by the Director during 2008-13.

(Paragraph 2.2.7.3)

Working of Maintenance Zones of Public Works Department, GNCTD

- The figures of budget allotment and actual expenditure of E-in-C office were not reconciled with those of Pay and Accounts office.

(Paragraph 2.3.2.1)

- Department adopted either DSR 2012 plus eight per cent or DSR 2012 minus 12 *per cent* plus eight *per cent* instead of DSR 2012 minus 12 *per cent* as per instruction of Finance Department which resulted in inflating the estimated cost in 75 works by ₹ 58.72 crore.

(Paragraph 2.3.3.1)

- Tenders of ₹ 3.72 crore included inadmissible element of VAT, EPF and ESI in the justification cost.

(Paragraph 2.3.4.2)

- Inaccurate assessment of quantities in preparation of estimates resulted in cost overrun in 107 works amounting to ₹ 17.73 crore.

(Paragraph 2.3.5.7)

Flood Control and Drainage System in Delhi

- Delhi is yet to have a dedicated Master Plan on Sewage Rehabilitation. Sewage from 46 per cent of the population including that of unauthorised colonies flows into storm water drains. The concerned agencies did not assess the impact of sewage flowing into storm water drains.

(Paragraphs 2.4.3.2 & 2.4.7(a))

- After 2004, Irrigation and Flood Control Department (IFCD) did not carry out regular topographical survey of river Yamuna to ascertain changes in annual features of river bed due to monsoons.

(Paragraph 2.4.3.4(a))

- The preparation of agencies for monsoon was deficient as de-silting and other maintenance works were not completed before the onset of monsoon. No adequate mechanism was in place to identify vulnerable locations to water logging. Repeated water logging was observed in existing locations in spite of assurance to prevent the same.

(Paragraph 2.4.4)

- IFCD did not propose any new work till May 2011, even after Yamuna breached danger levels in 2008, 2009 and 2010. De-silting of drains and dumping of removed silts in authorized locations were not ensured.

(Paragraphs 2.4.4.5, 2.4.4.1 & 2.4.4.2)

Information Technology audit on Computerization of PAO functions and preparation of Appropriation and Finance Accounts of GNCTD

- COMPACT PAO 2000 was adopted for accounting functions of PAOs of GNCTD without a feasibility study and an archaic system continued where significant functions of accounting continued to be performed manually.

(Paragraph 2.5.7.1)

- CONTACT SOFTWARE did not have facility for budget and expenditure control. Preparation of Appropriation and Finance Accounts from CONTACT data was manual. No common interface amongst key stakeholders existed for collection, presentation and utilization of key financial information on a real time basis, resulting in delays in the decision making process.

(Paragraph 2.5.7.1)

- In the absence of User Manuals, Operational Manuals and System Manuals and general lack of trained staff, the COMPACT could not be utilised optimally. PAOs relied more on their manual records or the data of compilation available on MS-Excel for MIS purposes.

(Paragraphs 2.5.7.3 and 2.5.7.4)

- Department did not have any Disaster Recovery Plan indicating frequency of taking back up of data, its location of storage and restoration.

(Paragraph 2.5.7.7)

- Data analysis showed cases of data inconsistencies which indicated the extent of reliability of the data.

(Paragraph 2.5.8.1)

COMPLIANCE AUDIT

Registrar of Co-operative Societies, Government of NCT of Delhi

Registrar did not maintain year wise details of Registered Co-operative Societies. No action was initiated against societies which failed to submit their audited accounts, to contribute to the Cooperative Education Fund, to hold annual general meeting, to file annual return, to hold elections etc. No recovery of outstanding loans and investment in share capital of societies was ensured. The financial management of SEEF Fund was found to be poor.

(***Paragraph 3.1***)

Fire Safety Arrangements in Delhi Government Hospitals

Eight out of 37 Government hospitals in Delhi do not have No Objection Certificates issued by Department of Fire Services as of December 2013. Non-functioning of fire fighting systems and improper use of basements were noticed. In selected hospitals, neither training for staff on fire safety nor mock fire drills with the help of DFS, were conducted.

(***Paragraph 3.2***)

Excess payment of ₹ 7.28 crore to Delhi Jal Board

In spite of incurring an expenditure of ₹ 2.61 crore on installation of Water Harvesting System (WHS)/ Water Treatment Plant (WTP), Delhi Government hospitals failed to avail the rebate of 15 *per cent* on their water bills amounting to ₹ 7.28 crore.

(***Paragraph 3.3***)

Lok Nayak Hospital

Blockade of funds amounting to ₹ 20.66 crore on construction of Orthopaedic Block and procurement of related equipment without putting them to use.

(***Paragraph 3.4***)

Blockade of funds and wasteful expenditure

Blockade of funds of ₹ 191.80 crore and wasteful expenditure of ₹ 80.20 lakh on construction and operationalisation of two super speciality hospitals in West and East Delhi, which are not fully functional.

(Paragraph 3.5)

Delhi Subordinate Services Selection Board

The Board did not prepare annual plans and fix targets of recruitment. Large number of requisitions were pending for finalisation for recruitment. The Board did not finalise even a single requisition within prescribed period of 180 days from the date of its receipt.

(***Paragraph 3.8***)

Community Halls maintained by the Municipal Corporation of Delhi

Basic amenities and facilities such as drinking water, sanitation, drainage and sewerage, electric fittings etc. were absent or of sub-standard quality in CHs. Parking facilities, kitchen facilities and fire safety arrangements were not up to the mark. Monitoring of functioning of the CHs was not effective. The occupancy of CHs was sub-optimal.

(***Paragraph 3.9***)

Regularization of Unauthorized Colonies in Delhi

Certain changes were made by MoUD in the Guidelines which were not in accordance with revisions approved by the Union Cabinet, on the basis of which Regulations 2008 were framed. The Regulations 2008 after amendments made thereto in June 2008 and June 2012 deviated from the Guidelines approved by the Union Cabinet for regularization of unauthorized colonies in Delhi. Issue of Provisional Regularization Certificates was not envisaged in the Guidelines. Several discrepancies were found in fixation of boundaries by GNCTD. Boundaries were fixed without verification of *khasras* by the Revenue Department resulting in allotment of excess *khasras* to RWAs. Prohibited areas, DDA hindrances, overlapping of boundaries etc were not considered during boundary fixation in contravention of amended Regulations. The Urban Development Department, GNCTD has failed to provide basic services like sewer lines, water lines, roads and drainage to all the 895 unauthorized colonies despite incurring an expenditure of ₹ 3029.21crore up to March 2013.

(***Paragraph 3.10***)

Chapter-I
Introduction

CHAPTER-I
INTRODUCTION

1.1 Budget profile

There are 66 departments and 73 Autonomous Bodies in the NCT of Delhi. The position of budget estimates and actuals there against by the State Government during 2008-13 is given in **Table 1.1**.

Table-1.1
Budget and expenditure of the State Government during 2008-13

(₹ in crore)

Particulars	2008-09		2009-10		2010-11		2011-12		2012-13	
	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals	Budget Estimates	Actuals
Revenue										
General services	1047.57	3434.55	1304.63	3629.67	1273.48	3728.95	1589.55	4347.23	3128.74	5738.57
Social services	7047.55	6599.37	8370.95	8103.58	9345.57	8718.80	11567.05	10717.11	12616.68	11737.43
Economic services	1352.72	1272.69	1703.20	1650.28	1542.56	1392.46	2253.06	2172.22	2611.64	2350.82
Grants-in-aid and contributions	455.95	455.95	521.44	517.35	555.84	541.53	736.23	728.29	833.77	832.53
Total (1)	**9903.79**	**11762.56**	**11900.22**	**13900.88**	**12717.45**	**14381.74**	**16145.89**	**17964.85**	**19190.83**	**20659.35**
Capital										
Capital expenditure	4082.16	3995.40	4883.55	4717.27	4433.08	3984.80	4209.53	4004.27	4835.80	4176.63
Loans and advances disbursed	**4247.03**	4217.32	5702.05	5701.30	6378.47	6364.73	**3404.58**	**3345.42**	**4082.37**	**3734.83**
Repayment of Public Debt	**386.06**	386.03	699.50	606.47	800.00	793.06	**1090.00**	**1087.88**	**1288.00**	1287.99
Contingency Fund	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Public Accounts disbursements	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Closing Cash balance	**0**	**5775.13**	**0**	**3387.70**	**0**	**7713.20**	**0**	**4636.28**	**0**	**1985.75**
Total (2)	**8715.25**	**14373.88**	**11285.10**	**14412.74**	**11611.55**	**18855.79**	**8704.11**	**13073.85**	**10206.17**	**11185.20**
Grand Total (1+2)	**18619.04**	**26136.44**	**23185.32**	**28313.62**	**24329.00**	**33237.53**	**24850.00**	**31038.70**	**29397.00**	**31844.55**

Source: Annual Financial Statements and Explanatory Memorandum of the Budget of the State Government.

1.2 Application of resources of the State Government

As against the total outlay of the budget of ₹ 29397.00 crore during 2012-13, total expenditure was ₹ 29858.80 crore. The total expenditure (excluding repayment of Public Debt) of the State increased from ₹ 19975.28 crore to ₹ 28570.81 crore during 2008-13, the revenue expenditure of the State increased by 75.64 *per cent* from ₹ 11762.56 crore in 2008-09 to ₹ 20659.35 crore in 2012-13. Non-Plan revenue expenditure increased by 81.12 *per cent* from ₹ 7818.42 crore to ₹ 14160.64 crore and capital expenditure increased by 4.53*per cent* from ₹ 3995.40 crore to ₹ 4176.63 crore during the period 2008-13.

The revenue expenditure constituted 58.89 to 72.31 *per cent* of the total expenditure during the years 2008-13 and capital expenditure 20.00 to 14.62 *per cent*. During this period, total expenditure increased at an annual average rate of 10 *per cent*, whereas revenue receipts grew at an annual average growth rate of 11.80 *per cent* during 2008-13.

1.3 Persistent savings

In five cases, there were persistent savings of more than ₹ one crore in each during the last five years as per the details given in **Table-1.2.**

Table-1.2
List of grants with persistent savings during 2008-13

(₹ in crore)

Sl. No.	Grant number and name	Amount of savings				
		2008-09	2009-10	2010-11	2011-12	2012-13
Revenue-Charged						
1.	05- Home	6.24 (52.34%)	2.56 (20.71%)	2.85 (23.53%)	6.49 (39.28%)	4.89 (29.33%)
Revenue-Voted						
2.	07- Medical and Public Health	10.83 (82%)	12.22 (81.47%)	2.04 (20.40%)	7.45 (74.50%)	1.93 (42.89%)
3.	11-Urban Development and Public Works Department	198.71 (100%)	198.93 (98.51%)	64.45 (31.06%)	300.93 (100%)	189.87 (55.86%)
Capital-Voted						
4.	08- Social Welfare	46.71 (38.93%)	30.00 (50%)	10.00 (100%)	240.75 (96.30%)	8.39 (83.90%)
5.	11-Urban Development and Public Works Department	29.00 (72.68%)	14.59 (24.31%)	8.16 (20.40%)	23.32 (66.62%)	19.54 (39.08%)

Source: Appropriation Accounts

Significant savings occurred under Grant No. 11 (Revenue Voted)-Urban Development and Public Works Department (₹ 300.93 crore during 2011-12 and ₹ 189.87 crore during 2012-13) and under Grant No. 08 (Capital voted) - Social Welfare (₹ 240.75 crore) during 2011-12.This indicated inadequate financial control.

1.4 Grants-in-aid from Government of India

The Grants-in-aid received from the GoI during the years 2008-09 to 2012-13 is given in **Table-1.3.**

Table-1.3
Grants-in-aid from GoI

(₹ in crore)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Non-Plan Grants	948.09	1913.12	2338.71	978.85	333.57
Grants for State Plan Schemes	793.11	1430.94	1743.49	728.54	861.81
Grants for Central Plan Schemes	57.22	60.92	144.81	86.22	57.92
Grants for Centrally Sponsored Schemes	72.37	131.10	130.39	167.03	249.22
Total	**1870.79**	**3536.08**	**4357.40**	**1960.64**	**1502.52**
Percentage of increase over previous year	42.49	89.02	23.23	(-)55.00	(-)23.37
Percentage of Revenue Receipts	11.44	17.29	17.41	8.76	5.88

Total Grants-in-aid from GoI increased from ₹ 1870.79 crore to ₹ 4357.40 crore during the period 2008-11. Thereafter, during 2011-13 there was significant reduction in 'Non-Plan Grants' and 'Grants for State Plan Schemes' from GoI. However, 'Grants for Centrally Sponsored Schemes' increased from ₹ 72.37 crore to ₹ 249.22 crore during the period 2008-13.The percentage of GIA from GoI to revenue receipts during the period 2008-13 ranged between 5.88 and 17.41 *per cent*.

1.5 Planning and conduct of audit

The audit process starts with the risk assessment of various departments, autonomous bodies, schemes/ projects, etc., criticality/ complexity of activities, level of delegated financial powers, internal controls and concerns of stakeholders and previous audit findings. Based on this risk assessment, the frequency and extent of audit are decided and an Annual Audit Plan is formulated.

After completion of audit, Inspection Report containing audit findings is issued to the head of the office with request to furnish replies within one month. Whenever replies are received, audit findings are either settled/ or further action for compliance is advised. The important audit observations pointed out in these Inspection Reports are processed for inclusion in the Audit Reports of the Comptroller and Auditor General of India, which are submitted to the Lieutenant Governor of Delhi under Article 151 of the Constitution of India.

During 2012-13, compliance audit of 149 Drawing and Disbursing Officers of the State and eight Autonomous Bodies was conducted by the office of the Principal Accountant General (Audit), Delhi. Besides, five Performance Audits were also conducted.

1.6 Significant audit observations and response of Government to audit

In the last few years, Audit has reported on several significant deficiencies in implementation of various programmes/ activities as well as on the quality of internal controls in selected departments, which have negative impact on the success of programmes and functioning of the departments. The focus was on auditing the specific programmes/ schemes and to offer suitable recommendations to the executive for taking corrective action and improving service delivery to the citizens.

As per the provision of Comptroller and Auditor General of India's Regulations on Audit and Accounts, 2007, the departments are required to send their responses to draft performance audit reports/ draft paragraphs proposed for inclusion in the Comptroller and Auditor General of India's Audit Reports generally within six weeks. It was brought to their personal attention that in view of likely inclusion of such paragraphs in the Reports of the Comptroller and Auditor General of India, to be placed before the Delhi Legislature, it would be desirable to include their comments in the matter. They were also advised to have meeting with the Principal Accountant General to discuss the draft reports of Performance Audits. These draft reports and paragraphs proposed for inclusion in the Report were also forwarded to the Principal Secretaries/ Secretaries concerned for seeking their replies. For the present Audit Report, draft reports on five Performance Audits and 11 draft paragraphs (including thematic audit) were forwarded to the concerned

Administrative Secretaries. But reply of the Government has been received in nine cases.

1.7 Recoveries at the instance of Audit

The audit findings involving recoveries that came to notice in the course of test audit of accounts of the Departments of the State Government during central audit were referred to various departmental Drawing and Disbursing Officers (DDOs) for confirmation and further necessary action under intimation to audit.

Against recovery of ₹ 2.21 crore pointed out in 70 cases during 2012-13, the DDOs concerned had effected recovery of ₹ 3.23 crore (including recovery of previous years) in 69 cases during 2012-13.

1.8 Lack of responsiveness of Government to Audit

The Principal Accountant General (Audit), Delhi conducts periodical inspection of Government Departments by test-check of transactions and verify the maintenance of important accounting and other records as per the prescribed rules and procedures. These inspections are followed by issue of Audit Inspection Reports (IRs). When important irregularities, etc., detected during audit inspection are not settled on the spot, these IRs are issued to the heads of offices inspected. The heads of offices are required to report their compliance to the Principal Accountant General (Audit) within four weeks of receipt of IRs.

Based on the results of test audit, 3987 audit observations contained in 920 IRs outstanding as on 31 March 2013 are given in **Table-1.4**.

Table-1.4
Outstanding Inspection Reports / Paragraphs

(₹ in crore)

Sl. No.	Name of Sector	Inspection Reports	Paragraphs	Amount involved
1	Social Sector	709	2910	89.27
2	General Sector	51	550	167.16
3	Economic Sector (Non PSUs)	160	527	4653.81
Total		**920**	**3987**	**4910.24**

A detailed review of the IRs issued to 1455 Drawing and Disbursing Officers (DDOs) pertaining to Social Sector and Economic Sector showed that 3437 paragraphs having financial implications of about ₹ 4743.08 crore relating to 869 IRs remained outstanding at the end of 31 March 2013. Of these, oldest items pertain to IR issued during the year 1987-88 and one paragraph having financial implication of ₹ 21 thousand had not been settled for more than 25 years.

The departmental officers failed to take action on observations contained in IRs within the prescribed time frame resulting in erosion of accountability.

It is recommended that the Government may look into the matter to ensure prompt and proper response to audit observations.

1.9 Follow-up on Audit Reports

According to the Rules of procedure for the internal working of the Committee on Public Accounts, the Administrative Departments were to initiate, *suo motu* action on all Audit Paragraphs and Reviews featuring in the Comptroller and Auditor General's Audit Reports (ARs) regardless of whether these are taken up for examination by the Public Accounts Committee or not. They were also to furnish detailed notes, duly vetted by audit indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the ARs to the State Legislature.

The position regarding receipt of Action taken Notes (ATNs) on the paragraphs included in the ARs upto the period ended 31 March 2012 as on 31 December 2013 is given in **Table-1.5.**

Table-1.5

Position regarding receipt of ATNs on the paragraphs included in the ARs

Audit Reports	Year	Department(s)	ATNs pending as of 31 Dec. 2013	Date of presentation in the State Legislature	Due date for receipt of ATNs
Civil / Social, General and Economic Sectors – Non-PSUs	2009-10	PWD	7	05.09.2011	04.12.2011
		DSIIDC	2		
		DTC	2		
		Delhi Power	1		
		DTTDCL	1		
		H&FW	1		
		MPLADS	1		
	2010-11	PWD	3	06.06.2012	05.09.2012
		Department of Food Supply	1		
		Delhi Power	3		
		DSIIDC	1		
		DTC	1		
		MCD	1		
		Directorate of Information and Publicity	1		
		Department of Education	1		
	2011-12	PWD	1	02.04.2013	01.07.2013
		DTC	1		
		Delhi Jal Board	2		
		DSIIDC	1		
		JNNURM	1		
		H&FW	5		
		Urban Development	1		

		Department of Woman and Child Development	1		
		MCD	1		
State Finances	2009-10	Finance and other departments	All chapters	05.09.2011	04.12.2011
	2010-11	Finance and other departments	All chapters	06.06.2012	05.09.2012
	2011-12	Finance and other departments	All chapters	02.04.2013	01.07.2013

1.10 Status of placement of Separate Audit Reports of Autonomous Bodies in the State Assembly

Several Autonomous Bodies have been set up by the State Government. A large number of these bodies are audited by the Comptroller and Auditor General of India for verification of their transactions, operational activities and accounts, regulatory compliance audit, review of internal management, financial control and review of systems and procedure, etc. The audit of accounts of nine Autonomous Bodies in the State has been entrusted to the Comptroller and Auditor General of India. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Report and its placement in the Legislature is indicated in **Annexure-1.1**.

Separate Audit Reports (SARs) of four Autonomous Bodies issued by Audit for the year 2003-04 to 2012-13 are yet to be placed before the Delhi Legislative Assembly (**Annexure -1.1**). These need to be tabled before the State Legislature at the earliest.

1.11 Year-wise details of reviews and paragraphs appeared in Audit Report

The year-wise details of reviews and paragraphs that appeared in the Audit Report for the last two years along with their money value is given in **Table-1.6**.

Table-1.6
Details of reviews and paragraphs appeared in Audit Report during 2010-12

(₹ in crore)

Year	Performance Audit/ CCO based Audit/Thematic audit		Paragraphs	
	Number	Money value	Number	Money value
2010-11	2	2.93	9	11.71
2011-12	11	8951.52	7	12.15

During 2012-13, five performance audits involving money value of ₹ 94.77 crore and 10 paragraphs involving ₹ 226.57 crore have been included in this Report. Out of this, replies to four performance audits and five paragraphs were received (February 2014).

Chapter-II
Performance Audit

CHAPTER-II
PERFORMANCE AUDIT

Urban Development Department

2.1 Delhi Urban Shelter Improvement Board

The Delhi Urban Shelter Improvement Board came into existence with effect from July 2010, with an aim to make Delhi slum free. The significant audit findings are as under:

Highlights:

- ***The Board did not form the Urban Shelter Consultative Committee and Basti Vikas Samitis and did not initiate any new housing scheme for relocation of residents of Jhuggi Jhopri Bastis.***

  (Paragraph 2.1.2)

- ***The Board had neither prepared any long term perspective plan nor annual plan.***

  (Paragraph 2.1.3)

- ***The roads and drainages in the JJ Bastis were in dilapidated condition. The Board failed to provide even basic facility of public toilets.***

  (Paragraph 2.1.4.1 & 2.1.4.2)

- ***Irregularities were noticed in award of contract for running and management of night shelters.***

  (Paragraph 2.1.5)

- ***The Board did not have a complete and reliable record of its properties. ₹232.10 crore was outstanding to be recovered from allottees of its properties.***

  (Paragraph 2.1.6.2)

2.1.1 Introduction

As per the Census-2011, Delhi had a population of 1.67 crore. As per an estimate of the Department of Urban Development, GNCTD of 2001, it had 728 *Jhuggi Jhopri Bastis* with 21.48 lakh people, 78 *per cent* of which were located on public lands. Prior to July 2010, Slums and *Jhuggi Jhopri Bastis* were under the jurisdiction of the Department of Slum and JJ of Municipal Corporation of Delhi (MCD). After the enactment of Delhi Urban Shelter Improvement Board Act, 2010 (the Act) (April 2010), the Delhi Urban Shelter Improvement Board (the Board) came into existence with effect from July 2010, with an aim to make Delhi slum free. Subsequently, all the functions and properties of the Slum and JJ Department have been transferred to the Board.

2.1.1.1 Organisational setup

Section 3 (4) of the Act provides that Board shall consist of a Chairperson (the Chief Minister), a Vice Chairperson (Minister, UDD), a Chief Executive Officer (CEO) to be nominated by the GNCTD, 13 other members and a representative of the Ministry of Urban Development, Government of India (GoI). The organogram of the Board is given in **Annexure 2.1**.

2.1.1.2 Audit objectives

The broad objectives of the Performance Audit were to assess whether:

- the Board initiated necessary measures to ensure implementation of the provisions of the Act,
- perspective plan and annual plans were prepared for fulfilling the mandated functions of the Board,
- financial management was adequate,
- the implementation of schemes was efficient and achieved its objective, and
- internal control and monitoring mechanisms were effective.

2.1.1.3 Audit scope and methodology

Performance Audit covered the functions of the Board since its inception in July 2010 to March 2013.The following four out of five ongoing schemes were selected for examination:

(i) Environment improvement in urban slums,

(ii) Construction of Jan Suvidha Complexes,

(iii) Providing built-up facilities/Barat Ghar /Basti Vikas Kendras, and

(iv) Construction of Shishu Vatikas,

In addition, Audit visited all 298 Basti Vikas Kendras (BVKs), all 229 Shishu Vatikas in *JJ Bastis* and117 night shelters out of a total of 175, to assess the quality of facilities being provided there. Discrepancies noticed were shown to caretakers of BVK, Shishu Vatika, night shelter or to RWAs or a responsible resident of the locality and were got endorsed by them.

Audit commenced with an entry conference held on 17 May 2013 with the CEO of the Board to discuss the objectives, scope and methodology of audit. An exit conference was also held on 17 January 2014 to discuss the report and the reply of Government suitably incorporated in the report.

2.1.1.4 Audit criteria

Audit criteria were derived from the following sources:

- the Delhi Urban Shelter Improvement Board Act, 2010,
- the Slum Areas (Improvement and Clearance) Act, 1956,
- the General Financial Rules 2007 and Receipt and Payment Rules,
- objectives, goals, guidelines, and targets for plan schemes, and
- orders and instructions issued by the competent authority.

2.1.2 Implementation of the provisions of the Act

Status of the implementation of various provisions of the Act is discussed in the subsequent paragraphs:

In terms of section 3 (4) of the Act, beside Chairperson, Vice Chairperson, and other members, the Board should have a full time Member (Engineering), Member (Power), Member (Administration) and Member (Finance), all of the rank of Joint Secretary to the Government of India. However, Member (Engineering) has not been appointed as of December 2013. The post of Member (Administration) was lying vacant since January 2012. Similarly, the post of Member (Power) is also lying vacant since inception.

In its reply, the Board stated (January 2014) that there was shortage of officers in GNCTD. Initially, Member (Administration) and Member (Finance) were posted, but Member (Administration) was transferred.

Section 8 of the Act requires the Board to constitute an Urban Shelter Consultative Committee (USCC), to provide feedback on the status of Board's redevelopment and other initiatives, felt needs and problems of *JJ Bastis* and suggest strategies for effective provision of basic infrastructure of services there. However, the same has not been constituted.

The Board accepted the facts (January 2014) and assured to form the Committee soon.

Section 13 of the Act requires the Board to constitute Basti Vikas Samitis (BVSs) for *JJ Bastis* to assist and advice on all matters relating to *JJ Bastis*. However, the same were not set up till January 2014.

In its reply, the Board assured (January 2014) that BVSs would be setup as soon as details like its mandate, members etc. are finalized.

As per Section 21 of the Act, the Board was required to prepare housing schemes for relocation of *JJ Bastis* and persons who are to be resettled or provided with alternative accommodation under any scheme for removal of any *JJ Basti* under Section 10 or Section 12 of the Act. Sub-Section 2 of Section 21 empowers the Board to prepare a scheme for housing for those belonging to economically weaker section, including low income group and poor categories. However, it was observed that no such housing schemes were prepared by the Board.

The Board stated (January 2014) that it had already initiated housing projects under JNNURM at four places. Reply is not acceptable as JNNURM scheme was not exclusively for JJ dwellers but it was for urban poor, fulfilling certain criteria. JJ dwellers who did not fulfill those criteria are not covered under the scheme**.** The Board allotted Dwelling Units to 3282 families out of 4675 families staying in 27 *JJ Bastis* who were eligible under relocation policy of JNNURM and no arrangements were made for remaining 1393 homeless families who were found ineligible under the policy of JNNURM.

Section 24 (2) of the Act provides that the Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance sheet, in such a form as the Government may, by rules, prescribe in consultation with the Comptroller and Auditor General of India. Section 24 (5) further provides that the accounts of the Board, as certified by the Comptroller and Auditor General of India or any other person appointed by him in this behalf, together with the audit report thereon, shall be forwarded annually to the Government and the Government shall cause a copy of the same to be laid before the Legislative Assembly of Delhi. However, Audit noticed that as of December 2013 the above provisions are not complied with.

A case of embezzlement of ₹ 19.44 crore was noticed in September 2010, where the Cashier did not deposit cash with the designated bank indicating lack of Internal Control.

The Crime Branch, GNCTD was investigating the matter (December 2013).

The Board stated (January 2014) that the scam happened due to failure of system in the erstwhile Department of Slum and JJ. The work of review and writing the books of accounts had been awarded to a vendor and after finalization, the accounts would be submitted to Audit. However, the reply was silent on the format of accounts and framing of rules.

Section 12 (1) of the Act empowers the Board to work out schemes for collective community rehabilitation, relocation or in-situ up-gradation and involve private sector and slum cooperatives for redevelopment of *Bastis* with a view to bringing environment improvement in living conditions of the residents. Audit observed that though there was an outlay of ₹ 19.48 crore in the 11^{th} Plan, but the Board did not launch any scheme for in-situ development of *JJ Bastis,* since its inception.

The Board stated (January 2014) that in-principle approval for taking up in-situ up-gradation of three clusters on PPP model had been accorded in its meeting held in May 2013.

The Board became the owner of all properties of Slum and JJ Department of MCD with the commencement of the Act. However, it does not have a proper record of the properties transferred to it. As many of the Board's properties are leased out, rented out or allotted for various purposes to different agencies and persons, a proper record of properties is essential for watching the revenue collection from their lessees and tenants. In 2012, the Board appointed a retired Chief Engineer as a consultant to prepare a list of its properties spread across Delhi, but he could prepare only a tentative list of properties.

The Board stated (January 2014) that the details of properties were available in various sections but were not arranged in a consolidated manner. A proposal for outsourcing the actual field survey of properties was under consideration. The necessity of preparing consolidated information on details of property is further reiterated.

2.1.3 Non-preparation of perspective plan

The Board was set up with an aim to provide better living conditions for residents of *JJ Bastis*. A long term plan was required to be drawn-up to achieve the intended goal. Audit observed that the Board had neither prepared any long-term perspective plan nor annual plans. The GNCTD released

₹ 1.20 crore during 2010-12 for study and preparation of perspective plan for Delhi Slum for next 20 years out of which an expenditure of ₹ 15.58 lakh was incurred during 2010-13 but no perspective plan was prepared.

The Board stated (January 2014) that perspective plan was under preparation.

2.1.4 Implementation and achievements of plan schemes/projects

As the squatter settlement has now been recognised as informal arrangements of shelters, three pronged strategies have been adopted by GNCTD to deal with the problems of *JJ Bastis*. These are (i) Relocation of Jhuggi households, (ii) In-situ up-gradation of *JJ Bastis*, and (iii) Extension of minimum basic civic amenities in *JJ Bastis*. At the time the Board was setup, the Slum and JJ Department of MCD was running four main plan schemes, which were transferred to the Board. The objectives, norms, laws and bye-laws for these ongoing schemes were not available with any of the divisions of the Board, involved in implementing the schemes. Test check of records of the four plan schemes implemented by the Board showed the following:

2.1.4.1 Environment improvement in urban slums

Under this scheme, facilities like water supply, sewer and storm drains, community baths, widening and paving of existing lanes, streets lighting are to be provided in *JJ Bastis.* The year-wise allocation and expenditure for last three years, is given in **Table 2.1.1.**

Table 2.1.1
Details of budget and expenditure

(₹ in crore)

Sl. No.	Year	Funds provided	Expenditure
1	2010-11	6.00	5.04
2	2011-12	40.96	22.55
3	2012-13	21.91	21.49
Total		**68.87**	**49.08**

Only 158 out of 685 *JJ Bastis* had piped water facility where average population served by a public hydrant ranged from 250 to 300 persons against the standard of 150 persons. Waiting time at the public hydrant was 20 to 30 minutes and only 72 *Bastis* had sewer facility. The roads and drainages in *JJ Bastis* were found to be in dilapidated condition although an amount of ₹ 49.08 crore was spent under the scheme on providing brick flooring or cement concrete pavement on street roads and on open drainage.

Condition of roads /lanes in JJ Bastis at Indira Camp No. 5 and Kali Basti (Vikas Puri)

The Board stated (January 2014) that cement concrete pavement, bricks flooring and drainage were provided in JJ clusters after a gap of five years. Therefore, in some clusters, condition of roads and drains might be dilapidated. The Board assured to take necessary steps to provide these facilities in future.

2.1.4.2 Construction of Jan Suvidha Complexes

The scheme basically intends to take care of environmental problems caused by mass defecation in the open by slum dwellers and residents of *JJ Bastis*. Under the scheme, Jan Suvidha Complexes were to be constructed at different locations in *JJ Bastis*. In 11th Plan, an outlay of ₹ 24.35 crore was kept for this scheme to cover 9.51 lakh slum dwellers staying in notified slum areas and 21 lakh persons staying in *JJ Bastis*. The year wise details of allocation, actual expenditure, targets and achievements during last three years, are given in **Table 2.1.2.**

Table 2.1.2
Details of budget, expenditure, targets and achievements

(₹ in crore)

Sl. No.	Year	Allocation	Expenditure	Target (WC) *	Achievement (WC)*
1	2010-11	2.50	2.38	400	220
2	2011-12	5.12	3.62	200 & 10 MTV**	20 & Nil MTV**
3	2012-13	3.50	3.44	300	54
Total		**11.12**	**9.44**	**900 & 10 MTV****	**294 & Nil MTV****

**Water Closet, ** Mobile Toilet Van*

All 294 water closets (WC) have been utilized that were added during last three years.


JSCs at Uttam Nagar and Harijan Basti (Tilak Nagar) were found in non-usable condition

National norms envisage provision of one WC for 20-25 persons. As per the information provided by the Board against the required 83687 WCs for about 21 lakh persons of 685 *JJ Bastis,* there were only 17626 WCs in 605 *Bastis*, which were grossly inadequate.

Thus, the Board was unable to provide basic facilities in *JJ Bastis*, even after incurring an expenditure of ₹ 9.44 crore on construction of 294 WCs and on existing ones, during 2010-13.

The Board stated (January 2014) that prior to formation of DUSIB, the complexes in JJ clusters were maintained by MCD, which had not been handed over to it for maintenance or day to day operation and were still with MCD. However, in exit conference, the CEO informed that they have now decided to take over these toilets from MCD on 'as and where basis'. The reply is not acceptable as these toilets could have been taken over along with the *JJ Bastis* from MCD.

2.1.4.3 Construction of Shishu Vatikas in *JJ Bastis*

The scheme involves construction of boundary walls with grills, on vacant land in *JJ Bastis* and provides for few play equipment like see-saws, revolving platform, swings, slides etc., as recreational facilities to children living in *JJ Bastis*. During 2010-13, 13 new Shishu Vatikas were constructed (12 by the Board) and added to previously existing 216.The details of budget allocation and expenditure are given in **Table 2.1.3**.

Table 2.1.3
Details of budget and expenditure

(₹ in crore)

Sl. No.	Year	Allocation	Expenditure	Target	Achievement
1	2010-11	2.00	1.11	20	3
2	2011-12	5.89	1.06	40	4
3	2012-13	4.83	2.40	10	6
Total		**12.72**	**4.57**	**70**	**13**

The data in the table indicate that the Board could not achieve the target set by itself in any of the last three years.

Audit examined the record related to these Shishu Vatikas and also physically visited all 229 locations to assess the actual status of Shishu Vatikas. Findings of visits are summarised in **Table 2.1.4**.

Table 2.1.4
Findings of survey of ShishuVatikas

Number of Shishu Vatikas (SVs) physically visited - 229		
1	Sufficient playing equipment were not available.	167
2	Boundary walls were not constructed or lost their existence.	23
3	Level of cleaning and sweeping was not adequate.	120

It was observed that equipment in Vatikas were broken or not functional. Due to inadequate maintenance, the sites of these Vatikas have become dumping grounds for garbage indicating absence of any monitoring by the Board.

Shishu Vatika, Vikas Puri: under encroachment

ShishuVatika, Tigri Camp, near Asha Dispensary: used as *garbage dumping ground*

The Board stated (January 2014) that where ever garbage is found dumped, it would be removed and the scheme would be reviewed for betterment of people of the *JJ Bastis*. The reply, however, is silent on conditions of play equipment and Vatikas in general.

2.1.4.4 Providing built-up facilities/ Barat ghar/ Basti Vikas Kendra

Under this scheme, the Board provides multipurpose facilities/ Barat Ghar in notified Slums, relocated colonies and Basti Vikas Kendra in *JJ Bastis*. The year wise expenditure viz-a-viz allocation are given in **Table 2.1.5.**

Table 2.1.5
Details of budget and expenditure

(₹ in crore)

Sl. No.	Year	Allocation	Expenditure
1	2010-11	2.80	2.76
2	2011-12	6.04	4.35
3	2012-13	17.20	15.17
Total		**26.04**	**22.28**

The data in the table indicates that the Board utilized ₹ 22.28 crore (86 *per cent*) out of ₹ 26.04 crore. The expenditure includes ₹ 12.81 crore on repair and maintenance of existing Barat Ghars and Basti Vikas Kendras whereas ₹ 9.47 crore was incurred on construction of new ones. Audit check of records relating to Basti Vikas Kendras and Barat Ghars showed the following:

(a) Basti Vikas Kendras

At the time the Board was setup, there were 284 BVKs and 14 more were constructed during 2010-13 with an aim to providing informal education, medical facilities, and job oriented training to residents of *JJ Bastis*. Audit observed that BVKs were being run by private agencies and there was no uniform policy with the Board on allotment of the BVKs, activities to be run, rent and licence fee to be charged from allottees. The Board had no mechanism to ensure that the BVKs were utilized for the purpose for which they were allotted. Visits to all these 298 BVKs showed the following:

Table 2.1.6
Survey findings on Basti Vikas Kendras

Number of Basti Vikas Kendras visited - 298		
1	BVKs being used by GNCTD as offices	6
2	BVKs found either vacant or not in use	9
3	BVKs not functioning on regular basis	16
4	BVKs not having adequate water facilities	57
5	BVKs not having adequate electricity facilities	21
6	BVKs being used for commercial or private affairs	13
7	BVKs being used as night shelters	13

The Board replied that with a view to provide integrated package of services under the social consumption sector, it allotted space to 336 various NGOs and Trusts or Government Agencies in 298 BVKs. These agencies have been providing inputs like health related facilities, vocational training and women empowerment programmes so that the slum dwellers living in the JJ clusters may earn their livelihood. The reply is, however, not specific to the deficiencies as pointed by Audit.

(b) Construction of Barat Ghars (Community Centres)

The Community Centre Branch (CC Branch) of the Board, looks after the community centres and is responsible for renting them directly to users, recovery of license fee, monitoring of activities in the Centres, penal action against the defaulters etc.

There were discrepancies in the number of Community Centres with the Board as CC Branch stated it as 162 while the Consultant of the Board and the Engineering Wing stated them as 165 and 140 respectively. The details of usage of the Community Centres, as observed in audit is summarized in **Table 2.1.7.**

Table 2.1.7
Shortcomings in the scheme of community centres

Result of 162 Community Centres		
1	Community Centres' in use exclusively as night shelters	13
2	Community Centres used as Government Offices, Schools, Zonal Offices of the Board etc.	39
3	Community Centres not in usable conditions	17
4	Community Centres under possession of Private parties	8
5	Community Centres being used for other purpose like Government office, night shelter etc. but some space is available for social functions	52
6	Community Centres available exclusively for Social functions	33

Out of 162 buildings constructed for Community Centres, only 85 were used for intended purpose either fully or partially. It was further noticed that out of 85 Community Centres available for social functions, adequate arrangements for electricity and potable water were not available in eight and 36 Community Centres respectively.


Community Centre at Bhalashwa Dairy was in pathetic condition. Picture at right shows its surroundings.

The Board accepted (January 2014) the observations and stated that they did not have centralised consolidated record or details of the properties.

2.1.5 Management of night shelters

2.1.5.1 Irregular award of work for managing permanent night shelters

The Board invited applications from NGOs for management of 44 night shelters and allotted (December 2011) the work to private parties at ₹ 31,646 per night shelter per month (revised to ₹ 35,087 from the year 2012-13). Scrutiny showed that no parameters were fixed to evaluate the applications to select the private parties for the job. None of the selected parties was having working experience in the field of homeless people. Rule 204 of the GFRs defining general principles for contract provides that the terms of contract must be precise, definite and without any ambiguity. The terms should not involve an uncertain or indefinite liability. However it was observed that:

- Service Level Agreements did not specify the nature of services to be provided by the operators to the users of night shelters; and
- Monthly charges payable were fixed without mentioning the number of caretakers to be deployed at the night shelters and the salary payable to them.

The Board stated (January 2014) that it invited applications for running night shelters in a format duly devised and published in newspapers and NGOs were selected on the basis of their expertise and experience. The Board stated that though agreement did not specify number of caretakers, but monthly charges were fixed keeping in view the minimum manpower required for running a night shelter. Reply is not acceptable as neither in the press note nor in the application format, any criteria for applicants was mentioned to ensure that only professionals get the contract and requisite numbers of caretakers were available in the shelters.

2.1.5.2 Irregular expenditure on porta cabins for running night shelters

A Society (Mother NGO St. Stephen's Hospital) submitted a proposal in November 2011 to the Board, stating that they would erect and operate porta cabins as night shelters at a monthly rent of ₹ 1.00 lakh for first three months and ₹ 25000 per month thereafter. Total rent for three years works out to ₹ 1.86 crore. The Society also offered to run night shelters in these structures (through third parties) at a monthly charge of ₹ 31,646 per night shelter.

The Board paid an advance of ₹ 1.26 crore between December 2011 and January 2012 and signed the Memorandum of Agreement (MOA) with the Society in February 2012. As per MOA, properly ventilated porta cabins with water and fire proof structure made of strong GI sheets, suitable for all weather, were to be erected without spelling out the services to be provided in these night shelters. A total number of 62 structures were completed between 5 December 2011 and 30 January 2012 and the Board paid the balance payment of ₹ 60 lakh in November 2012 making the total payment to ₹ 1.86 crore. Audit observed that though the payments were made in the name of rent for porta cabins, it was practically a payment for cost of the porta cabins at the rate of ₹ 3 lakh per cabin for the erection of which the Government should have called for open tenders and fix the competitive prices as per GFR applicable.

The Board stated (January 2014) that after comparing the rates of vendors with the approved rates submitted by an authorised agency of the Divisional Commissioner, GNCTD and keeping in view the shortage of time due to constant monitoring by the High Court, the work was assigned to the Society. It further stated that ₹ 3 lakh per cabin for first three months, was the rent paid to the Society and not the cost of one porta cabin. The reply is not acceptable as comparing the rates submitted by an agency with rates of a different organisation, does not abdicate the Board of its responsibility of following the codal provisions. Further, it was not the orders of the Court to run the night shelter in porta cabins, but it was the proposal of Mother NGO to run the night shelter in porta cabins.

2.1.5.3 Irrational rate for hiring tents

A supply order was placed on 7 January 2013 to a private party for providing five tin structures of area 1000 sqft each along with 40 tables and other items at the rate of ₹ 2667.43 per day. However, the supplier provided one tin structure and four fabric tents, measuring 400 sqft each.

Further, in a note seeking approval of CEO for the erection of additional 20 structures, it was proposed that since erection of tin sheds would take a lot of time, which was not feasible in emergent situations, therefore, Pagoda type pre-fabricated aluminium structure could be fixed in short time. The CEO approved the proposal with the condition that tin sheds should be installed at places where requirement is more, whereas Pagoda types be used where lesser number of people were required to be accommodated and that decision on type of shed be taken by a committee comprising of OSD (Night Shelter), XENs of the area concerned and NGOs. However, no such committee was formed, but supply orders for 20 structures were issued on11 January 2013 to three agencies without specifying the number of tin structures and Pagoda type tents to be erected, giving free hand to the suppliers to erect the sheds. As per supply orders, though the area of tin shed was to be 1000 sqft and that of fabric tent 400 sqft, rent of both types of tents was same at ₹ 2667.43 per day or ₹ 82,690 per month per tent. The contractors erected five tin structures and 15 Pagoda type fabric tents. As the Board did not work out the differential amount of the rents of two different kinds of tents (having different areas), the Board have suffered financial loss, which could have been avoided.

The Board stated in January 2014 that fabric tents of 1000 sqft area were not available and that efforts were being made to replace these tents by procurement of pre-fabricated porta cabins or by tin sheds. However, the reply is silent as to why rent of fabric tents was not reduced according to their size.

2.1.5.4 Physical survey of night shelters

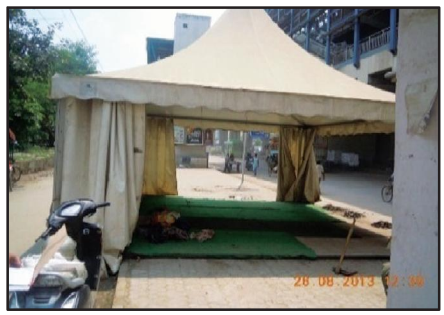
Audit visited randomly selected 58 night shelters in December 2013 to have a first-hand view and see their functional condition. The outcome of visits is summarised in **Table 2.1.8**.

Table 2.1.8
Details of survey of night shelters

Type	Total No.	Visited	No water facility	No electricity	No toilets	Lacked proper cleaning
Permanent	66	22	-	-	1	6
Porta cabin	84	28	5	1	5	8
Temporary	25	8	1	8	5	6

It was noticed that:

- Blankets in all night shelters, though available in sufficient numbers, were in unhygienic condition,
- Purely temporary night shelters were functioning in fabrics tents, not suitable for winter season,
- Tented night shelters were not enclosed by boundary walls or even by tin sheets, to restrict entry of stray animals and anti-social elements,
- Sanitation condition in all 58 night shelters was unhygienic, and
- Lighting arrangement was not made there in any of eight temporary night shelters.

Night shelters at Chandini Chowk and at Adarsh Nagar made of fabric, without any boundary

2.1.6 Financial management

2.1.6.1 Unauthorized transfer of funds to divisions

The Board in its meeting held in January 2011, decided to adopt a financial procedure being followed by the Delhi Jal Board. Under the system, contractors' bills are scrutinized by the Finance Wing of the Board, headed by the Member (Finance) and amount of passed bill is transferred to Executive Engineer's bank account for onward payment to the contractor. The procedure was followed up to March 2013. Thereafter, the Finance Wing started to place lump-sum funds in advance, in the account of Executive Engineers of all the 17 Works Divisions of the Board. Approval of the Board (the competent authority) to shift to the new procedure was not obtained. Thus, the adoption of new financial procedure was unauthorised and indicative of poor financial managements as:

(i) Under the new system, Executive Engineers did not submit contractors' bills to the Finance Wing for scrutiny but made payment directly to contractors. The Finance Wing had no means or system to check the bonafides of the bills being paid in the divisions, and

(ii) An amount of ₹ 118.11 lakh was lying idle in the accounts of divisions as of August 2013, showing unrealistic transfer of funds to divisions.

In its reply, the Board stated (January 2014) that to avoid delay in payment to contractors and to facilitate smooth functioning at the divisional level, quarterly grants were released to the Divisions based on their requirements as per approved plan schemes.

2.1.6.2 Lack of initiatives to improve revenue collection

Test check of records and information made available to Audit showed that as of August 2013, the Board had to recover ₹ 232.10 crore as lease rent from 4034 allottees of its properties. The pendency of outstanding rent ranged upto 57 years. The details of outstanding amount are summarised in **Table 2.1.9**.

Table 2.1.9
Details of outstanding revenue

(₹ in lakh)

Sl. No.	Section	Purpose for allotment	No. of cases	Amount
1	Community Centre	Offices	12	96.53
2	Basti Vikas Kendra	Offices	51	6.99
3	R.P. Cell	Shops	51	23.91
4	Lease and Liquidation	Residential	30	6.54
5	SCP	Shops	61	10.13
6	Institutional Allotment	Institution	18	138.26
7	Cattle Dairy	Dairy Farm	1250	834.75
8	Allotment Cell	Residential	52	23.04
9	Property Cell	Residential	60	2.16
10	Housing	Residential	2449	22067.61
Total			**4034**	**23209.92**

As the Board did not maintain consolidated demand registers, outstanding dues were watched through individual files only. As such, the exact amount to be recovered could not be ascertained. The outstanding amount was indicative of lack of concrete measures on the part of the Board to recover it.

The Board stated (January 2014) that outstanding amount pertained to the period of the Slum and JJ Department of MCD and the legacy was inherited by it. It was further added that some steps had been taken to realize the outstanding dues and create new sources of revenue.

2.1.6.3 Loss due to delay in allotment of parking site

Consequent upon setting up of the Board in July 2010, all properties of the Slum and JJ Department became the properties of the Board and as such, it got the right over the full license fee receivable from the parking site**.**

(a) The Slum and JJ Department of MCD allotted (September 2007) a piece of land at District Centre, Raja Garden, as parking site to a contractor at the rate of ₹ 13.53 lakh as license fee per annum. The contract was for a period of five years with effect from 10 September 2007. In September 2009, the MCD decided that license fee would be shared equally between the Slum and JJ Department and MCD. Though, the ownership of the land was changed from MCD to the Board in July 2010, contract remained in force up to 9 September 2012 and the board continued sharing the license fee with MCD up to November 2010. As a result, the Board lost ₹ 11.07 lakh on this count.

(b) After completion of contractual period, the Board extended the contract at a rate of ₹ 2.05 lakh per month up to 10 January 2013.

Subsequently, following open tendering, the Board allotted the plot on 13 June 2013 at a rate of ₹ 1.26 crore per annum to other contractor for two years. Thus, the plot was not allotted from 11 January to 12 June 2013. Had the Board opted for open tendering for allotment of parking space just after completion of the earlier contract in September 2012, it could have received additional revenue.

The Board stated (January 2014) that the license fee was inadvertently shared with MCD up to November 2010 and matter of recovery had been taken up with MCD. The Board further added that it needed time to frame terms and conditions of parking for fresh allotment. Reply is not acceptable as it was in the notice of the Board that the extant contract was expiring in September 2012. The Board should have started the process of fresh allotment in time

2.1.7 Internal control mechanism

There is an Internal Audit Wing comprising of one Deputy Controller of Accounts, one Accounts Officer and two Junior Accountants. The Wing is responsible for conducting test audit of different sections and branches including Works Divisions of the Board. Since the inception of the Board, the Wing conducted test audit of only one Division in August 2013. The Directorate of Internal Audit, GNCTD also did not conduct any audit of the Board as of January 2014.

Thus, the absence of internal audit coupled with irregularities and deficiencies highlighted in preceding paragraphs, indicate to a weak internal control and inadequate monitoring mechanism in the Board.

The Board stated (January 2014) that due to shortage of staff internal audit wing was not functioning optimally and efforts were being made to strengthen this wing.

2.1.8 Conclusion

The Board has not been fully constituted as vacancies at the top level were awaiting incumbents to be appointed by the Government. The Board did not initiate concrete measures to ensure implementations of basic statutory provisions of the Act and the approach of the Board towards maintenance of accounts, accounting rules and procedures was casual. Implementation of ongoing schemes, earlier initiated by MCD, was marred by irregularities, deficiencies and financial violations. The scheme of night shelters was not being implemented effectively and efficiently. Contracts being awarded without tendering resulted in undue benefits to the contractors.

The Board's performance in management of its properties and revenue collection needs improvement, as it did not have a complete and reliable record of its properties.

2.1.9 Recommendations

The Government and the Board may consider to:

- review system of accounting in place and introduce any new system considered to be appropriate;

- maintain proper record of its properties, explore scope of earning extra revenue and initiate effective measures for recovery of outstanding dues from allottees of properties; and
- improve the management of night shelters by entrusting the same to organisations trained in doing similar jobs.

Department of Training and Technical Education

2.2 Directorate of Training and Technical Education

The Directorate of Training and Technical Education provides trained technical manpower for the technological up-gradation of industrial production, services, productivity, innovation and contributes to the planned growth of economy of the National Capital Territory of Delhi. The significant audit findings are as under:

Highlights ***:***

- ***There was saving in plan expenditure which increased from ₹2.21 crore (7.43 per cent) in 2008-09 to ₹21.41 crore (30.58 per cent) in 2012-13.***

(Paragraph 2.2.2)

- ***The dropout rate of students ranged from16 to 23 per cent during 2008-12.***

(Paragraph 2.2.3)

- ***In ITIs, 292 out of 1140 sanctioned posts were vacant. In Polytechnics, 309 out of 1080 technical posts were vacant. Eight out of nine posts of Principals and 21 posts out of 25 sanctioned posts of Head of the Department were vacant. Vacancies in Craft Instructors and Group Instructors posts (upto 31 and 62 per cent respectively) were high.***

(Paragraphs 2.2.4 & 2.2.4.1)

- ***The ITIs were found deficient in required tools and equipment as compared to 'Standard Tool List' prescribed by the NCVT.***

(Paragraph 2.2.5.2)

- ***New trades and additional 106 new units (with intake capacity of 2236) in existing trades were introduced in academic session 2011-12, without ensuring necessary infrastructure and faculty members. None of the trades introduced under CoE could be affiliated with the NCVT.***

(Paragraphs 2.2.7.1, 2.2.7.2 & 2.2.10.1)

- ***Only one inspection each in two ITIs against 170 targeted inspections of 17 ITIs was done by the Director during 2008-13.***

(Paragraph 2.2.7.3)

2.2.1 Introduction

The Directorate of Training and Technical Education (the Directorate), Government of NCT Delhi is the controlling department for vocational training and technical education in Delhi. The Directorate is vested with the responsibility of providing trained technical manpower for the technological up-gradation of industrial production, services, productivity, innovation and contributing to the planned growth of economy of the country. The vision of the Directorate is to become the global leader in technical and vocational education by pursuing innovative pedagogical systems and to equip students with technical and innovative skills to face the emerging challenges.

2.2.1.1 Organisational set-up

The Directorate functions under the charge of the Secretary, Department of Training and Technical Education, assisted by a Director, three Deputy Directors, three Assistant Directors, one Controller and one Registrar. The Board of Technical Education (BTE), nine Polytechnic Institutions (Polytechnics) and 17 Industrial Training Institutes (ITIs) function under the Directorate. It also exercises administrative control over five Engineering Colleges in Delhi.

2.2.1.2 Audit objectives

The broad objectives of performance audit were to assess whether:

- the financial resources were managed efficiently, effectively and economically to fulfill the objectives of the Directorate;
- adequate infrastructure and qualified manpower was provided in the Institutions to impart quality technical education; and
- internal control and monitoring system were in place, overseeing the functioning of ITIs, Polytechnics and Colleges under the jurisdiction of the Directorate.

2.2.1.3 Audit scope and methodology

The performance audit of the Directorate covering the period 2008-13, was conducted between May 2013 and September 2013. Audit examined six schemes (four out of 13 for ITIs and two out 14 for Polytechnics) on the basis of expenditure incurred. The implementation of selected schemes was test checked in five ITIs[1] and four Polytechnics[2], selected on the basis of expenditure under these schemes. In addition, records at the Directorate (headquarters), BTE and two Engineering Colleges[3]were also test checked.

The audit objectives, criteria, scope and methodology were discussed with the Director during an entry conference held in May 2013. A draft report on performance audit was issued to the Secretary, Department of Training and Technical Education, GNCTD, on 14 November 2013. The reply of the Government was received in January 2014 and incorporated accordingly. An exit conference was also held on 21 January 2014 with the Director, DTTE and the response of the Department have been suitably incorporated in the Report.

2.2.1.4 Audit criteria

The audit criteria have been drawn from the following sources:

- Five year plan and annual plans of the Directorate;

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[1]Pusa, Sirifort, Arab Ki Sarai, Shahdara and DheerPur.

[2]Aryabhatt, Pusa, Guru Nanak Dev and Integrated Institute of Technology, Dwarka.

[3]Ambedkar Institute of Technology, Geeta Colony and G B Pant Engineering College, Okhla.

- Policies, guidelines and orders issued by the GoI and the GNCTD;
- The Apprenticeship Act, 1961;
- Norms of the Director General of Employment and Training (DGET), the National Council of Vocational Training (NCVT) and BTE; and
- The General Financial Rules and other Government Rules.

Audit findings

2.2.2 Financial management

The budget allocation and expenditure of the Directorate (Headquarters, ITIs and Polytechnics) for the period 2008-13, are given in **Table 2.2.1**.

Table 2.2.1
Budget allocation and expenditure for 2008-13

(₹ in crore)

Year	Non-Plan				Plan				Total			
	Budget	Expr.	Saving	Saving (%)	Budget	Expr.	Saving	Saving (%)	Budget	Expr	Saving	Saving (%)
2008-09	74.85	61.37	13.48	18.00	29.71	27.50	2.21	7.43	104.56	88.87	15.69	15.00
2009-10	80.81	75.64	5.17	6.40	37.84	29.08	8.76	23.15	118.65	104.72	13.93	11.74
2010-11	98.92	95.43	3.49	3.52	40.04	30.24	9.80	24.48	138.96	125.67	13.29	9.56
2011-12	93.53	90.14	3.39	3.62	45.55	32.17	13.38	29.37	139.08	122.31	16.77	12.05
2012-13	107.60	103.92	3.68	3.42	70.00	48.59	21.41	30.58	177.60	152.51	25.09	14.12
Total	**455.71**	**426.50**	**29.21**	**6.40**	**223.14**	**167.58**	**55.56**	**24.89**	**678.85**	**594.08**	**84.77**	**12.49**

(1) Source: Information provided by the Directorate, (2) figures do not include budget and expenditure of Colleges

The Directorate was allocated Non-plan budget of ₹ 455.71 crore and Plan budget of ₹ 223.14 crore during 2008-13. It utilized ₹ 167.58 crore (75 *per cent*) under Plan Budget. Savings under Plan head increased from ₹ 2.21 crore (7.43 *per cent*) in 2008-09 to ₹ 21.41 crore (30.58 *per cent*) in 2012-13. The financial irregularities noticed during audit, are discussed in succeeding paragraphs.

2.2.2.1 Un-necessary provision

The Directorate did not incur any expenditure under 14 sub-heads (Plan), where it had an allocation of ₹ 6.63 crore **(Annexure 2.2).** The entire budget under these sub-heads was either re-appropriated to other heads or remained unspent.

The Department stated (January 2014) that the budget could not be utilized due to non-availability of infrastructure and assured that care would be taken to utilize funds in future.

2.2.2.2 Avoidable expenditure on electricity charges

(a) Tariff applicable to domestic consumers of electricity are applicable to schools, colleges, public libraries etc. The North Delhi Power Limited levied demand charges at the rate of ₹ 150 per KVA treating it as non-domestic supply as against ₹ 12 per KVA for colleges. Pusa Polytechnic has two electrical connections- one for Polytechnic Building (sanctioned load 414KW and contract load 295 KW) and second for Printing Technology Building (sanctioned load 255 KW and contract load 300 KW). Scrutiny of bills showed that the NDPL charged non-domestic rates instead of domestic rates, on both the connections of Pusa Polytechnic. This resulted in avoidable payment of ₹ 56.64 lakh for the period April 2006 to January 2012.

(b) Audit scrutiny further showed that during 2006-13, the maximum actual consumption for the first connection in Pusa Polytechnic was 170 KW (May 2010) and for second it was 110 KW (October 2010), which were lower than both the contract loads of 295 KW and 300 KW. If 20 *per cent* extra margin is added for future expansion, the maximum actual demands come to 204 KW and 132 KW, lower by 91 KW and 168 KW respectively. As the NDPL levied fixed charges on contract demand, the Polytechnic had to pay higher fixed charges than actual requirement. This resulted in avoidable payment of ₹ 28.31 lakh for the period March 2006 to August 2013.

The Department accepted the audit observations and stated (January 2014) that the matter was being taken up with TATA Power (earlier NDPL), PWD authorities and the Department of Power.

2.2.2.3 Non-maintenance of separate cash Book for caution money

As per Appendix V of Para 13 of DGET Manual, an amount of ₹ 500 from each student is to be collected as 'caution money' at the time of admission and recorded in a separate cash book. The caution money is to be refunded to the student on completion of training, after adjusting dues, if any. All unclaimed balances for more than three complete accounting years from the date they first become repayable, are to be credited to the Government as unclaimed deposits, at the close of March in each year.

Audit scrutiny in selected ITIs, showed that except ITIs at Dheerpur and Arab-Ki-Sarai (AKS) the separate cash book was not maintained and it could not be ascertained whether other provisions relating to the refund etc. were complied with.

The Department stated (January 2014) that all the Principals were being advised to take remedial measures.

2.2.2.4 Under utilisation of Pupil Fund

As per the guidelines issued by the Directorate, the Pupil Fund shall be utilized on students' welfare activities such as sports and games, co-curricular and extra-curricular activities, training and placement activities and annual gathering etc. An amount of ₹ 200 from each trainee is collected at the time of admission.

Operation of Pupil Fund in selected ITIs during 2008-13, is given in **Table 2.2.2.**

Table 2.2.2
Utilization of Pupil Fund in selected ITIs

(₹ in lakh)

Name of ITI	Amount collected	Expenditure	Saving	% of savings
AKS	21.44	12.46	8.98	42
Dheerpur	12.47	1.70	10.77	86
Shahadra	10.47	2.56	7.91	76
Sirifort	8.42	4.88	3.54	42
Total	**52.80**	**21.60**	**31.20**	**59**

The table 2.2.2 shows that the savings ranged from 42 to 86 *per cent* indicating non-spending of the money for the assigned purposes. It was further noticed that most of the expenditure was on printing of ID cards, brochures and on arrangement of Job Fairs '*Sopan*' etc. during 2011-12 and 2012-13. In ITI, Pusa, no record of Pupil Fund was made available to Audit.

The Department admitted the audit observation and stated (January 2014) that Institutes had been instructed to utilize the Pupil fund.

2.2.3 Admission and dropout of trainees in ITIs

ITIs in Delhi run courses in various trades (engineering and non-engineering) of one to three years duration. The minimum educational qualification for admission is from 8th Standard to Senior Secondary (plus two) and minimum age limit is 14 years for all categories, whereas no upper age limit is prescribed. Admissions are made yearly on the basis of merit. Details of admissions and dropouts during 2008-12 in selected ITIs are given in **Table 2.2.3.**

Table 2.2.3
Details of students admitted and dropouts

	2008-09		2009-10		2010-11		2011-12		2012-13		Total (4 years)	
ITI	**A**	**(B) (%)**	**A**	**B (%)**	**A**	**B (%)**	**A**	**B (%)**	**A**	**B (%)**	**A**	**B (%)**
AKS	1005	221 (22)	1004	178 (18)	1211	289 (23)	1239	249 (20)	1071	87 (8)	4459	937 (21)
Dheerpur	999	266 (27)	1128	304 (27)	1160	270 (23)	1436	240 (17)	1092	NA	4723	1080 (23)
PUSA	1093	196 (18)	1089	201 (18)	1255	283 (23)	1308	279 (21)	1371	294 (21)	4745	959 (20)
Shahdra	640	164 (26)	696	56 (8)	729	122 (17)	689	97 (14)	479	NA	2754	439 (16)
Sirifort	526	90 (17)	514	202 (39)	430	71 (17)	681	142 (21)	664	NA	2151	505 (23)

A-Admissions; B-Dropouts

As is seen from the above table, dropout rates of students ranged from 16 to 23 *per cent*. Though, the dropout rate had slightly improved during the last five years in case of ITI at Dheerpur and Shahdara, it showed no improvement in other ITIs. Audit scrutiny showed that the Directorate did not initiate any steps to start counseling and awareness among the trainees to reduce the dropout percentage. Out of the five selected ITIs, only ITI, Sirifort has initiated/started (July 2013) counseling and awareness to trainees and their guardians on courses and trades running in Institutes and corresponding placement avenues for the academic session 2013-14.

The Department attributed (January 2014) the reason behind drop out cases to lack of awareness among trainees who took admission in ITIs and trainees dropping the course midway due to their personal reasons and stated that all the Principals of ITIs were instructed to start a program on 'Admission Campaign' as already started in ITI, Sirifort to curb the dropout rate.

2.2.4 Human resource management

The overall position of sanctioned strength and men-in-position in the Directorate which includes Directorate (Hqrs.), ITIs and Polytechnics as of 31 March 2013 is given in **Table 2.2.4.**

Table 2.2.4
Position of sanctioned strength vis-à-vis men-in-position

Cadre	Sanctioned strength	Men in position	Shortage (%)
Technical staff- (ITIs)	1140	848	292(26)
Technical staff- (Polytechnics)	1080	771	309(29)
Ministerial posts	671	353	318(47)
Total	**2891**	**1972**	**919 (32)**

Source: information provided by the Administration Branch of the Directorate

The above table shows a shortage of 919 staff (32 *per cent*) in the Directorate. The shortage of manpower in ITIs, Polytechnics, two selected Engineering Colleges and ministerial staff as a whole is discussed in succeeding sub-paragraphs.

2.2.4.1 Shortage of teaching staff in ITIs

The National Council of Vocational Training (NCVT) in its 37th meeting (December 2008), recommended 20 *per cent* additional Instructors apart from existing norms of one Instructor per trade per unit in ITIs, so that they could be deputed for training and retraining on regular basis, without affecting the regular training programme of the Institute. Accordingly, Secretaries and Directors of all States were directed to take necessary action for appointment of 20 *per cent* more Instructors as training reserve.

The men-in-position of CIs and GIs as on 31 March 2013 is given in **Table 2.2.5**.

Table 2.2.5
Sanctioned strength and men-in-position as on March 2013

Cadre	Sanctioned strength	Strength plus 20%	Men in position	Vacancy (%)
Craft Instructors	824	989	679	310 (31)
Group Instructors	96	115	44	71 (62)

The vacancies in two key categories namely, Craft Instructors (CIs) and Group Instructors (GIs) were particularly of concern (31 and 62 *per cent* respectively). In effect, the actual shortage of Craft Instructors was 55 *per cent* as 230 Instructors were engaged on contract basis in this category. Test check in selected ITIs further showed that six *per cent* of teaching staff was diverted to the Directorate headquarters or other Institutions and 12 Instructors were assigned administrative work in addition to their teaching.

The Department stated (January 2014) that efforts were being made with DSSSB for filling up the vacant posts. It was exploring the possibility of contract appointment and availing of the services from market by changing the Recruitment Rules.

2.2.4.2 Lack of trained Instructors in ITIs

As per the NCVT norms, Instructors must be trained in all modules, must possess National Craft Instructors Certificate (NCIC) to give them the status of trained Instructors and should be promoted to higher posts only after they possess NCIC. ITIs affiliated with NCVT must depute 20-30 *per cent* Instructors every year for 'Training of Trainers Programme' so that all Instructors are trained in a cycle of three years. However, in five selected ITIs, adherence to these norms was not ensured. The status of trained Instructors in five selected ITIs is given in **Table 2.2.6.**

Table 2.2.6
Availability of trained Instructors

Name of ITI	Total Instructors	Trained Instructors	Untrained Instructors	% of trained Instructors
AKS	81	11	70	14
Dheerpur	90	8	82	9
Pusa	107	14	93	13
Shahadra	42	5	37	12
SiriFort	25	2	23	8
Total	**345**	**40**	**305**	**12**

As is seen from the above details, out of 345 Instructors only 40 (12 *per cent*) were trained. Thus, the Directorate missed the milestone set by the NCVT to raise the capacity and standard of teachers in ITIs.

The Department stated (January 2014) that necessary orders had been issued and training was being organized through National Institute of Technical Teachers Training and Research, Chandigarh.

2.2.4.3 Shortage of staff in Polytechnics

In Polytechnics out of 1080 sanctioned technical posts, 309 (29 *per cent*) were vacant. Even eight posts of Principal and 21 posts of Head of the Department were vacant against sanctioned posts of nine and 25 respectively. In case of lecturers, there are 579 sanctioned posts and only 470 were filled including 124 posts filled on contract basis. Besides, 45 posts of Lab Technician and 53 posts of Technical Assistant were also vacant out of 57 and 168 sanctioned posts respectively.

The Department stated (January 2014) that efforts were being made with DSSSB for filling up the vacant posts. It was exploring the possibility of contract appointment and availing of the services from market by changing the Recruitment Rules.

2.2.4.4 Shortage of ministerial staff

There was shortage of ministerial staff as well, in the Directorate including ITIs, Polytechnics, and BTE, as 318 (47 *per cent)* out of 671 posts were vacant. Particularly in clerical cadre, 141 posts (50 *per cent*) out of 281 were vacant. As such, teaching and technical staff were deployed on administrative works at headquarters and other Institutes.

Thus, shortage of teaching staff coupled with available teaching staff doing administrative work, ostensibly affected the quality of education imparted to trainees. Besides, shortage of staff also impaired maintenance of proper records and information, the very basis of planning and implementation of various administrative measures and schemes.

The Department stated (January 2014) that efforts were being made for filling up the vacant posts.

2.2.4.5 Recruitment Rules for technical staff in GB Pant College not framed

Audit scrutiny of records in GB Pant College showed that regular appointments to 98 technical posts created in November 2007, could not be made due to non-finalization of recruitment rules. Instead of making concrete efforts for finalization of recruitment rules, the College filled-up 57 posts (58 *per cent*) on diverted, contractual or outsourced basis, whereas 41 posts (42 *per cent*) were vacant. Besides, 17 out of 32 ministerial posts (53 *per cent*) were also vacant as of March 2013.

The Department stated (January 2014) that framing of recruitment rules for technical staff was under process.

2.2.4.6 Shortage of technical staff in Ambedkar College

Out of sanctioned 109 teaching and technical posts, 60 (55 *per cent*) were vacant. Particularly, out of 74 posts of Professor, Associate Professor and Assistant Professor, 45 posts (61 *per cent*) were vacant. The College stated that the shortfall was being managed by calling visiting teachers and teachers appointed on contract basis.

The Department stated (January 2014) that efforts were being made to fill up these posts.

2.2.5 Implementation and Monitoring of plan schemes

The Directorate is running 13 plan schemes for ITIs and 14 for Polytechnics. The Planning Branch of the Directorate is the nodal branch for implementing and monitoring the plan schemes. It allocates funds under these schemes to ITIs and Polytechnics. Audit scrutiny showed that the Planning Branch allocated budget for schemes except Technical Education Community Outreach Scheme and Takniki Shiksha Sansthan Kalyan Samiti without distinctly indicating the amount for individual schemes, but under routine accounting heads like - Machinery and Equipment (M&E), Material and Supplies (M&S) etc. The clarity on scheme wise bifurcation of budget was missing at the final points where scheme funds were utilized. The Directorate did not even issue any separate guidelines or norms to ITIs and Polytechnics for utilisation of budget on implementation of plan schemes. Therefore, ITIs and Polytechnics incurred and booked expenditure under these routine heads only. As the funds were not allocated scheme-wise, the Institutes were not even aware of plan schemes being run, and hence, they did not maintain scheme specific records or files. The expenditure on plan schemes is finally compiled and booked under various schemes by the Planning Branch.

However, the basis on which the Planning Branch allocates budget and books the expenditure under various schemes, could not be ascertained in audit.

The Department stated (January 2014) that expenditure under accounting head Machinery & Equipment is booked in respect of expenditure incurred on purchase of new machinery and replacement of old machinery by the new one. It was further added that the Institutes were aware of Plan Schemes. Reply is not tenable as the funds were allotted sub-head wise and similarly expenditure was booked sub-head wise by the Institutes, instead of scheme-wise. The Institutes did not maintain scheme-wise records. However, the Department stated that instructions were being issued to make Institutes more aware about the schemes being implemented under the Directorate**.**

For scrutiny, Audit selected four schemes for ITIs and two for Polytechnics from plan schemes. The budget allocation and expenditure for selected six schemes for the period 2008-13, are given in **Table 2.2.7.**

Table 2.2.7
Details of budget and expenditure of selected schemes

(₹ in lakh)

Sl. No	Schemes	Budget	Expenditure
ITIs			
1.	Modernization and Restructuring of ITIs/BTCs	1347.48	945.87
2.	Setting up of New ITIs' and Renovation of Industrial Training Institutes	995.00	299.86
3.	Diversification & introduction of new courses in emerging skills/disciplines for improving quality of training	2515.52	2327.78
4	Up-gradation of ITI to "Centre of Excellence"	913.00	491.02
Polytechnics			
5.	Re-organization & Restructuring of existing facilities in Polytechnics	3537.50	2894.35
6	Replacement and modernization of machinery and equipment	1022.50	747.92

Audit assessed the performance of the Directorate in implementing these selected schemes in selected five ITIs and four polytechnics which are discussed in the ensuing sub-paragraphs.

2.2.5.1 Modernization and restructuring of ITIs

The objective of the scheme was to remove obsolete machinery and equipment, replace unserviceable ones and provide ITIs with tools, machinery, equipment to meet their deficiencies, etc. The Directorate spent ₹ 7.10 crore on this scheme in five selected ITIs, during 2008-13.

2.2.5.2 Shortage of tools and equipment

As per norms of the NCVT, ITIs are required to be equipped with tools and equipment as specified in Standard Tool List (STL) of the trade concerned.

For each trade, a total of 16 plus one set of tools were to be provided for trainees. Audit noticed shortfalls in the availability of tools and equipment as per STL, as enumerated below:

- ITI, PUSA did not have complete tools and equipment as per STL for each trade. Tools like Screw Drivers, Ring Spanner, Cutting Plier, Plier Combination, Solding Iron, Multimeter, Tong Tester, etc. were either not available or were unserviceable. The shortages were being met by sharing tools and equipment with the existing concern trades.
- In ITI, Dheerpur, the Digital Photography Trade was introduced in 2009. However, the equipment as per STL (photography background complete stand, studio video lights, chrome light etc.), were not purchased as of September 2013.
- In ITI, Sirifort, most of the items, in various trades namely, Stenographer (English), Cutting and Sewing, Embroidery, Textile Designing, Computer Operator and Programming Assistant (COPA), Information Technology & ESM, Architect Assistant, Food Production and Hair & Skin and Fashion Technology etc. were not available as per STL.

Thus, the Directorate did not ensure availability of required tools and equipment as per STL.

The Department stated (January 2014) that action was being taken for increasing Plan fund so that raw materials and other items could be made available as per norms.

2.2.5.3 Non-availability of Diesel Generator Sets

The NCVT prescribed provision of back-up Diesel Generator Sets to keep training activities going uninterrupted at the time of power cuts. Scrutiny of records of selected ITIs, however, showed that such DG Sets were not provided in three ITIs (Shahadra, Sirifort and Pusa) to meet exigencies during load shedding.

The Department stated (January 2014) that all the Principals have been instructed to assess the availability of space for installation of DG sets and take further action in this regard.

2.2.5.4 Lack of raw materials and consumables for training

Scrutiny of records for 2012-13 at ITI, Pusa, showed that 667 items (raw materials and consumables) costing ₹ 22.93 lakh were required for practical training on urgent basis. Trade in-charges were pressing hard for the procurement of these items since 2011-12, as training was badly affected. However, only 204 out of 667 items were purchased for ₹ 8.99 lakh as of August 2013. The Institute attributed the reasons to the fact that bidders/suppliers quoted rate for only 204 items.

The Department stated (January 2014) that all the Principals were instructed to assess the requirement of raw materials/consumables well in advance for the training purpose.

2.2.6 Setting up of new ITIs, and renovation of ITIs

Under this scheme, construction of new ITIs and renovation of existing ones were envisaged. As per annual plans (2008-13), the Directorate planned construction of five new ITIs at Ranhola, Dwarka, Chhatarpur, Bawana, and Mangolpuri. In addition, construction of a new building in place of old one at ITI, Shahadra was also planned in March 2008.

Audit scrutiny of records, however, showed that the Directorate did not fix any target for completion of these works, as a result, even construction work has not started as of September 2013. In case of ITIs at Bawana and Dwarka, the Department stated (January 2014) that initiation for the construction has not been taken up and the current status is not available. For ITI at Mangolpuri, the Department stated that administrative approval and expenditure sanction of ₹ 21.53 crore had been obtained and the construction activities are in progress. The status of the remaining two ITIs along with reasons for delay is discussed in succeeding sub paragraphs.

2.2.6.1 ITI at Chhatarpur

In lieu of the plot at Neb Sarai, the Director (Panchayat) allotted (June 2006) a piece of Gram Sabha land (4.18 acre) valued at ₹ 1.16 crore for a new ITI at Chhatarpur, physical possession of which was handed over to the PWD in October 2006. The cost of the plot at Neb Sarai (₹ 40.69 lakh) was adjusted and balance ₹ 75.31 lakh was to be paid. After the drawings were finalized and objection of the Finance Department on the preliminary estimates were met, the PWD submitted revised estimates of ₹ 91.11 lakh for consultancy and ₹ 58.64 crore for the main project in January 2012. The matter was referred to DDA in February and May 2012, and also to the Block Development Officer (South) in February 2012 and February 2013 regarding change of land use.

The Directorate informed (August 2013) that the land is to be transferred to the Department of Health and Family Welfare for construction of ITI for para-medical courses. Thus, lack of co-ordination between different departments led to non-construction of ITI which was perceived in 2006.

The Department stated (January 2014) that proposal for construction of ITI was still awaited from the Department of Health & Family Welfare/Delhi Cancer Society. It also stated that matter had been taken up with the Deputy Commissioner (South) for ascertaining the status of the land use.

2.2.6.2 ITI at Ranhola

For ITI at Ranhola, a piece of Gram Sabha land measuring 6.22 acre at a cost of ₹ 1.01 crore, was allotted (July 1999) by the Director (Panchayat) to the Directorate and possession of land was handed over to PWD in August 2002. In November 2002, Senior Consultant of PWD was appointed for submission of conceptual building plan. In April 2003, as PWD raised an issue of land use of the site which was required to be changed from agriculture to institutional, the matter was taken up with DDA. When an architectural consultant was engaged in October 2007, he requested to provide ownership, layout plan, and change of land use. However, records showed that land use was not resolved. Thus, even after 13 years of land allotment, construction was not started. (September 2013).

The Department stated (January 2014) that layout plan of the demarcated land was awaited from BDO (Nangloi), and PWD. Fact remains that the ITI could not be constructed, defeating the very purpose for which the construction was planned.

2.2.6.3 Construction of new building of ITI at Shahadra

A new building at ITI, Shahadra was proposed in 2007, as the existing building was in a dilapidated condition. The old building had one administrative block and three workshops. The Directorate sent the requirements for new building to PWD in February 2009. In the meanwhile, ITI Shahadra was selected under the scheme 'Centre of Excellence' and was to be upgraded through Public Private Partnership (PPP) mode. Accordingly, the Principal Secretary, DTTE directed (November 2010) the Institute Management Committee (IMC) to prepare a world class Institute having world class facilities by opening courses in Hospitality Sector for which additional new trades were to be introduced. The Directorate forwarded the revised building requirements to PWD (September 2011). Audit noticed that PWD did not even appoint a consultant for the construction work as of July 2013.

The Department stated (January 2014) that the tendering for appointment of consultant was under process in PWD.

2.2.7 Diversification and introduction of new courses in emerging skills and disciplines for improving quality of training in ITIs

The main objectives of the scheme were to introduce new trades, replace obsolete trades with new ones considering the employment potential and market demand and to improve the quality of training, up-gradation of libraries, and inspection of ITIs etc. Test check in selected Institutes showed the following:

2.2.7.1 Shortfall in introduction of new trades

As per annual plan 2008-09 of the Directorate, 32 new trades identified by DGE&T, were to be introduced for improving the quality of training, for which an outlay of ₹ 3.25 crore was also made. However, it was seen that only 13 courses were introduced till 2012-13.

The Department stated (January 2014) that a committee would be constituted to make recommendations for introduction of new trades on the basis of available infrastructure and present market demand.

2.2.7.2 Introduction of 106 new units in trades without matching infrastructure

An ITI seeking affiliation for a new trade or additional units in the existing trade, should ensure availability of necessary infrastructure and Instructors. It was decided (August 2011) to enhance existing intake of trainees by at least 20 *per cent*, in popular and demanding trades of ITIs. Accordingly, 106 new units in existing trades with 2236 intake capacity were introduced in different

ITIs for admissions for the academic session 2011-12. For this, faculty members were to be ensured by the Administration Branch in the Directorate and the Planning Branch was to pursue procurement of required infrastructure, with the concerned Principals. Audit scrutiny showed the following deficiencies:

The sanctioned strength of 824 in the category of Craft Instructors (CIs) was not revised during 2010-11 to 2012-13, indicating that requirement for additional faculty for the new units was not at all considered. Though, 123 contractual CIs were recruited in January 2012, the men-in-position declined from 690 in 2010-11 to 679 in 2012-13. This clearly shows that the Directorate had not even filled up the existing vacancy, leave alone the requirement of CIs for the newly introduced units.

- Proposals for arrangement of equipment and infrastructure were sent by ITIs to the Directorate only after the admissions were made in August 2011. Thus, sessions started without availability of required machinery and equipment. For instance, ITI, Pusa introduced seven new units, without ensuring additional seating infrastructure. The concerned in-charges for trades requested the Principal (August 2011) for purchase of 56 dual desks on urgent basis, the delivery of same was received only in December 2012 (i.e.15 months after the new session started).
- In ITI, AKS, 16 new units were introduced. Audit scrutiny showed that the Craft Instructors for newly introduced units did not possess the relevant qualification. Posts of Craft Instructor for the trades of Data Entry Operator and Health and Sanitary Inspector were still vacant.
- In ITI, Dheerpur, due to paucity of funds, space and faculty, new classes were managed with existing facilities only.
- In ITI, Shahadra, four out of six new trades introduced in 2011-12, were closed in 2012-13 on the ground of their being unpopular trades, as stated by the Institute.

Thus, the Directorate ventured into the scheme of introducing new units in ITIs without having a concrete plan and strategic roadmap in place, and as a result, failed to ensure necessary matching infrastructure and faculty members.

The Department stated (January 2014) that Principals of ITIs were being instructed to run the Institutes in two shifts for better utilization of available space and equipment.

2.2.7.3 Inspections of ITIs

According to the DGET Manual, inspecting officers of the State Directorate of Training should inspect ITIs in their charge, as frequently as possible, and give advice on the training and the State Director should conduct inspections twice a year in each ITI. Going by the norm, 170 inspections should have been conducted in 17 Government ITIs during the period 2008-09 to 2012-13. However, the Director conducted only one inspection each in two ITIs during this period.

In addition, regular internal inspections of an Institute should be carried out at the level of Group Instructor and Principal. Such inspections should be confined to one section at one time and be intensive and thorough, covering all aspects of the activities of the section and factors affecting the training programme and be done on four days per week preferably. However, no such inspections were conducted in any of the selected ITIs.

The Department stated (January 2014) that inspection of ITIs would be done frequently with immediate effect.

2.2.8 Re-organization and restructuring of existing facilities in Polytechnics

The main objectives of the scheme are up-gradation of Polytechnics to Degree Colleges, improvement of infrastructure; improvement the standard and quality of training in Polytechnics, etc.

2.2.8.1 Non-upgradation of Polytechnics to Degree Colleges

Under the scheme, Kasturba Polytechnic for Women and Ambedkar Polytechnic were proposed to be upgraded to Degree Colleges in 2008-09, however, the same was not achieved as of September 2013. The Directorate stated (June 2013) that the upgradation of polytechnics could not be materialized as it involved additional space, infrastructure and upgradation of staff.

2.2.9 Replacement and modernization of machinery and equipment

The main objective of the scheme was to replace the obsolete machinery and equipment which had outlived their life with the modern equipment, networking of all Institutes, and to equip the workshops with support facilities matching with the equipment procured etc.

Audit scrutiny showed that the Polytechnics did not have any Standard Tool List (STL) for courses being run there. As such, the Polytechnics procured machinery and equipment, based on the requirements given by HoD of different departments. Thus, in the absence of any STL, audit could not ascertain whether existing and newly procured machinery was sufficient for the number of students.

The Department stated (January 2014) that in case of Polytechnics, the procurement of Machinery & Equipment was based on the requirement of curriculum. The reply is not acceptable as there should be a standard tool list to avoid the situation of discretion.

2.2.10 Up-gradation of ITIs to 'Centre of Excellence'

The GoI launched (2004-05) a scheme for upgrading 500 ITIs all over India to 'Centre of Excellence (CoE)' in next five years. The funding for the scheme was to come from two sources namely, World Bank Assistance (for 400 ITIs) and Domestic Funding (for 100 ITIs). In 2007-08, the GoI supplemented this scheme by announcing upgradation of 1396 more ITIs to CoE through Public Private Partnership (PPP). The objective of the scheme was to upgrade ITIs to the world standards by utilizing latest tools, equipment, and machinery, method of teaching and quality of Instructors so that trainees get suitable placement in the industry. For this, close tie-up with the industry was required so that trainees get access to 'on the job training' in the industrial establishments during their training and finally secure placements.

In Delhi, three ITIs (Dheerpur, Arab ki Sarai and Jail Road) were selected for upgradation through World Bank Assistance and expenditure on the scheme was to be shared between GOI and the State in the ratio of 75:25. ITI, Pusa was selected under Domestic Funding and nine ITIs (including selected ITI, Shahadra) were to be upgraded under PPP, in a phased manner. The budget and expenditure under CoE for test checked ITIs in Audit are shown in the **Table 2.2.8.**

Table 2.2.8
Funds allocated and expenditure for CoE

(₹in lakh)

ITI	Sector	Centre share	State share	Total funds	Expr. (central)	Expr. (State)	Total expr.	Saving	% of saving
AKS	Production& Manufacturing	223	69	292	207	69	276	16	5
Dheerpur	Electrical	174	99	273	88	29	117	156	57
Pusa	Automobile	73	25	98	73	25	98	0	0
Shahadra	Hospitality	250	0	250	0.02	0	0.02	249.98	99
Total		**720**	**193**	**913**	**368.02**	**123**	**491.02**	**421.98**	**46**

From the table, it is seen that except AKS and Pusa, there were savings between 57 and 99 *per cent* of funds allocated. Thus, ITI Dheerpur and Shahadra failed to utilize available budget in implementing the scheme due to lack of proper planning, as brought out in the succeeding paragraphs.

2.2.10.1 Deficiencies in implementation of CoE under World Bank Assistance

Scrutiny of records showed that trainees were admitted before ensuring availability of required infrastructure in terms of machinery and equipment, faculty, workshops, etc. as per norms for affiliation of trades with the NCVT as per details below:

- None of the trades introduced under CoE in any of the ITIs, could be affiliated with the NCVT for want of availability of required infrastructure, such as, machinery, equipment, manpower as per norms fixed by NCVT.
- In ITI, AKS, admissions in the concerned trade were started in July 2006, whereas the proposal for procurement of tools and equipment (estimated cost ₹ 1.48 crore) for the scheme was approved only in February 2007. Further, machines and tools procured at a cost of ₹ 2.75 crore during 2007-13, were not properly installed as of October 2013 due to non-completion of civil and electrical works in workshop no. 2.
- In ITI, Pusa, a proposal for 81 machinery and equipment items (estimated cost ₹ 11.57 lakh) was submitted in 2012-13. However, none of the items was purchased in 2012-13.
- In ITI, Dheerpur, classes were running, though there was a shortage of 61 items of machinery and equipment as per STL.

The Department stated (January 2014) that instructions were being issued to all other Principals to take action for upgradation of ITIs to CoE. It was also stated that the shortage of machines and equipment was being removed by procuring the items.

2.2.10.2 ITI, Shahadra not upgraded to COE

Under PPP mode, an industry partner is associated to lead the process of up-gradation of an ITI and an Institute Management Committee (IMC) is constituted and registered as a Society with Industry partner as its chairperson. Interest free loan upto ₹ 2.50 crore is released by the GoI directly to the IMC to upgrade the training infrastructure in the ITI and the IMC is also delegated power to determine upto 20 *per cent* of the admissions in the ITI. The State Government retains the ownership of the ITI and continues to regulate the admissions.

Audit scrutiny showed that ₹ 2.5 crore was received from GoI in December 2010 for upgradation of training facilities in Hospitality Sector in ITI, Shahadra. However, no headway towards upgradation of ITI could be made and the money was lying unutilised in the bank account. The Department stated (January 2014) that the Chairman, IMC appointed a Consultant at a cost of ₹ 7.00 lakh without following due procedure, which led to dispute between the Chairman and the Institute/ Directorate. As no activity related to CoE was taking place due to dispute between IMC and Directorate, the proposal was stalled.

2.2.11 Unaffiliated trades and units

The criterion for affiliation is to provide frame work for effective management and delivery based training, aimed at overall development of ITIs. As per Training Manual, proposals regarding trades to be taught at any training Institute is ordinarily initiated by the State Councils for Vocational Training (SCVT), the authority to start training programmes.

Audit scrutiny showed that various trades designated under NCVT and presently running in various ITIs since long (e.g. Health and Sanitary Inspector, Front Office Assistant, Mechanic-Medical Electronics, Secretarial Practice, Architectural Assistant etc.), were not affiliated with the NCVT. In some affiliated trades, there were unaffiliated units (classes) running (e.g. Turner, Draughtsman-civil and mechanical, Machinist etc.). Lack of required infrastructure in ITIs, was the main reason for these trades and units not being affiliated with the NCVT. In Sirifort, nine trades (18 units) out of 18 (35 units), were not affiliated with the NCVT but were running under SCVT. Similarly, in Dheerpur, five trades (25 units) out of 28 (76 units) were unaffiliated and running under SCVT.

Further, units running under some trades were provisionally affiliated with SCVT, even though they are deficient in infrastructure and other requirements as per norms of affiliation with the NCVT. During 2008-12, eight ITIs applied for affiliation of trades and units and got provisional affiliation. However, these Institutes did not take follow up action to remove the deficiencies. Running courses not affiliated with the NCVT, restricts the scope of employability of trainees, as without NCVT certificate, they are ineligible for appearing in National Trade Certificate Examination, which is the eligibility criteria recognized by the GoI for recruitment to subordinate posts.

The Department stated (January 2014) that instructions were being issued to all the Principals to ensure that no trades are left unaffiliated.

2.2.12 Implementation of the Apprenticeship Act, 1961

Apprenticeship Training Scheme is implemented under Apprenticeship Act, 1961 which regulates Industry's need for trained craftsmen by utilizing the training facilities available in the industry, so as to supplement the availability of trained technical personnel. It is a statutory obligation on every Industry or Establishment having training facilities, to train a certain number of apprentices assigned by the State Apprenticeship Advisor. Failure to engage trade apprentices as per the provisions constitutes an offence under section 30(1) of the Act. Both, fresh and ITI pass candidates can join the scheme and the period of apprenticeship training varies from six months to four years, depending upon the trade. ITI pass candidates are eligible for rebate of corresponding period of training undergone by them in ITI. The candidates for apprenticeship training are sponsored by the Directorate to industrial establishments. Audit scrutiny of records at the office of the Deputy Apprenticeship Advisor (DAA) under the Directorate showed the following:

The Apprenticeship Training Scheme provides opportunity to those candidates who want to take technical education without the obligation of possessing/securing a certain required percentage in class-X which is a minimum requirement for admissions in ITI. However, after 2005, fresh candidates were not registered under the scheme and only ITI pass trainees were registered due to administrative reasons. Details of vacancies *vis-a-vis* admissions under Apprenticeship Scheme in different trades are given in the **Table 2.2.9**.

Table No. 2.2.9
Details of vacancies and admission to apprenticeship

Year	Establishments registered	Vacancies	No. of Students passing ITI	Students enrolled	*% w.r.t. vacancies*
2008-09	867	3033	3761	137	5
2009-10	867	3033	4127	186	6
2010-11	867	3033	3611	207	7
2011-12	867	3033	3823	119	4
April-Dec-12	867	3033	-	157	5
Jan-April-13	615	2210	-	45	2
Total	**-**	**17375**	**-**	**851**	**4.90**

The above table shows that the level of admissions or sponsorship under the scheme was merely five *per cent* of the vacancies.

As per Section 29 of the Act, the State Apprenticeship Advisor is empowered to inspect and examine any establishment at any reasonable time. He can examine any apprentice employed therein or require production of any register, record or other documents which he may consider necessary and can exercise such other powers as may be prescribed under the Act.

However, DAA did not exercise its powers under Section 29 of the Act. The DAA intimated (June 2013) that it did not maintain any record of inspections for the period prior to 2013, adding further that it ensured implementation of the provisions of the Act by conducting surveys on telephone with the establishments/apprentices and there was no complaint received in this regard. However, audit noticed that the reply was factually incorrect as the Directorate received a complaint (July 2012) regarding existence of fake establishments being registered under the Act. Thereafter, to verify the facts mentioned in the complaint, the DAA started a survey where, 22 out of 31 establishments surveyed initially, were found non-existent. This was followed by issue of notices to enlisted 867 establishments. Two hundred notices were received back by DAA, as these were also non-existent. Feedbacks from only 50 were received till May 2013 and status of 617 establishments was not clear.

The Directorate neither carried out any routine physical surveys of the establishments nor updated itself with records of the Chief Inspector of Factories in Delhi as regards to registered establishments and number of seats for apprenticeship.

The Department stated (January 2014) that due to shortage of staff, proper physical surveys could not be conducted and, therefore, the information was not updated. Further, the survey process of existing and new industries was in progress. It also stated that the DAA was liaising with Department of Industries, GNCTD for further course of action in the matter.

Other observations

2.2.13 Placement of trainees

To help the ITI graduates in getting placement in industries, the NCVT in its 36th meeting held on 17th December 2007, recommended setting up of the Placement Cell in every ITI. These Cells were to maintain details of each and every trainee graduating from ITIs (name, address, educational qualification, technical qualification, etc.) and organize campus selections so that any industry wanting to recruit persons with requisite skills may do so.

Audit scrutiny of records of five selected ITIs, however, showed that the Placement Cells with required infrastructure and independent staff were not established.

The selected Institutes did not maintain the record of placement and if maintained, it was not proper. For instance, no record except some trainees' names and their trades was maintained in ITI, AKS. ITI, Shahadra had no placement records except for the years 2011 and 2012. In ITI, Dheerpur, records pertaining only to the year 2012 were available. In the absence of proper records the number of placement could not be established by audit.

Thus, NCVT's recommendations on placement cell were not being implemented in effective manner.

The Department stated (January 2014) that due to non-availability of post of Training and Placement Officer, there was hardship in placement of passed out trainees. However, efforts were being made through campus interviews, sponsoring the candidates and inviting the industries and organizing job fair for placement of passed out trainees. It further stated that the proposal for creation of posts of Placement Officer is being taken up.

2.2.14 Non-establishment of Computer Labs

It was proposed (December 2011) in 40th meeting of the NCVT that every ITI affiliated with the NCVT, must set up an exclusive Computer Lab with internet connectivity on every workstation. Subsequently, in April 2012, the DGE&T made it mandatory for all ITIs to set up Computer Labs having minimum 10 computers and workstations with internet facility by October 2012. The Labs were to be set up in ITIs having seating capacity upto 100, irrespective of availability of trade related computer equipment.

Audit scrutiny showed that no such Lab was established in any of the selected ITIs. The Department stated (January 2014) that the process of establishment of computer labs was under process.

2.2.15 Internal control mechanism

Internal controls are designed to provide reasonable assurance about the achievement of objectives of an entity effectively, efficiently and economically. Compliance to observations made by Internal Audit and Statutory Audit is an indicator of an effective internal control system being in place in the entity. Deficiencies noticed in internal controls have been pointed out in the previous paragraphs.

The internal audit of the Directorate is conducted by the Directorate of Audit, GNCTD. A total of 1010 paragraphs of internal audits, pertaining to 34 Units of the Directorate were outstanding as of March 2013, some of them were as old as 1976 (year-wise break up of pendency was not provided to Audit).

Besides, 50 Inspections Reports with 158 paragraphs of Statutory Audit for the period 2000-13, were pending for compliance on the part of the Directorate.

The long pendency of audit paragraphs, financial irregularities, non-adherence to laid down norms and other deficiencies highlighted in the foregoing paragraphs, indicated a weak internal control mechanism which needed strengthening.

The Department assured (January 2014) of appropriate action for settlement of Audit paragraphs.

2.2.16 Conclusion

The dropout rate of trainees in ITIs ranged from 16 to 23 *per cent.* No counseling and guidance were arranged for trainees by professionals and experts, to help build confidence to face interviews. The Directorate was facing acute shortage of staff, especially of trained teachers. This was impacting adversely the quality of training. Both, the ITIs and Polytechnics, were unaware of schemes being run for them. The objective of opening of new ITIs could not be met as most of these were still under construction, even after five years of their conception. Basic infrastructural facilities such as machinery, equipment, space etc., were lacking, as a result, many trades and some units remained unaffiliated with the NCVT, rendering trainees of these trades and units ineligible for qualification certificate of the NCVT.

The formal Placement Cell was not established in ITIs with the required infrastructure and the Department had a weak internal control mechanism.

2.2.17 Recommendations

The Directorate may consider to:

- review the contract demands of electricity and tariff rates being paid by all the ITIs, Polytechnics, and Colleges.
- take steps to spread awareness among the school children about the scope of various trades and counselling be arranged in all the Institutes before and after admissions to check dropout rate in ITIs;
- make efforts to make available the infrastructure as per norms of the NCVT and the DGE&T for achieving objective of quality training; and
- accord top priority for the affiliation of trades and units.

Public Works Department

2.3 Working of Maintenance Zones of the Public Works Department, GNCTD

The mandate of the Public Works Department is to plan, design, construct and maintain Government residential and non-residential buildings and roads. The significant audit findings are as under:

Highlights

- ***The figures of budget allotment and actual expenditure of E-in-C office were not reconciled with those of Pay and Accounts office.***

(Paragraph 2.3.2.1)

- ***Department adopted either DSR 2012 plus eight per cent or DSR 2012 minus 12 per cent plus eight per cent instead of DSR 2012 minus 12 per cent as per instruction of Finance Department which resulted in inflating the estimated cost in 75 works by ₹58.72 crore.***

(Paragraph 2.3.3.1)

- ***Tenders of ₹3.72 crore included inadmissible element of VAT, EPF and ESI in the justification cost.***

(Paragraph 2.3.4.2)

- ***Inaccurate assessment of quantities in preparation of estimates resulted in cost overrun in 107 works amounting to ₹17.73 crore.***

(Paragraph 2.3.5.7)

2.3.1 Introduction

Maintenance zones of the Public Works Department (PWD), Government of National Capital Territory of Delhi (GNCTD), are vested with the responsibility of maintenance of government buildings (residential and non-residential), road works and construction of new buildings with a cost upto ₹ 30 crore.

2.3.1.1 Organisational set-up

The Secretary is the chief controlling officer of the PWD, assisted by Engineer-in-Chief, Chief Engineers, Superintending Engineers, Executive Engineers, Assistant Engineers and Junior Engineers. PWD is divided into four maintenance zones (MZs), two building project zones and one flyover zone, each headed by a Chief Engineer. Zones are divided into circles, headed by Superintending Engineers, which are further divided into divisions, each under the charge of an Executive Engineer (EE) except Horticulture divisions which are headed by Deputy Directors (DD).

There are total 59 maintenance divisions in Delhi, out of which 46 divisions are headed by EE or DD, who are also drawing and disbursing officer (DDO).

2.3.1.2 Audit objectives

The main audit objectives were to assess whether in MZs:

- budget estimates were realistic and the financial management was effective;
- works were estimated and sanctioned in conformity with the applicable rules; and
- an effective internal control mechanism was in place.

2.3.1.3 Audit scope and methodology

The audit for the period 2012-13, was conducted between May and October 2013. Audit selected 23 out of 46 maintenance divisions on the basis of expenditure incurred. In addition, the PWD Secretariat, Engineer-in-Chief (E-in-C), Chief Engineers offices of two zones[4] and Superintending Engineers offices of four circles[5], were also covered. In selected divisions, works having higher tendered value were selected as - (i) 50 *per cent* of works having tendered value of ₹ 2.50 crore and above, (ii) 15 *per cent* of works having tendered value below ₹ 2.50 crore and above ₹ 30 lakh, and (iii) 10 *per cent* of works having tendered value upto ₹ 30 lakh.

Entry conferences were held with the Secretary (PWD) on 17 April 2013 and with E-in-C on 18 April 2013, to discuss audit objectives, scope, methodology and criteria. The draft Audit Report was issued to the Government in December 2013. An exit conference with Secretary (PWD) was held on 22 January 2014 where the Government's views on audit findings, conclusions and recommendations were discussed. Their reply, received in February 2014, has been suitably incorporated in the report.

2.3.1.4 Audit criteria

The audit findings were benchmarked against the criteria drawn from the following sources:

- the Central Public Works Department (CPWD) Works Manual and the Central Public Works Account (CPWA) Code;
- the Delhi Schedule of Rates (DSR) and the Standard Data Book of the Ministry of Surface Transport (MOST);
- the General Financial Rules (GFRs) and the Receipt and Payment Rules;
- Provisions contained in the General Conditions of the Contract; and
- Specifications of the Ministry of Road Transport and Highways (MoRTH) and the Indian Roads Congress (IRC).

[4] M-I and M-II

[5] M-11, M-13, M-21 and M-25

Audit findings

2.3.2 Financial management

During 2012-13, the total expenditure of the Public Works Department was ₹ 2031.99 crore under Plan and Non Plan heads, out of which ₹ 1516.86 crore was incurred by four MZs, as given in **Table 2.3.1.**

Table 2.3.1
Budget and actual expenditure of MZs

(₹ in crore)

Zone	Budget estimate		Revised estimate		Expenditure		Savings/Excess	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
M-I	242.83	130.42	390.70	131.12	375.95	128.75	(-) 14.75	(-) 2.37
M-II	179.99	129.02	195.05	134.06	190.23	127.40	(-) 4.82	(-) 6.66
M-III	795.52	143.56	728.75	131.08	309.34	103.34	(-) 419.41	(-) 27.74
M-IV	220.69	137.29	171.08	124.41	154.45	127.40	(-) 16.63	(+) 2.99
Total	**1439.03**	**540.29**	**1485.58**	**520.67**	**1029.97**	**486.89**	**(-) 455.61**	**(-) 33.78**

Analysis of data in the table and scrutiny of records disclosed the following:

- Initial budget of ₹ 1439.03 crore under Plan head of four MZs was revised to ₹ 1485.58 crore whereas actual expenditure was only ₹ 1029.97 crore indicating that the revision was uncalled for as at the end of the year there was a saving of ₹ 455.61 crore.
- Under Non-Plan, there was overall saving of ₹ 33.78 crore in four zones, particularly in Zone III, it was ₹ 27.74 crore, whereas in Zone IV, there was excess expenditure of ₹ 2.99 crore.
- In MZ-II, on one hand, expenditure was less than the revised allotment, on the other hand, in the Horticulture division (M-214), in the absence of budget, liabilities of ₹ 10.48 crore remained outstanding at the end of the year.

2.3.2.1 Variation in figures of PAO and those of E-in-C office

Section 50.1 of CPWD Works Manual stipulates that Head of the Department and the Accounts Officer are jointly responsible for the reconciliation of the figures given in the accounts maintained by the Head of the Department, with those appearing in the Accounts Officer's books. Test check of information showed that the figures of budget and expenditure of E-in-C office differed from those of the Pay and Accounts office. The details are given in **Table 2.3.2.**

Table 2.3.2

Difference in budget figures of E-in-C and PAO

(₹ in crore)

Zone	Figures of E-in-C				Figures of PAO				Differences			
	Budget allotment		Expenditure		Budget allotment		Expenditure		Budget allotment		Expenditure	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
	1	2	3	4	5	6	7	8	9 (1-5)	10 (2-6)	11 (3-7)	12 (4-8)
M-1	390.70	131.12	375.95	128.75	403.38	91.22	386.02	91.00	12.68	39.9	10.07	37.75
M-II	195.05	134.06	190.23	127.40	199.28	102.57	193.07	102.19	4.23	31.49	2.84	25.21
M-III	728.75	131.08	309.34	103.34	566.43	100.34	501.73	100.02	162.32	30.74	192.39	3.32
M-IV	171.08	124.41	154.45	127.40	220.12	101.72	156.16	100.77	49.04	22.69	1.71	26.63

The differences were not reconciled. It was also observed that there were differences in budget and expenditure figures of Zone-I and those of E-in-C office for the year 2012-13 as depicted in **Table 2.3.3**.

Table 2.3.3

Difference in figures of Zone-I and E-in-C

(₹ in crore)

Zone 1				E-in-C			
Plan		Non-Plan		Plan		Non-Plan	
Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure
388.99	377.86	100.49	106.49	390.70	375.95	131.12	128.75

The Government stated (February 2014) that difference in figures of expenditure under Non Plan head was mainly due to expenditure on salary, medical, and TA which was not reflected by PAO. Reply is not acceptable as E-in-C office failed to produce sub-head wise details of budget and expenditure of Non-Plan heads. The reply also did not address the issue of difference of figures under Plan head.

2.3.2.2 Charging of non-plan expenditure to Plan heads awaiting regularisation

It was decided (October 2012) that 15 *per cent* of the Plan fund can be charged for maintenance and repair expenditure of non-plan nature, except expenditure of essential operational costs like electricity charges of street lights, wages of work charged staff, watering of plants etc. For such transfer of plan expenditure to non-plan heads, AA&ES should be obtained from competent authority.

EM division (M-451) passed transfer entries of ₹ 4.11 crore by booking non-plan expenditure under Plan head, without obtaining AA&ES. Similarly, Horticulture division (M-214) transferred non-plan expenditure of ₹ 2.63 crore to Plan head, whereas expenditure included charged staff salary, telephone bills, bills of mineral water, photocopier charges, etc. Thus, the booking of non-plan expenditure of inadmissible nature amounting to ₹ 6.74 crore under Plan head without AA & ES requires rectification.

The Government stated (February 2014) that EEs were being directed to take *ex-post-facto* approval for AA & ES for such expenditure.

2.3.2.3 Irregular re-appropriation of savings of ₹ 35 lakh

As per section 48.6 (3) (b) of CPWD Manual, Chief Engineers have been delegated powers of re-allocation of funds from one area to another under the same sub-head of the budget. Scrutiny of records showed that the EE (CBMD M-132) transferred ₹ 25 lakh from the work 'Construction of underground reservoir and pump house and distribution grid of treated water' to the work 'Design, supply erection of STP at Tihar Jail', and ₹ 10 lakh from the work 'Extra ordinary repair to SPS type barrack in Ward No.2 in Central Jail No.-4' to the work of 'Widening of road between Central Jail No.2 and 6' through transfer entries without the approval of Chief Engineer, which was irregular.

The Government stated (February 2014) that EE was being directed to get the *ex-post-facto* approval from the competent authority.

2.3.2.4 Non-credit of lapsed deposit into Government account

As per para 15.4.1 of the CPWA Code, security deposits remaining unclaimed for more than three complete accounting years after they become due for payment, are treated as lapsed deposits and are required to be credited into Government account. Five divisions did not credit lapsed security deposits of ₹ 2.74 crore[6] into the Government account.

At the instance of Audit, the Deputy Director (M-214) credited ₹ 6.98 lakh into the Government account in August 2013. The Government stated (February 2014) that instructions were issued to all Executive Engineers to credit unclaimed lapsed deposits to Government account.

2.3.2.5 Absence of division wise information on budget allocation

After the budget for GNCTD is passed by the Legislature, E-in-C allocates budget to zones for further allocation to circles, from where it is further allocated to respective divisions. Scrutiny of records showed that E-in-C office and Chief Engineer office did not maintain division-wise information on budget and expenditure.

2.3.3 Preparation of work estimates

A preliminary report and rough estimates should be prepared for obtaining administrative approval for the work proposed to be taken up. Thereafter, detailed estimates supported by complete details such as schedule of all items, quantities, rates, costs, drawings, specifications, rate analysis, measurement details, *etc.* are needed to be prepared for each work, for obtaining technical sanction of the competent authority. Technical sanction ensures that the proposal is structurally sound and the estimates are economical. Irregularities noticed in this area are discussed in the following sub-paragraph.

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[6] M-111 (₹ 1.18 crore),M-132(₹ 0.24 crore), M-211 (₹ 0.11 crore),M-214 (₹ 0.07 crore), and M -313 (₹ 1.14 crore),

2.3.3.1 Inflated estimates and technical sanction

In September 2012, the Finance Department, GNCTD issued orders for adoption of DSR 2012 in place of DSR 2007 for capital works. Orders stipulated that executing agencies including PWD should carry out development works (roads and the drains) at Delhi Schedule of Rate (DSR) 2012 minus 12 *per cent*.

Ten[7] CRM divisions, and two[8] civil building maintenance (CBM) divisions, prepared preliminary estimates by adopting 'DSR 2012 minus 12 *per cent'* for seeking AA and ES, but for calculating detailed estimates, they adopted 'DSR 2012 plus eight *per cent*' or 'DSR 2012 minus 12 *per cent* plus eight *per cent'* in violation of orders issued by the Finance Department and as a result, estimates of 75 works' were inflated by ₹ 58.72 crore**.**

The Government stated (February 2014) that estimated costs put to tenders were worked out as per the CPWD norms by adjusting the estimated cost of scheduled items by the cost index. It further stated that works were awarded after preparing the justified cost of the work which was as per prevailing market rates. The reply is not acceptable as the orders issued by the Finance Department were very specific and clear that executing agencies should carry out development works at DSR-2012 minus 12 *per cent*. In the exit conference, the Secretary, PWD stated that the matter will be taken up with the Finance department relating to change in cost index as regards to CPWD Works Manual.

2.3.4 Tendering process and award of work

Rule 21 of the GFRs, stipulates that every officer incurring or authorising expenditure from public moneys should be guided by high standards of financial propriety and is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

2.3.4.1 Delay in award of work beyond stipulated period prescribed in Manual

As per Section 20.3.1 of CPWD Works Manual, top priority should be given for expeditious finalisation of tenders. In case of tenders under the power of Superintending Engineer, seven days for Executive Engineer and 15 days for Superintending Engineer are prescribed, for scrutiny and disposal of tenders.

Two CRM divisions (M 412 and M 413), two EM divisions (M-251 and M-351) and one CBM division (M-132) did not finalise tenders for 24 works within prescribed period, resulting in delays ranging from five to 70 days.

The Government stated (February 2014) that validity of tender is 90 days from the date of opening of tender and all the works were awarded within the stipulated period and period mentioned in the section is for scrutiny and for

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[7] M-111, M-112, M-113, M-141, M-142, M-311, M-312, M-313, M-412 and M-413
[8] M-121 and M-341

disposal of tender to next authority. The reply is not acceptable as all cases pointed out by Audit, were to be accepted by the Superintending Engineer, for which, period for each authority involved in scrutiny and award of tender was included.

2.3.4.2 Irregular entrustment of work

Section 20.4.3.1 of CPWD Works Manual provides that element of VAT will not be included in the justification cost of contracts and work orders for services, such as running or maintenance of computer services, running of vehicles and other similar contracts. Section 20.4.3.2 further stipulates that variation in tendered rates up to five *per cent* over the justified rates may be ignored.

a) EM divisions (M-251 and M-252) included the element of VAT in case of six works (like operation of electrical installation, water supply, pump set, DG set, fire system and lifts etc.) having tendered cost of ₹ 1.27 crore, in justification cost.

The Government stated (February 2014) that instructions were being issued accordingly to EEs for taking corrective action in future.

b) As per clarification issued by the Director General of Works (DGW) in November 2012, the components of EPF and ESI to be paid to workers under contract, should not be added to the justification cost. In three works of EM divisions (M 252 and M 253) having tendered cost of ₹ 2.45 crore, the elements of EPF, ESI and VAT were included in the justification cost.

The Government while accepting the facts stated (February 2014) that all EEs were being directed to follow manual direction strictly while working out the justified cost of work.

2.3.5 Execution of works

The contract management requires that work should be executed in most substantial and professional manner in every respect strictly in accordance with the specifications and also conform exactly, fully and faithfully to the design, drawings and instructions in writing in respect of the work and signed by the Engineer-in-charge. The Contractor should take full responsibility for adequacy, suitability and safety of all works and methods of construction. During the year 2012-13, 2330 works were awarded in selected divisions. Out of 445 works valuing ₹ 494.72 crore selected for test check, 183 works (₹ 406.63 crore) were not completed in time/ in progress and in 107 works (₹ 55.65 crore) there were cost overrun. The remaining 155 works valuing ₹ 32.44 crore were either completed in time or no escalation was paid. The audit findings are discussed in the succeeding paragraphs.

2.3.5.1 Execution of work without technical sanction

Section 2.1 (2) of CPWD Works Manual stipulates that no work should normally be commenced unless detailed estimates for the same is technically sanctioned. In EM division (M 153), technical sanction in respect of 63 non-plan works of ₹ 5.42 crore executed during 2012-13 under head 2059 and 2216, was not obtained.

The Government stated (February 2014) that EE concerned was being directed for taking ex-post-facto technical sanction from the competent authority. Reply is not acceptable as the Department did not follow the provision of manual and *ex-post-facto* technical sanction would be *fait-accompli* which would not serve the intended purpose.

2.3.5.2 Non-revision of technical sanction

Section 2.5.2 of CPWD Works Manual stipulates that actual expenditure can exceed the technical sanction upto 10 *per cent*, beyond which revised technical sanction shall be necessary. In Horticulture division (M 214) and two CRM divisions (M 412 and M 413), 17 works exceeded the technical sanction by more than 10 *per cent* (by ₹ 1.61 crore).

The Government replied (February 2014) that concerned EEs were being directed to take immediate action to accord revised technical sanction and general instructions were also being issued for taking necessary action in future.

2.3.5.3 Execution of works other than approved ones

The estimates are to be prepared on the basis of a survey indicating the requirements of work and the place of execution. It was noticed that in five works in two CRM divisions (M 211 and M 213) and one EM division (M 252)**,** additional works of ₹ 1.95 crore were executed. The original works related to improvement of footpath, profile correction of road and operation and maintenance but the deviations and extra items related to providing and laying DBM, DBC and mastic wearing course, supply, installation and commissioning of voltage stabilizers and supply and fixing of outdoor type weather proof hose cabinets and fire extinguishers. As there were no relation between the work awarded and execution of extra and deviation items, hence it was irregular.

The Government stated (February 2014) that the additional works were associated with the original work but their necessity arose during execution of work. The reply is not acceptable as all the works were of separate nature and different from original works and executed under the main agreements without going for a separate Administrative Approval and Expenditure Sanction.

2.3.5.4 Inadmissible payment for work already covered in scope

As per General Conditions of the Contract (2) regarding site conditions, contractor shall satisfy himself regarding all aspects of site conditions and no claim will be entertained on the plea that the information supplied by the department was erroneous or insufficient.

In the work of 'Improvement of footpath' under zone M 2, a payment of ₹ 54.83 lakh was made for extra items of dismantling existing RCC slabs over drain at places, pre-casting of the same after raising drain by doing brick work, and plastering work including taking out sludge and silt from the drain which was inadmissible as these items should have been included within the scope of original work.

The Government stated (February 2014) that item of dismantling the slabs was not taken in the schedule of quantity, but as per site requirement some slabs were to be dismantled. Reply is not acceptable as the department itself admitted that item was required as per site requirement, thereby, confirming the audit observation that it should have been included in the scope of original work.

2.3.5.5 Inadmissible payment under clause 10 CA

As per clause 10 CA of General Conditions of Contract-2010, if after submission of tender, the price of materials specified in Schedule 'F' increases or decreases beyond the price(s) prevailing at the time of the last stipulated date of receipt of tenders, then the amount of the contract shall accordingly be varied. Test check of records of two works namely, (i) Strengthening of Guru Ravi Das Marg, New Rohtak Road to PUSA Road and Military Road, D.B. Gupta Road to New Rohtak Road, Karol Bagh, and (ii) Strengthening of Najafgarh Road (Raja Garden to Subhash Nagar Chowk) showed that in Schedule 'F' only Bitumen CRMB-60 and Bitumen Emulsion were specified, whereas division reimbursed ₹ 6.37 lakh and ₹ 14.49 lakh in these two works, to the contractor for Bitumen 85/25, which was not specified in the Schedule 'F'. Thus, the payment of ₹ 20.86 lakh made for Bitumen 85/25 was inadmissible.

The Government stated (February 2014) that the payment was inadmissible and recovery was being made from contractors.

2.3.5.6 Adoption of incorrect base rate for payment of price escalation

As per Clause 10 CA (modified) of General Conditions of Contract 2010, the base price of items for the purpose of price variation should be mentioned in Schedule 'F'. Test check of records of CRM division (M 111) showed that in four works, base price of bitumen mentioned in Schedule 'F' was 'as per the rate of IOC, Panipat' and there was no mention of inclusion of Excise Duty or VAT in it. It was, however, noticed that while fixing the price of Bitumen under Clause 10 CA, the division included the amount of Excise Duty and VAT in the base price entailing extra payment of ₹ 42.83 lakh.

The Government stated (February 2014) that instructions were being issued to all Chief Engineers to clearly mention in Schedule 'F' that rate shall be inclusive of all taxes etc.

2.3.5.7 Extra expenditure due to unrealistic estimates

Section 4.2.1 (2) of CPWD Works Manual stipulates that detailed estimate should be complete and as comprehensive as possible and should be supported by detailed drawings, preliminary structural plans, preliminary lay out drawings of various services, and specifications etc. for various components of work involved.

(a) Test check of records of seven[9] CRM divisions, five[10] EM divisions and two[11] CBM divisions showed that in 106 works payment of ₹ 48.68 crore against tendered amount of ₹ 31.50 crore was made. The escalation of ₹ 17.18 crore (54.54 *per cent*) was mainly due to increase in scope of work, execution of extra work and change in drawings and designs during execution which were approved by the competent authority. Thus, substantial difference between the tendered amount and the actual outgo was due to failure of PWD to assess the quantities correctly at the time of preparation of estimates.

This irregularity was also highlighted in the Audit Report No 3 of the Comptroller and Auditor General of India for the year ended March 2012, however, the irregularity continued to persist.

The Government stated (February 2014) that all EEs were being directed to prepare estimates based on realistic requirements and assess the required quantity of items as accurate as possible.

(b) In another work 'Street scaping of Mall Road from Delhi University to Chhatrasal Stadium (3.60 km)' for Common Wealth Games (M-313), it was noticed that in nine items, the actual quantities were deviated ranging from 21 to 3870 *per cent*. The payment was made to the contractor at the agreement rates upto limit provided in schedule 'F' and at market rates for quantities exceeding prescribed maximum limit. Since the market rates were higher, the division had to incur an extra payment of ₹ 55.20 lakh due to inaccurate estimates.

The Government stated (February 2014) that deviations arose some time due to site requirement which could not be assessed at the time of preparation of preliminary estimates. The reply is not acceptable as the PWD failed to analyse the requirement and quantum of work at the time of preparing estimates, resulting in avoidable extra payment on account of deviated quantities.

2.3.5.8 Change of specifications after award of work

Test check of records of three[12] CRM divisions showed that the specifications of items were changed after award of work as indicated in **Table 2.3.4**:

Table 2.3.4
Details of the works with-change of specifications after award

(₹ in crore)

Name of work /Ag. No	Item	Extra expenditure	Remarks
Repair and maintenance of road no. 59, SH: Construction of dowel jointed CC pavement on north carriageway between Yamuna Vihar and Brijpuri. (78/M-213/11-12)	(i) P/L in position RMC, and (ii) Construction of un-reinforced dowel jointed plain CC pavement of mix M-35 over a prepared sub base.	0.52	Thickness of layer of item was increased from (i) 0.08 m to 0.15 m (ii) 0.25 m to 0.30 m.

[9] M-111, M-112, M-211, M-213, M-311, M-412 and M-413
[10] M-251, M-351, M-352, M-451 and M-453
[11] M-121 and M-132
[12] M-213, M-312 and M-313

S/I of footpath and P&F Retro-reflective road signages on 'Ahinsa Marg' in Rohini, SH: Stg. of road & Imp. of footpath. (57/M-312/12-13)	Interlocking tiles.	1.02	Interlocking tiles were replaced by Ready Mixed Concrete M-25.
Improvement of carriageway at Mall Road Extn. SH: Stg. and resurfacing of main carriageway and construction of CC roads and footpath etc (45/M-313/12-13.)	Construction of un-reinforced, dowel jointed quality of M-40 grade in road and pavement.	0.20	Thickness of layer was increased from 20 mm to 30 mm.
Total		**1.74**	

Thus, change of specifications after the work was awarded, resulted in extra expenditure of ₹ 1.74 crore.

The Government stated (February 2014) that the changes in specifications were technically required as per site conditions. The reply is not acceptable as the requirement should have been assessed at the time of framing the estimates. The changes after the award of work were against the spirit of transparency, healthy competition and unfair to other bidders.

2.3.5.9 Avoidable expenditure on providing double tack coat

Clause 503.1 of MoRTH specifications provides for application of single coat of low viscosity liquid bituminous material (tack coat) to an existing bituminous road surface, preparatory to the super imposition of a bituminous mix. Clause 503.4.3 further provides that where the material to receive an overlay is a freshly laid bituminous layer that has not been subjected to traffic or contaminated by dust, a tack coat is not mandatory, where the overlay is completed within two days. Test check of records of five[13] CRM divisions showed that in 27 works **(Annexure-2.3.1)**, tack coat was provided on all freshly laid bituminous layers, whereas tack coat was required on existing bituminous surface only, resulting in an avoidable expenditure of ₹ 1.36 crore.

The Government stated (February 2014) that the bituminous work was carried in one lane by diverting the traffic to adjoining lanes and the traffic was to be opened on the newly laid bituminous surface in the earliest possible time to avoid traffic congestion. Reply is not acceptable as Government did not reply the issue of double tack coat if bituminous layers were laid within 48 hours. Further in exit conference, the Department stated that matter would be taken up with the Ministry of Surface Transport for making changes in the clause as regards to works executed in Delhi.

2.3.5.10 Undue benefit to contractor due to non-adjustment of cost of steel of primary and secondary producers

As per observation of the Quality Assurance Unit of CPWD and in terms of its OM DGW/MAN/168, steel from secondary producers should be permitted only with cost adjustment in case of non-availability certificates obtained from the primary producers. It further stipulates that names of secondary

[13]M-111, M-113, M-142, M-312 and M-313

producers should not be specified along with primary producers in the list of approved makes.

Test check of records relating to the work 'Providing and installation of Retro Reflective Road Signages on various roads' under zone M-2, showed that as per special conditions of the contract, the contractor was required to procure Thermo Mechanical Treated (TMT) bars and Steel Reinforcement bars from main producers or secondary producers and Structural Steel only from main producer. It was noticed that contractor procured and used all TMT bars and Structural Steel from secondary producers. However, the PWD did not adjust the difference in cost of steel procured from secondary producer and that of primary producer, which resulted in undue benefit of ₹ 21.78 lakh to the contractor.

The Government stated (February 2014) that use of steel from both primary and secondary producers should not have been stipulated together. The rate of steel as adopted in justification and clause 42 of agreement was ₹ 37000 per MT, which is the rate of secondary steel. Reply is not acceptable as EE (M-211) in another work 'Providing central median on various roads under-PWD Zone M-2' proposed recovery from the contractor for using steel from secondary producers.

2.3.5.11 Non-completion of work

Section 29.1 of the CPWD Works Manual stipulates that the time allowed for carrying out a work as entered in the contract, shall be strictly observed by the contractor and work should be proceeded with due diligence on part of the contractor throughout the stipulated period of the contract. Test check of records of eight[14] CRM divisions, seven[15]EM divisions, two CBM divisions (M-121 and M-132), and Horticulture division (M-214) showed that 181 works were not completed as of September 2013 although their stipulated periods were already over and delays were ranging from 5 to 1610 days.

The Government accepted (February 2014) that reasons for delay should be recorded in the hindrance register and EEs were being directed to show the records, whenever, desired by Audit. The reply is not acceptable as the reasons for delay were not recorded in the hindrance registers.

2.3.5.12 Non levy of compensation for delay in works

As per Clause 2 of the General Conditions of Contract, if contractor fails to maintain the required progress of work, the department should levy compensation at the rate of 1.5 *per cent* per month of delay, to be computed on per day basis subject to 10 *per cent* of the tendered value of the work.

[14]M-111, M-112, M-211, M-311, M-312, M-313, M-412 and M-413
[15]M-253, M-351, M-352, M-353, M-451, M-452 and M-453

Audit scrutiny of four[16] EM divisions, showed that in 156 works, EE did not levy compensation amounting to ₹ 11.57 crore, though works were not completed within stipulated dates.

The Government stated (February 2014) that after the completion of works, if it was found that delay in completion of work was on the part of contractor, penalty would be levied. The reply is not acceptable as Government did not initiate any action where the stipulated period was over.

2.3.5.13 Non-withholding of payment for non-achievement of milestones

As per Section 29.1 (4) of CPWD Works Manual, to ensure good progress of the work during execution, the contractor shall be bound in all cases to complete the work as per the milestones given in the Schedule 'F', under clause 5 of the contract. In the event of not achieving the necessary progress as assessed from the financial progress, a percentage of the tendered value of work as mentioned in the Schedule 'F' would be withheld for failure in achieving each milestone. It was, however, noticed that although there were delays in achieving milestones in six works, EE (M 311) did not withhold ₹ 0.82 crore **(Annexure-2.3.2)**. By not applying the clause of milestone, PWD was not able to exercise any control on the progress of works executed by the contractors, indicating deficient monitoring of works.

The Government stated (February 2014) that for non-achievement of milestones, the necessary amount was withheld. It further stated that instructions are being issued to all EEs to withhold amount in case of non-achievement of milestones. The reply is not acceptable as amount was actually withheld after it was pointed by Audit, which served no purpose. Moreover, all the six works were still incomplete till the date of audit.

2.3.5.14 Sanction of deviations and extra items

Test check of records of three[17] CRM divisions, three[18] EM divisions and two[19] CBM divisions showed that in 95 works, deviation in quantities and extra items aggregating to ₹ 5.60 crore was sanctioned, either without recording any specific reasons or by routinely mentioning 'as per site requirement' in the approval statements. As such, a reliable assurance could not be drawn on actual requirement of these items. Similar irregularity was highlighted in the Report No. 3 of the Comptroller and Auditor General of India for the year ended March 2012, however, the PWD did not take any remedial action and irregularity continued unchecked.

The Government stated (February 2014) that instructions were being issued to all EEs to ascertain the requirement of the work as accurate as possible. Reply

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[16] M-253, M-352, M-353 and M-451

[17] M-311, M-412, and M-413

[18] M-251, M-252 and M-351,

[19] M-121 and M-132

is not specific to audit finding of not recording proper justification for the deviations and extra items.

2.3.5.15 Irregular approval of deviations in quantities

As per Appendix 1 of CPWD Works Manual, EE can sanction deviation in quantities of agreement items upto15 *per cent* of contract amount or 50 *per cent* of his power to accord technical sanction i.e. ₹ 22.50 lakh, whichever is lower. It further stipulates that the amount of deviation statement shall be the sum of absolute value of deviated amounts of all individual items.

In EM (M 251), it was noticed that in the work- 'Construction of 200 Bedded Hospital at Shastri Park, East Delhi, SH: Supply, Installation, Testing and Commissioning of Air conditioning and Ventilation Works', there were total deviations in quantities of ₹ 32.53 lakh. Instead of adding absolute values of deviation in quantities (i.e. both positive and negative values) to arrive at the total deviation, the EE added the deviations algebraically and approved the sum of ₹ 5.16 lakh. Thus, the sanction of deviation of ₹ 5.16 lakh instead of ₹ 32.53 lakh without approval of competent authority was in violation of the provision of the manual.

The Government stated (February 2014) that the Executive Engineer is being warned for his incorrect action.

2.3.6 Human resource management

The status of manpower as on 31 March 2013 in two zones is depicted in **Table 2.3.5.**

Table 2.3.5
Sanctioned strength and men in position

		Maintenance Zone- 1			Maintenance Zone-2			Maintenance Zone-3			Maintenance Zone-4		
Sl. No.	Name of post	Sanctio-ned	Men in position	Short -age	Sanctio ned	Men in position	Short-age	Sanctio-ned	Men in position	Short -age	Sanc-tioned	Men in posi-tion	Shor -tage
	Technical												
1	Chief Engineer	1	1	0	1	1	0	1	1	0	1	1	0
2	Superintending Engineer	5	4	1	5	5	0	5	3	2	5	4	1
3	Executive Engineer (Civil)	17	16	1	15	15	0	16	16	0	17	15	2
4	Executive Engineer (Electrical)	4	4	0	4	4	0	4	4	0	4	4	0
5	Assistant Engineer (Civil)	66	62	4	63	52	11	61	57	4	64	59	5
6	Assistant Engineer (Electrical)	15	13	2	15	15	0	14	14	0	15	13	2
7	Junior Engineer (Civil)	120	57	63	108	56	52	120	58	62	116	57	59
8	Junior Engineer (Electrical)	27	16	11	27	19	8	27	27	0	27	17	10
	Sub-total	**255**	**173**	**82**	**238**	**167**	**71**	**248**	**180**	**68**	**249**	**170**	**79**
9	Non –technical	388	260	128	353	251	102	343	252	91	360	207	153
	Total	**643**	**433**	**210**	**591**	**418**	**173**	**591**	**432**	**159**	**609**	**377**	**232**

Average shortage in technical staff was 32 *per cent*, 30 *per cent,* 27 *per cent* and 32 *per cent* in Zone I, Zone II, Zone III and Zone IV respectively. The shortage of Junior Engineers was, 50.34, 44.44, 42.18, 48.25 *per cent* in Zone I, Zone II, Zone III and Zone IV respectively.

The Government stated (February 2014) that efforts were being made for filling at least field posts to the maximum extent possible by keeping planning posts vacant.

2.3.7 Internal control mechanism in the Department

Internal control system is an integral process by which an organization seeks to draw an assurance that its activities are efficient and in the right directions to achieve its objectives effectively. A built-in internal control system ensures strict adherence to statutes, prescribed codes and provisions of manuals to minimize risk of errors and irregularities in routine functioning of an entity. Deficiencies noticed in internal controls have been pointed out in the previous paragraphs.

The Department does not have its own internal audit wing, but its internal audit is conducted by the Directorate of Audit, GNCTD. In 23 selected divisions, internal audit of one division was conducted upto March 2008, of eight divisions upto March 2009, of five divisions upto March 2010, of three divisions upto March 2012 and internal audit of six divisions, created in July 2012 had not been taken up. Audit also noticed that inspection of sub divisions of four[20] Civil Road Maintenance (CRM) divisions and two[21] Electrical Maintenance (EM) divisions and one Horticulture division (M-214) was not ever conducted by Divisional Accountant. In five[22] CRM divisions and three[23] EM divisions, MBs were not reviewed by DA as the Assistant Engineers did not submit MBs in the divisional office. Further in selected divisions, register of bills and contractor ledgers were not maintained.

2.3.8 Monitoring mechanism in the Department

The efficiency and effectiveness of any department as well as the successful execution of works is dependent on existence of a built-in robust monitoring and evaluation mechanism which ensures that the achievement of programme objectives is periodically monitored and evaluated against pre-determined targets (physical and financial) and timelines. However, the monitoring and evaluation mechanism was found wanting in PWD, on several fronts as discussed in ensuing sub-paragraphs.

2.3.8.1 Improper monitoring of works

The divisions were submitting to the Superintending Engineer, monthly progress reports containing details of ongoing works, such as date of start, date of completion, scheduled date of completion and status of works. It was,

[20] M-111, M-112, M-211 and M-313
[21] M-151 and M-251
[22] M-111, M-112, M-113, M-211 and M-313
[23] M-151, M-153 and M-251

however, noticed that specific reasons for delays in works were not given in reports which were further forwarded to the Chief Engineer. No follow-up action on these reports was found on record, either at the Chief Engineer or at the Superintending Engineer level. In the absence of specific reasons for delays or bottlenecks and necessary follow-up action to remedy them, the monthly progress reports served no other purpose than a routine drill in compliance of prescribed norms.

The Government stated (February 2014) that works were monitored regularly by Chief Engineers as well as Engineer-in-Chief but the minutes of meetings might not be issued. Reply is not acceptable as in the absence of supporting documents it could not ascertained whether proper monitoring of works was in place and effective.

2.3.8.2 Inspection of works

It is incumbent upon various executives to inspect works to ensure their execution according to designs, drawings and specifications laid down in the contract. Inspecting officers (CEs and SEs) are required to record necessary instructions in the inspection register at site, based on their findings or issue inspection notes, copies of which should be pasted in the inspection register. The previous observations should be reviewed during subsequent inspections to ensure their compliance. It was observed that in selected divisions, neither inspecting officers recorded their instructions nor their inspection notes were pasted in the inspection registers. In the absence of inspection details, Audit could not draw assurance whether inspections were carried out and action on defects pointed out during inspections, was taken by the divisions.

The Government stated (February 2014) that inspections were being carried out regularly and reports were also furnished. Reply is not acceptable as in inspection books neither entries were made/pasted nor separate reports were available.

2.3.9 Conclusion

Financial management in the department was not in accordance with provisions of financial rules as there were instances of inconsistency in financial figures of PAO and those of E-in-C, charging of Non-Plan expenditure to Plan Heads, non-credit of lapsed deposit into government accounts etc. The deficiencies in estimation, technical sanctions and execution of works do not provide a reasonable assurance and effective monitoring of works in the Department. Contract management was inadequate as the specifications were changed after award of work, prescribed specifications of MoRTH were not followed and cost adjustment in respect of use of non-specified material was not made. Elements of VAT, ESI and EPF were included in justification cost to keep the tendered cost within permissible limit of justification cost. There were delays in completion of works and PWD did not use penal provisions to ensure minimization of such delays. Periodical inspection of divisional offices by the designated officers and timely compliance to audit observations were areas of neglect in the Department.

2.3.10 Recommendations

The department may consider to:

- reconcile the accounts maintained by the Head of the Department and PAO;
- prepare estimates on realistic basis, make concerted efforts to execute works strictly in accordance with the prescribed rules and the Government directives;
- strengthen review of the progress of works at periodic and regular basis at various levels; and
- strengthen the internal control mechanism.

2.4 Flood Control and Drainage System in Delhi

During the monsoon of 2013, water logging was observed at a large number of locations causing traffic congestions and hardship to the general public. The performance audit was taken up to analyze the role of various agencies in mitigating flood and drainage congestion in Delhi and to identify causes for the same. The significant audit findings are as under:

Highlights

- ***Delhi is yet to have a dedicated Master Plan on Sewage Rehabilitation. Sewage from 46 per cent of the population including that of unauthorised colonies flows into storm water drains. The concerned agencies did not assess the impact of sewage flowing into storm water drains.***

  (Paragraphs 2.4.3.2 & 2.4.7(a))

- ***After 2004, Irrigation and Flood Control Department (IFCD) did not carry out regular topographical survey of river Yamuna to ascertain changes in annual features of river bed due to monsoons.***

  (Paragraph 2.4.3.4(a))

- ***The preparation of agencies for monsoon was deficient as de-silting and other maintenance works were not completed before the onset of monsoon. No adequate mechanism was in place to identify vulnerable locations to water logging. Repeated water logging was observed in existing locations in spite of assurance to prevent the same.***

  (Paragraph 2.4.4)

- ***IFCD did not propose any new work till May 2011, even after Yamuna breached danger levels in 2008, 2009 and 2010. De-silting of drains and dumping of removed silts in authorized locations were not ensured.***

  (Paragraphs 2.4.4.5, 2.4.4.1 & 2.4.4.2)

- ***Lack of co-ordination among agencies involved in tackling the perennial problem of flood and drainage congestion was observed.***

  (Paragraph 2.4.9)

2.4.1 Introduction

In Delhi, threat of natural flood during rainy season, is posed mainly by two rivers - Yamuna and Sahibi (passing through Najafgarh Drain). The river Yamuna enters Delhi's territory at village Palla and leaves at village Jaitpur after traveling about 48 km. It serves both, as a source of water supply and as a natural drainage system for Delhi. The water level and current in Yamuna is influenced by release of water from Hathini Kund Barrage in Haryana. At times, especially in monsoon, surplus water released from this barrage, raises water level in the river and causes backflow effect in city's drains. The storm water drainage network in Delhi is a complex one, comprising five drainage basins (Najafgarh, Kanjhawala, Alipur, Shahdara and Mehrauli), large natural drains, storm drains and even combined sewer-cum-storm drains in some areas. The drainage network of Delhi is designed to collect all water through main drains, link drains and small rivulets, which finally discharge into the Yamuna.

The existing drainage system in Delhi, based on the 'Master Plan of Drainage', finalized way back in 1981, has become outdated to face the increased pressure of rapid urbanization of the city.

2.4.1.1 Government machinery for flood control and drainage system

The 'Drainage and Embankments' being a subject of the State List of the Constitution, the Government of NCT of Delhi (GNCTD) is responsible for flood control and drainage system in Delhi. The floods and drainage system in Delhi are managed by multiple agencies[24].

Primarily, the Irrigation and Flood Control Department (IFCD), is responsible for protecting the city of Delhi from floods. Drainage system in Delhi is managed by various departments and agencies in their respective jurisdictional areas. The role and responsibilities of five agencies, selected for audit, are given in **Annexure 2.4.1.**

2.4.1.2 Why this Performance Audit?

Flooding of roads and colonies was reported by the Print and Electronic Media. This Performance Audit was taken up to analyze the roles of multiple agencies, reasons of drainage congestion and water logging, and efficacy of corrective measures taken by the Government.

2.4.1.3 Audit objectives

The broad objectives of the performance audit were to ascertain whether:

- perspective plan and annual plans were prepared for flood control and storm water drainage and that plans were further divided into implementable schemes and projects with clear timelines, targets and demarcation of responsibility for each department and civic agency;
- the updation and management of the drainage system of the city to redress the problem of water logging was effective and efficient;
- the available resources, viz. financial, manpower and material were utilized economically, efficiently and effectively; and
- Internal control and monitoring mechanism were efficient and effective.

2.4.1.4 Audit scope and methodology

A performance audit covering the period 2010-13, was conducted to examine the role, planning, preparedness and initiative of selected five government

[24] The Irrigation and Flood Control Department (IFCD), Public Works Department (PWD), Municipal Corporations of Delhi (MCsD), New Delhi Municipal Council (NDMC), Delhi Development Authority (DDA), Delhi Cantonment Board (DCB), Delhi Jal Board (DJB), etc.

departments and agencies (IFCD, PWD, MCsD, NDMC and DJB) with regard to flood control and drainage system in the city. Audit findings are based on test check conducted on samples selected.

Audit started with an entry conference held in August 2013 and concluded with an exit conference held in February 2014 to discuss audit findings. The response of the Departments in exit conference and replies received from IFCD and PWD have been suitably incorporated in the report. However, replies from Urban Development Department, (nodal department), MCsD, NDMC and DJB have not been received as of May 2014.

2.4.1.5 Audit criteria

The audit criteria used for the conduct of performance audit was derived from the following sources:

- Flood Control and Monsoon orders issued by departments;
- the Central Public Works Department (CPWD) Manual, the Indian Roads Congress (IRC) guidelines on Urban Drainage, the Urban Roads Manual and the Sewage Manual; and
- guidelines, instructions, circulars and orders issued by GNCTD, Central Water Commission and Hon'ble Courts.

Audit findings

2.4.2 Financial position

The Finance Department of GNCTD provides no separate budget or head of account exclusively for activities related to flood control and drainage system. As a result, consolidated allocation of funds and actual expenditure on flood control and drainage system, could not be ascertained in audit.

2.4.3 Planning

2.4.3.1 Non-updation of the Master Plan of Drainage

The existing drainage network of Delhi (Master Plan of Drainage-1981) was required to be reviewed and integrated with the Master Plan of Delhi (MPD)-2001. In November 2005, an Apex Committee was constituted for preparation of an Action Plan for improvement of the drainage system, in line with the draft MPD-2021. The Government appointed Head of the Civil Engineering Department, IIT Delhi, as Consultant, after approval of the Cabinet in June 2012. It was to commence the work in July 2012 to be completed within 18 months. The Terms of Reference (TOR) provided that the Master Plan for Drainage would be in consonance with the MPD-2021, as well as Master Plan for Sewage, being prepared by DJB. For the purpose of the study, the IFCD was to provide all the essential data like invert level, flow direction, inlet points of drainage etc., to the consultant. IFCD did not supply the data. Since the essential data were not available with the Delhi State Spatial Data Infrastructure Project (DSSDI) all concerned agencies were directed to independently carry out the survey and submit data to IIT by December 2013.

Five years' time taken by the Government in appointing a committee and another seven years' time to appoint a consultant for preparation of action plan coupled with the non-furnishing of the essential data to the Consultant delayed the process of putting a proper framework for looking drainage problems in Delhi. The IFCD (March 2014) accepted that delay of Master Plan is due to non-availability of the data with DSSDI/GSDL/stakeholder departments.

2.4.3.2 Delay in preparation of Master Plan for Sewerage

One of the many reasons for reduced discharge capacity of storm drains is mixing of sewage with storm water in many internal contributory drains due to inadequate sewage disposal system in the city as only 54 *per cent* of the population of Delhi is connected to the sewerage network. Audit scrutiny showed that DJB assigned plan for Sewerage to AECOM and WAPCOS in April 2010 at a cost of ₹ 12.36 crore, to be completed within 36 months i.e. by April 2013. The firm had submitted (April 2013) its first draft report - 'Master Plan for Sewage System of Delhi-2031'. However, DJB and the Government were yet to approve it. Thus, even after a lapse of more than a decade and a half since constitution (on 6 April 1998) of DJB, Delhi is yet to have a dedicated Master Plan on Sewage Rehabilitation.

2.4.3.3 Rapid urbanization and non-assessment of impact of unauthorized colonies on drainage system

There has been a rapid concretization and unplanned growth of unauthorized colonies in Delhi along with major roads, which, prior to concretization, used to help in absorption of runoff water to a great extent and also helped in ground water recharge. Linking of drains of unauthorized colonies (being developed by IFCD and the DSIIDC), to the storm drains without ensuring proper outfall points has further compounded the problem. The PWD and MCsD did not so far assess the impact of these colonies on the overall drainage system.

The IFCD stated (December 2013) that they were only the executing agency on behalf of the UDD and provided street pavement and side drains at natural soil level on 'as and where basis' in these colonies. It is not always feasible to provide outfall for drains as they may be at lower level, as compared to the level of outfall point. Thus, the impact of haphazard growth of unauthorised colonies on drainage system was not taken into account while planning the drainage infrastructure.

2.4.3.4 Absence of requisite database

As per the guidelines of the Central Water Commission, the planning of embankments, bank revetment, drainage and channel improvement works, includes gathering of topographical, hydrological and meteorological data, history of past floods, erosion of banks and drainage congestion.

It was, however, observed that the departments were not in possession of such data required for planning, as mentioned in ensuing paragraphs.

(a) Topographical survey of river Yamuna

After monsoon withdraws in the middle of October, a topographical survey of river Yamuna is conducted by IFCD to ascertain changes in annual features of river bed area caused by heavy flow during preceding four months, to initiate and complete corrective measures before the onset of the next monsoon.

Audit scrutiny showed that though IFCD had been regularly conducting annual topographical surveys on the Yamuna river up to the year 2004, it did not conduct any survey for the years 2005 to 2011 due to shortage of trained staff and surveyors, except for 2008, when a private firm was hired at a cost of ₹ 33.20 lakh. The survey for the year 2012 was again outsourced at ₹ 40.70 lakh. The final report of 2008 survey was received in April 2011, whereas the report for the year 2012 was awaited as of December 2013. Thus, in the absence of surveys, IFCD was poorly equipped to take up anti-erosion works during this period.

In its reply (March 2014), IFCD stated that the topographical survey of River Yamuna is being carried out to ascertain the changes of river course. Embankments have been constructed on both sides of river Yamuna to protect the city from Floods which are being repaired/ maintained as per site requirements. Ownership of land under River bed is with the DDA. However, in the absence of any technical survey carried out either by the staff or by the private agency in time, IFCD was ill equipped to deal with the problem of flood and drainage during the above period.

(b) Hydrological data

Scrutiny of records and information provided by PWD, showed that it did not have information about the total discharge to be drained off, for fixing the dimensions of drains rationally. PWD admitted (October 2013) not to have conducted any study to assess the adequacy of the design of the storm water drains in terms of their capacities and velocity of flows in respect of the vulnerable locations. In March 2014, it further added that as IFCD had entrusted the task to IIT Delhi to carry out the study for the entire drainage system of Delhi, it would be a futile and infructuous exercise to carry out hydrological study. The reply is not acceptable as the Department was not equipped with the vital data to assess the need of the city of Delhi and to plan and execute action accordingly especially when each drain has distinct hydrological and topographical characteristics.

Likewise, NDMC, North MCD and SDMC did not maintain any database in respect of drains under their jurisdiction.

2.4.4 Inadequate preparedness for monsoon

As per 'Operation Mission' constituted in May 1995, de-silting of storm drains and sewers is to be completed before monsoon (30^{th} June), as part of preparations for monsoon. The Mission also requires all agencies to submit to UDD a certificate to the effect that all the drains/sewers under their jurisdiction have been de-silted and made fully operational.

Audit assessed the preparedness of selected agencies and found that the pre-monsoon preparedness of agencies for preventing drainage and sewerage congestion and water logging did not meet the standards set by the Operation Mission. The shortcomings noticed are enumerated in the succeeding paragraphs:

2.4.4.1 Deficiencies in de-silting of drains

(i) It was observed that IFCD has no prescribed time frame for awarding de-silting/maintenance work of its drains and completing the same before the onset of monsoon every year as required under instructions of Operation Mission. In two Divisions of IFCD (CD-VI and CD-IV), 58 works of de-silting and cleaning of drains were awarded during the period from 2010-11 to 2012-13. Of these, stipulated date of completion of 27 works was well after the onset of monsoons, as detailed in **Annexure 2.4.2.** This indicated that IFCD was not fully prepared for the monsoons.

(ii) The IFCD failed to get the Nasirpur drain cleaned before monsoon for three consecutive years, i.e. 2010, 2011 and 2012. In 2010, the work awarded for de-silting was foreclosed in October as the contractor failed to perform the work. In 2011, the work of cleaning the drain was rescinded in April 2012 as the contractor failed to remove malba/garbage from the banks of the drain till November 2011. In 2012 also, the contractor failed to clear the obstructions in the drain till August 2012 and the work was completed only in December 2012. The Executive Engineer (CD-I), while accepting the facts, stated (October 2013) that now (2013) the drain had been de-silted and cleared from garbage.

(iii) As per decision taken by PWD, EEs were required to call and award tenders well in time in suitable packages, to ensure timely completion of de-silting of drains. As per the action plan framed, all the works were to be awarded by 5 May 2012 and completed by 31 May 2012.

Scrutiny of records and information showed that in all four zones of the PWD, prescribed timelines were either not adhered to or dates of actual completion were not recorded in the status report, as detailed in **Annexure 2.4.3.**

In its reply, PWD stated (November 2013) that due to addition of roads and drains transferred from MCD, PWD had to do large scale de-silting and the work was completed as per deadline, which sometimes had to be modified, while adhering to norms of inviting tenders. It further stated (March 2014) that the target date was kept 30 days before the arrival of monsoon to meet out any other contingency. The PWD, however, could not produce documentary evidence including the inspection reports in support of the actual completion of de-silting even in respect of the selected vulnerable locations. No details were provided regarding action taken by it in respect of complaints received from the MCD regarding de-silting and cleaning of locations vulnerable to water logging, though called for.

(iv) As per the action plan of MCD, all drains are to be de-silted before the onset of monsoon. However, in division M-I of Central Zone of SDMC, it was observed that on the plea of urgency, de-silting works of Kushak Nallah were awarded between June 2012 and January 2013 at ₹ 88.54 lakh, by inviting short notice tenders. Out of 13 works test checked in audit, only one work was completed by the end of July 2012, defeating the very purpose of de-silting. The Department attributed (October 2013) the delay to length of Nallah (8 kms) and assured that amount of compensation would be recovered at the time of finalization of bills.

(v) As per the Urban Roads Manual, estimation of silt in each drain should be based on sample de-silting. However, these norms were not adhered to by selected four divisions of PWD and works were awarded on the basis of assumed level of silt in the drains. In its reply (March 2014), PWD stated that MCD did not share any information on past estimated quantity of silt in the drains consequent upon transfer of roads in 2012. It further stated that inspection of drains was being conducted by field units to assess the estimated quantity of silt. The quantity of silt varied from year to year and that it was not realistic to compare the quantity of estimated silt of any two drains. Reply, in fact, upholds the audit contention that sample de-silting is all the more necessary since the quantity of silt cannot be the same in any two drains. Moreover, the selected field units failed to furnish the inspection reports in support of estimation of silt.

2.4.4.2 Non-removal of de-silted material

In order to maintain free flow of water or discharge in drains, it is essential to remove silt and obstructions like house waste, garbage, malba, polythene bags etc. from drains regularly and dispose them off promptly. Failure to do so compounds drainage congestion, as the silt, malba etc., if not removed before the onset of monsoon, is likely to get back into the drains. In test checked cases, the following are the findings:

(a) In IFCD, Mechanical Divisions (MDs) carry out de-silting of drains, whereas excavated silt, malba, earth, etc. is disposed off by the Civil Divisions (CDs). Scrutiny of records disclosed that during 2010-13, MDs deployed its machines at different locations of Najafgarh Drain and Trunk Drain-I under the jurisdictions of CD-I, CD-III and CD-IV. The quantity of silt excavated during the period and removed by concerned CDs, are detailed in **Table 2.4.1**.

Table: 2.4.1

Details of excavation and removal of silt

Division	Period	Silt excavated (cum)	Silt removed (cum)
CD – I	01.01.10 to 31.03.13	2,09,555	Nil
CD- III	01.01.10 to 31.03.13	1,95,035	52,100
CD- IV	01.01.10 to 31.03.13	4,24,615	46,626
Total		**8,29,205**	**98,726**

As can be seen from the Table, out of 8.29 lakh cum excavated silt at a cost of ₹ 7.34 crore, only 0.98 lakh cum was removed, leaving the remaining by the side of drains. The IFCD stated (March 2014) that banks of drains pertaining to IFCD are large enough to accommodate the silt removed by departmental machines and silt does not come back in the drain during monsoon. The reply is not tenable in view of the Chief Secretary and Secretary (UDD)'s directions of February 2013 about removal of silt and its disposal within 48 hours.

(b) It was observed that PWD gave a certificate to the effect that the de-silting of all its drains was completed as of 15 June 2013 and no silt was left along the drains. However, PWD's status report of de-silting of drains as on 10 September 2013 showed that silt/malba was not removed from 80.077 kms length of roadside drains and only partly removed from 157.688 kms length, whereas information for 40.78 kms of roadside drains was not available with PWD. Thus, the claim of de-silting having been completed at these locations, was not correct. In its reply (March 2014) PWD stated that the work of pre-monsoon de-silting was completed by 20 June 2013, and added that the report relates to a large number of drains that carry sewerage and require frequent de-silting on daily or weekly basis. Reply is not acceptable as the status report provided by it, clearly exhibits 100 *per cent* achievement in all cases as on May 2013.

2.4.4.3 Absence of mechanism for identification of vulnerable locations

The 'Operation Mission' constituted by Urban Development Department (UDD) in 1995, inter-alia, envisaged identification of points and reaches vulnerable to water logging. IFCD and PWD did not have a proper mechanism to conduct surveys and identify vulnerable locations. In IFCD, vulnerability of locations was decided by site inspections done by field staff as and when required, whereas PWD and North MCD were solely dependent on information conveyed by the Traffic Police. Similarly, NDMC did not have any laid down criteria to identify points vulnerable to water logging in its area. While SDMC identified vulnerable points on the basis of surveys, in EDMC, they were based on reports received from public, public representatives, traffic police and on inspections by engineering staff.

In its reply, PWD stated (March 2014) that it has its own system of identifying vulnerable location through field units, but the list of vulnerable points provided by the Traffic Police was exhaustive and based on past experience. Reply is not tenable as number of vulnerable locations under PWD had increased from 60 in 2010 to 103 in 2012 based on Traffic Police reports indicating lack of efforts on the part of the Department to identify the vulnerable locations on their own assessment. Moreover, during downpour in July and August 2013, water logging was observed at 82 new locations as detailed in **Annexure 2.4.4.**

2.4.4.4 Absence of proper sewerage management

Audit noticed that no preventive or routine maintenance of sewerage is being carried out in DJB. Scrutiny of records of five out of eight selected divisions revealed that the repair works on overflow of manholes and sewer line, replacement of settled sewer line, raising and repairing of damaged sewer line and manholes were carried out on the request of area MLAs or complaints of residents. On receipt of complaints, the concerned Division identify the cause and initiate proposals to carry out the work. Audit noticed that the DJB did not show any urgency in awarding the de-silting/improvement of sewer line works even in cases where the fault was identified just prior to or during monsoon. Out of 26 cases test checked, 15 works were not completed before monsoon as DJB took 49 to 335 days to award these works, as detailed in **Annexure 2.4.5.**

2.4.4.5 Non-initiation of flood control works

As per Flood Control Orders, a water level of 204.83 m (672 ft) in Yamuna at Old Railway Bridge is considered as danger mark. Moreover, when it touches 206.04 m, the effect of flood is visible in the form of back flow in the Najafgarh Drain. The river breached danger mark by 1.17, 0.5 and 2.28 m during monsoons of 2008, 2009 and 2010 respectively and IFCD did not initiate any new work relating to flood control activity from 16 July 2008 to 9 May 2011. In its reply, IFCD stated (March, 2014) that new river training works are proposed only as per requirements. Reply is not acceptable as IFCD did not propose any new work though Yamuna breached danger level in 2008, 2009 and 2010.

2.4.5 Inadequate action to prevent water logging by concerned agencies

(a) In order to assess the adequacy of remedial action taken by the concerned agencies to prevent water logging, occurrences of water logging at various locations were examined in audit based on the test check of Traffic Police/ media reports and record of the departments, related to the monsoons of 2012 and 2013. Prominent locations reported by Traffic Police and media where water logging occurred are discussed in the succeeding sub-paragraphs.

(i) Purana Quila Road and Mathura Road including Judges Bungalows - During heavy rains in August 2009, the residences of High Court Judges were flooded completely. A Committee of Hon'ble High Court Judges called a meeting of concerned agencies in August 2009 and asked NDMC to find a solution to the problem. NDMC appointed a consultant from IIT Delhi, who suggested in November 2010, remodeling of drain No. 14 to solve the problems. The report was forwarded to MCD and IFCD in January 2011 asking them to direct the concerned agencies to carry out the works as suggested by the consultant. Since the remodeling of the drain was necessary only in MCD portion, they were asked to do the needful on top priority. The work got delayed due to delay in getting permission from other agencies like IFCD and from Forest Department for cutting trees. The work was finally awarded in March 2013 to be completed by September 2014. However, till January 2014, only 10 *per cent* of work was complete.

The Judges Committee has been monitoring continuously the progress of above work as well as short term measures like de-silting of drains, deployment of pump sets etc. from 2009 itself so as to prevent recurrence of water logging. However, in spite of such monitoring and assurance by various agencies regarding short term measures, water logging was observed at Mathura Road/ Purana Quila Road in July 2013 on three occasions. Thus, the problem of water logging continued to persist since 2009 to 2013.

(ii) **Tibetan Market** - During monsoon of 2010, flood in Yamuna submerged the Tibetan Market and IFCD prepared a scheme of 'Retaining Wall on the Right Bank of Yamuna, between Chandgi Ram Akhara and Kudasia Ghat' (January 2011), at an estimate of ₹ 10.61 crore. However, the scheme was deferred for re-examination, as the area MLA contended before the Flood Control Board (FCB) that water logging and flood in Tibetan Colony was due to stagnation of sewer water and not due to flood. The proposal was finally approved in July 2013 by the FCB. The work is still to be awarded (February 2014). Thus, a delayed decision by the FCB led to flooding of Tibetan Market during two heavy monsoons (2011 and 2013). The Department stated (March 2014) that the clearance from the Yamuna Standing Committee (YSC), was in process after which, the work would be awarded.

(iii) **Adchini T-Point at Aurobindo Marg** – The location witnessed repeated water logging during the monsoon of 2012. The PWD attributed it to absence of proper drain and as a short term measure, water was pumped out using portable pumps. Further, as a permanent solution, a new drain in road number 11 was stated (January 2013) to have been constructed to take care of the rain water coming towards Adchini. In spite of assurance given by PWD in January and July 2013, water logging still persisted in 2013. The concerned division was in the process of engaging an agency for preparing long and short term plans based on the precipitation data provided by the IFCD in compliance to the directive (November 2012) of the Coordination Committee, to work out a permanent solution to the problem.

(iv) **Anuvrat Marg** – Anuvrat Marg is susceptible to water logging due to absence of proper drainage system. A culvert was provided in April 2012 near 100 foot T-point so that there would be no water logging. However, water logging was again observed in 2012 and 2013. PWD Division stated that to avoid water logging in the area, it was in the process of engaging an agency for preparing long term and short term plans based on the precipitation data provided by the IFCD, in compliance to the directive of the Coordination Committee.

(v) **Ashram Chowk** – According to PWD, water logging at this place in 2012 was due to choking of Bell Mouth which was stated to have been cleaned. However, as per the Traffic Police reports of 2013, the location was still prone to drainage congestion as water logging was observed on numerous occasions in July-August 2013.

(vi) **ITO/ Tilak Bridge/ Under IP Flyover** – Reasons for water logging in 2012 at these locations were slow drainage at outfalls, choking of drains and breakdown of pumps. Assurance about cleaning and regrading of drains and repairing of pumps was given by PWD, but as per reports of Traffic Police, the situation remained the same during 2013 and the location witnessed water logging on numerous occasions.

(vii) **Moti Bagh –** This is also one of the vulnerable locations in the reports generated by the Traffic Police. PWD attributed the reasons for water logging in 2012 to choking of bell mouths/ blockage in drain pipe and assured that bell mouths had been cleaned and the drain pipe replaced. However, as per the reports of the Traffic Police, the location was still prone to water logging in 2013.

It was further observed that PWD had given assurance to the Urban Development Department in January and July 2013 about the vulnerable locations at Sl. Nos. (iii) to (vii) above that adequate remedial action had been taken to prevent water logging at these locations. However, repeated water logging was reported in these as well as other locations on a number of occasions, as detailed in **Annexure 2.4.6**.

The Secretary (UD) also took cognizance of these reports and wrote (August 2013) to the Secretary (PWD) for fixing responsibility after analyzing the reasons for water logging at 11 crucial locations[25]. The response of the UDD and PWD, however, was awaited as of March 2014.

As can be seen, only short term measures mostly pumping out of water from the affected sites were taken. However, PWD did not carry out reassessment and up-gradation of capacity of existing pumping stations as per requirement.

(b) Scrutiny of the Daily Rain Reports of the Indian Metrological Department (IMD) showed that even on days on which intensity of rainfall was only moderate and the water level in Yamuna remained below the danger level, water logging was reported at various locations by the Traffic Police as detailed in **Annexure 2.4.7**. The storm drains of Delhi designed to carry 25 mm discharge of water (rainfall) in a period of one hour, as against the suggested designed capacity for a rainfall intensity of 30 minutes duration at the rate of 62.5 mm per hour by IRC, posed a capacity constraint, in case the precipitation exceeded in a space of given time, indicating that adequate measures have not been taken to mitigate the situation.

On being pointed out, although PWD stated (March 2014) that the forecast and warnings were passed on to the field staff telephonically with directions to be more careful and alert, it admitted not to have undertaken any activity to deal with the changing environment in terms of the intensity of rainfall. Reply is not acceptable as it did not furnish any information on measures taken during 2010-13 in respect of vulnerable locations in the vicinity of IMD observatories. Further, none of the selected divisions was in possession of precipitation data pertaining to vulnerable locations, even for days on which water logging was reported by the Traffic Police. Reply was awaited from the nodal department, i.e. UDD, as of March 2014.

2.4.6 Deficiencies in works management

(i) PWD, while preparing the estimates, concluded that only two trips per truck per day would be possible since a lot of time will be consumed in waiting at the authorized dumping ground of MCD.

[25] Minto Bridge, ITO, Mool Chand, Dhaula Kuan, Ashram Chowk, Shanti Van Chowk, Aurobindo Marg, Yusuf Sarai, Adchini to PTS Malviya Nagar, Sarita Vihar Flyover and DC office (MB Road)

It was observed in audit that in two divisions, trucks made 4-7 trips more than the feasible limit rendering actual disposal of malba doubtful. In its reply (March 2014), PWD stated that number of trips depends upon the proximity of the dumping ground to the sites of work. Reply is not acceptable since PWD was aware of the lead distance at the time of preparation of estimates and the feasible number of trips was arrived after considering the same.

In IFCD also, there was no laid down procedure to measure the quantity of material actually excavated during de-silting. IFCD stated that quantity was measured as per the terms and conditions of the agreement. The reply is not tenable since as per agreement payment was to be made on the basis of initial and final cross section of the disposal site, but no such details were given in log books. IFCD stated (March 2014) that for work done by the contractors, the quantity of material for de-silting is being measured by taking initial and final levels and for work done by departmental machines the quantity was estimated by size of buckets multiplied by working hours. The reply is not tenable as in the case of contract, no such details were given in the log books and in case of departmental machines, no records were available with the concerned divisions regarding the quantity of excavated material.

(ii) While preparing a scheme for old RR masonry outfall structure of Link Drain - II, a leakage was observed and the work of 'Construction of Outfall Structure-cum-Regulator for Link Drain - II', was awarded (May 2012) at ₹ 67.71 lakh, to be completed by October 2012. However, only 75 *per cent* of the work was completed as of October 2013 which allowed the defect to persist during ensuing two monsoons (2012 and 2013). IFCD stated (January 2014) that the work could not be completed due to existence of water mains of DJB. The reply is not tenable as these impediments were not identified before award and start of the work rendering the money paid unfruitful.

(iii) Works of 'Providing and laying stone filled wire crates along banks of Yamuna' at three locations (two awarded in May and one awarded in September 2012) which were to be completed by 23 August 2012 and by March 2013 respectively, were incomplete as of December 2013. Since these schemes were prepared after the monsoon of 2011, they ought to have been completed before the onset of monsoon of 2012. The IFCD stated (March, 2014) that some works remained incomplete which were beyond the control of the Department; however, the same has been completed now. Though the reply may present factual position, it is silent as to why the work was not planned and completed before the onset of next monsoon.

(iv) As the side slopes of Link Drain II along Burari bund had collapsed, its discharge capacity decreased. The work of construction of RCC Drain from RD 495 m to RD 1130 m was awarded (May 2009) at ₹ 128.08 lakh to be completed by November 2009. With this work, discharge capacity of drain was to increase from 10.00 cusec to 24.50 cusec, thereby, mitigating the water logging problems at Sangam Vihar, Burari. However, the work could not be completed upto 30 June 2011 and was rescinded in July 2011 after payment of ₹ 89.16 lakh with 60 *per cent* of the work completed. The contract for the balance work was awarded at ₹ 38.88 lakh in December 2012 with the scheduled date of completion as 11 July 2013. However, only two *per cent* of work was completed till July 2013. The Department accepted (January 2014) the fact that the work was rescinded due to difficult site condition.

(v) In order to protect the drains from garbage thrown by the public and facilitating free flow in the drains, IFCD initiated 11 works for construction of boundary walls on these drains. Audit noticed inordinate delay in execution of these works, leading to foreclosure in eight of them. Details of these works including reasons for delay and the action taken by the Department are given in **Annexure 2.4.8.**

(vi) The work of Remodeling/ improvement of Kirari Suleman Nagar drain from RD 3700 m to RD 6090 m was awarded at ₹ 742.25 lakh in March 2010 to be completed by March 2012. Due to non-availability of clear site, only 67 *per cent* of the work was completed till November 2013 for which the Department had paid ₹ 665.17 lakh. The Department accepted the facts.

(vii) Although sanction of ₹ 458.00 lakh was issued in October 2007 for remodeling of Kirari Suleman Nagar Drain from RD 3700 m to RD 2445 m, the work could be awarded only in October 2012 after relaxing the eligibility criteria as bids were not forthcoming from eligible contractors. The work was to be completed by October 2013 but as of November, 2013, only 26 *per cent* of work was completed for which the Department had paid ₹ 170.74 lakh.

The IFCD stated (December-2013) that delay was due to late decision by the Administration for lowering the class category of the contractor and was mainly due to difficult site conditions and space constraints. The reply is indicative of the Department's inability to provide hindrance free site to the contractor.

(viii) The remodeling of Drain No. 6 was planned to cater to the increased runoff from approximately 2866 hectares of land under Narela Complex. Approved in October 2007 at an estimated cost of ₹ 744 lakh, the work was to be completed by October 2009. Even after six years of approval, the physical progress of the scheme was only 55 *per cent* as of June 2013 against an expenditure of ₹ 625.87 lakh. The department stated that scheme was delayed due to shortage of budget on account of Common Wealth Games and would be completed by December 2014.

2.4.7 Impact of sewage on drainage system

(a) Non-assessment of impact of sewage entering the drainage system

The PWD, though acknowledged carrying of sewage by approximately 324 kms of its storm drains, did not carry out (as of September 2013) any assessment of the extent of sewage falling into storm drains. It even failed to provide details of drains that carried sewage. Similarly, none of the MCsD conducted any survey to analyse the extent of untreated sewage entering their storm drains.

In its reply, PWD stated (March 2014) that a large number of PWD drains were carrying sewage and the Department can only carry out frequent de-silting, cleaning and maintenance of drains. Further, GNCTD had already engaged IIT, Delhi for a study on drains carrying silt. The reply is not acceptable as engagement of IIT does not absolve PWD of its responsibility of maintaining its own database necessary for determining the required frequency of de-silting.

(b) Absence of proper sewerage management and its monitoring

Audit observed lacunae in the maintenance of sewerage by DJB, as detailed below, due to which sewage was entering drainage system:

(i) No evaluation study of the functioning of sewerage network was conducted by DJB during 2010-13. Even maps or blue print of sewerage network were not available in selected divisions.

(ii) Some areas[26] under Central-I and North-I Divisions of DJB have a combined system of sewers and storm drains. As the sewers are designed for sewage only, they fail to accommodate storm water during rains, which flows to nearby low lying areas and accumulates there, leading to water logging.

2.4.8 Non-availability of adequate dumping sites for municipal solid and construction and demolition waste

Delhi generates about 5000 tons of construction and demolition (C&D) waste every day, whereas it has only one C&D waste processing plant at Burari with a capacity of 500 tons per day. As most of the existing landfill sites have outlived their capacity, dumping of waste on roadsides, in open drains, open space and on the banks of the Yamuna are common. This results in clogging of inlets or choking of the drains. Some cases are discussed in the following paragraphs.

(a) As per the information provided by NDMC, C&D waste, malba, silt, etc. are to be disposed off at Ghazipur dumping ground. However, test check of records in SWDs Road Divisions showed that NDMC paid ₹ 11.25 lakh in 17 cases, for removal of 6578.54 cum of C&D waste/malba for a distance of 16 to 20 kms without ensuring that waste was actually disposed at authorized landfill site only.

In its reply, NDMC stated (January 2014) that it was a fact that the contractors did not dump malba in its area. In the absence of other authorized dumping area, it paid contractors as per the distance considered in the agreements. The reply is out of context since audit observation was on the failure of NDMC to ensure disposal of malba at authorized site only.

Similarly, in IFCD and PWD also, there was no uniform and foolproof mechanism to ensure disposal of extracted silt and malba at authorized place only. In its reply (March 2014) PWD admitted non-standardization of the disposal system during 2012. It further stated that MCD was not providing adequate dumping spaces and in 2013, when tenders stipulated dumping at

[26] Kashmiri Gate & Majnu-ka-tila, Jama Masjid & Chandni Chowk, Minto Road and Turkman Gate, Kucha Pandit & Bazar Sitaram, Idgah & Ballimaran, Nabi Karim & Kasab Pura and Malka Ganj

authorized sites only, bids were not forthcoming. The Department, however, instructed all EEs to follow standard practice of disposal of de-silted material at MCD dumping grounds. The IFCD replied (March 2014) that in the past de-silted material was being dumped in the low lying areas and from the current year the de-silted malba is proposed to be dumped in the authorized MCD dumping site. The reply is not acceptable as the quantity utilized for low lying areas was claimed only by one division (CD-IV) and, moreover, the quantities were very meager i.e., about 10 *per cent*.

(b) As per the NIT conditions and policy of the National Urban Sanitation of GoI, silt of sewer line should be disposed off at the sanitary landfill area of MCD or any areas/place authorised by it. Scrutiny of records in seven[27] divisions of DJB, showed that in 103 de-silting works during 2010-13, disposal of 24389.18 cum of silt was not documented. As such, safe disposal of silt to authorised landfill site could not be ascertained in audit.

The issue of non-availability of adequate space in dumping site was acknowledged in the exit conference, by the selected agencies to be one of the major reasons for unauthorised dumping of waste material. It was further stated that DDA was not providing land for new dumping sites.

2.4.9 Multiplicity of agencies and lack of co-ordination

An acceptable solution to the perennial problems of flood and drainage congestion is only possible if efforts of all concerned agencies are coordinated to tackle the problems. Audit observed lack of co-ordination among departments and agencies, as enumerated in the following paragraphs:

(i) The IIT, Delhi suggested to involve two officials, to be nominated by GNCTD, in the study of Master Plan of Drainage. It was decided in the meeting (August 2012) under the Principal Secretary, IFCD that concerned departments may nominate 2-3 graduate engineers for the purpose. However, SDMC and NDMC have not nominated the officers as of December 2013.

(ii) On the issue of inability of IFCD and PWD drains to accommodate runoff from EDMC area during rains, the EDMC stated that the issue is discussed in various meetings for taking appropriate measures by different agencies before and during monsoons. Audit is of the view that coordinated efforts are needed to permanently increase the carrying capacity of PWD and IFCD drains, instead of depending on temporary measures alone.

(iii) Prior to transferring of roads to PWD in April 2012, MCD was responsible for de-silting of all storm drains owned by it as well as those by PWD. However, the status of de-silting of its roadside drains, done by the MCD during 2010 and 2011, was neither available at the PWD headquarters nor at field divisions. In its reply (March 2014) PWD contended that it was constantly coordinating and pursuing with MCD but it was not fruitful. Being the owner of the roads, the de-silting work should have been monitored by the PWD to ascertain the final status.

[27] East-II, West-III, Central-I, North-East-II, North-I, North-West-II, South-IV

(iv) During 2012-13, DJB found its Trunk Sewers illegally punctured at 272 locations, in seven out of eight divisions selected by Audit, where storm drains of MCD and PWD were connected to sewer lines indicating that the network of storm water drains of MCD and PWD did not have proper outfall points.

2.4.10 Internal control framework and monitoring mechanism

Internal control system is a management tool used to provide assurance that the objectives are being achieved as planned. Apart from deficiencies noticed in internal controls as pointed out in the previous paragraphs, others noticed are mentioned in the following paragraphs.

2.4.10.1 Failure of existing machinery to monitor the drainage system

An 'Operation Mission' was constituted in May 1995 under the E-in-C, MCD with members from IFCD, DDA, PWD, NDMC and DJB, to monitor de-silting of storm drains and sewers, tackle problems of drainage congestion and delinking of sewers from storm drains. Despite this, the Government had to call meetings time and again for working out even short term measures and framing norms by compiling information afresh. This reflects inefficiency of the monitoring and internal control mechanism to ensure compliance of Control Orders and other instructions. As a consequence, the Court also had to intervene in the matter.

2.4.10.2 Discrepancies in the reporting mechanism

(a) Audit scrutiny showed that although division M-413 reported water logging at six locations, i.e. Nizamuddin Bridge T-Point, IP Flyover toe near IG Stadium, near Gandhi Darshan, Lothian Bridge, Railway Under Bridge and Bhairon Road Plaza on 5 August 2013, the report forwarded to the Chief Secretary and the Secretary, PWD, depicted no water logging rendering these reports unreliable. In its reply, PWD stated (March 2014) that the field units were instructed to report on the rainy days for only those locations where water logging persisted even after normal time limit for drainage after rainfall. Reply is not acceptable since water logging had occurred though it drained out subsequently. The reply also undermines suggestions given in the Handbook of Service Level Benchmarking on the Storm Water Drainage, which provides that the data should be captured by time, date, location and extent of flooding for reliability of measurement.

(b) In the test checked reports, it was observed that some instances of water logging reported by the Traffic Police (**Annexure 2.4.9**) were not included in the PWD report, raising doubt on their reliability.

(c) As required under the Operation Mission, IFCD (except during 2013) and PWD did not submit to the UDD, required certificates to the effect that targeted silt had been removed and disposed off, for the period 2010-13.

(d) On being requested to provide reports and returns of de-silting of drains, water logging and flooding, as submitted by divisions to the SE, SE to E-in-C and so on, EDMC stated (December 2013) that the reports of de-silting were collected telephonically or through mails and were reviewed in various meetings held at different levels of senior officers. The reply of the

Department is not acceptable as a proper system of periodic reporting needs to be evolved at each level of hierarchy to ensure proper monitoring of activities.

(e) Likewise, in the case of DJB, no periodic returns were submitted by the Divisions to higher authorities in support of sewage maintenance.

2.4.10.3 Inadequate review meetings and inspections

The Monsoon Order of PWD provides for regular review meetings and inspections to be held at levels up to E-in-C and Principal Secretary, for making arrangements to tackle monsoon related problems. Though requested, PWD did not provide the details of meetings held/ inspections carried out and orders issued, consequent to such meetings/inspections. Further, inspections were also not carried out at the divisional level, as per norms. As such, an assurance about adequate internal control and effective monitoring could not be drawn by Audit.

In its reply (March 2014), PWD stated that water logging was reported only at 34 locations out of 152 on 20 July 2013, indicating that its system was effective. It further added that inspections were done in a regular manner. The reply is out of context as it does not address the audit observation. Moreover, the Department failed to furnish the inspection reports in support of its contention.

2.4.11 Public grievance redressal mechanism

In the meeting convened by the Chief Secretary on 17 June 2013, it was decided that all agencies should immediately release press advertisements/ notices and upload the information on redressal mechanism on their website, giving names and contact numbers of designated officials. However, Audit observed that PWD did not release any advertisement to inform the general public about the grievance redressal mechanism. The PWD stated (March 2014) to have noted the audit observation for future compliance.

In Control Rooms of MCsD, separate register for complaints on drainage related problems was not maintained. All miscellaneous complaints, such as, dog menace, garbage lying on road, dead animals etc., were clubbed in a single register. Neither complaints were categorized division wise, nor analyzed to see whether there were repeated complaints from the same location. Even summary reports relating to complaints were not being sent to higher authorities.

In DJB, though complaint registers were maintained, complete details of remedial actions for their redressal were not recorded. The register only showed 'complaint had been attended' against the entries of complaints.

Thus, Control Room functioned only to record complaints and their redressals. There existed no specific system to analyze complaints of flooding and water logging to identify possible vulnerable points and taking necessary preventive measures.

2.4.12 Conclusion

No separate funds were earmarked for updation and maintenance of Drainage System. The Master Plan of Drainage-1981 could not be updated as the

Government failed to provide the requisite data to the Consultant. This resulted in continuation of a drainage network that was insufficient and incapable of meeting the present demand. Similarly, Delhi did not have a Master Plan of Sewerage due to which 46 *per cent* of the population including unauthorised colonies remained out of sewerage network resulting in sewage from the areas entering the storm water drains causing drainage congestion. The drains of unauthorised colonies did not have proper outfall points and concerned agencies did not make any efforts to assess the impact of these colonies on the storm water drainage network. IFCD did not conduct topographical survey of river Yamuna every year to prepare itself before the monsoon. Flood control measures undertaken on the basis of inspections, were inadequate. Agencies were not fully prepared before monsoon to tackle the problems of drainage congestion and water logging. Adequate mechanism was not evolved by the departments to identify vulnerable locations, showing a complete lack of initiative to deal with the issue of water logging and drainage congestion. Repeated water logging was observed in spite of assurance that necessary action was taken to prevent the same. Inadequacies in maintenance of drains were seen in respect of de-silting and disposal of de-silted material. Deficiencies were observed in the maintenance of the sewerage system of the city. Lack of coordination among various departments/ agencies and poor internal control and monitoring system further compounded the problem, leading to occurrence of drainage congestion and water logging, year after year.

2.4.13 Recommendations

The Government may consider to:

- fix benchmarks for providing a minimum level of service standards for drainage and sewerage services every year in the lines of recommendations made by the 13th Finance Commission for urban local bodies. Separate funds should also be earmarked for achieving the desired level of services;
- update the Master Plan of Drainage in a time bound manner in consonance with the Master Plan for Delhi 2021 of DDA and Master Plan for Sewage Rehabilitation;
- carry out requisite surveys on regular basis in order to identify vulnerable locations and to plan activities relating to flood control and drainage/channel improvement works;
- strengthen monitoring of de-silting to ensure optimum carrying capacity in drains during monsoon and provision of adequate space for dumping of C&D waste, malba and silt etc. The concerned agencies should involve RWAs to keep a check on the quality of cleaning and de-silting work of drains;
- improve the co-ordination amongst various stakeholders for seamless integration of drainage system in Delhi as a whole.

The audit findings were referred to the Government in January 2014. Replies of PWD and IFCD have been received in March 2014 and in respect of MCsD, NDMC and DJB are awaited as of February 2014.

2.5 Information Technology audit of computerisation of PAO functions and preparation of Appropriation and Finance Accounts of GNCTD

The Information Technology audit was conducted to review the implementation of computerization in the accounting organisation of GNCTD for core functions of PAOs and preparation of Appropriation and Finance Accounts. The significant audit findings are as under:

Highlights

- ***COMPACT PAO 2000 was adopted for accounting functions of PAOs of GNCTD without a feasibility study and an archaic system continued where significant functions of accounting continued to be performed manually.***

  (Paragraph 2.5.7.1)

- ***CONTACT SOFTWARE did not have facility for budget and expenditure control. Preparation of Appropriation and Finance Accounts from CONTACT data was manual. No common interface amongst key stakeholders existed for collection, presentation and utilization of key financial information on a real time basis, resulting in delays in the decision making process.***

  (Paragraph 2.5.7.1)

- ***In the absence of User Manuals, Operational Manuals and System Manuals and general lack of trained staff, the COMPACT could not be utilised optimally. PAOs relied more on their manual records or the data of compilation available on MS-Excel for MIS purposes.***

  (Paragraphs 2.5.7.3 and 2.5.7.4)

- ***Department did not have any Disaster Recovery Plan indicating frequency of taking back up of data, its location of storage and restoration.***

  (Paragraph 2.5.7.7)

- ***Data analysis showed cases of data inconsistencies which indicated the extent of reliability of the data.***

  (Paragraph 2.5.8.1)

2.5.1 Introduction

The Principal Accounts Office (Pr.AO) of the GNCTD prepares Appropriation Accounts and Finance Accounts of GNCTD every year. He also prepares Statements of Central Transactions containing transactions relating to Public Accounts and retirement and pensionary benefits of employees of GNCTD which are rendered to the Controller General of Accounts (CGA), Ministry of Finance (MoF), GoI, to be included in Central Accounts.

In the late 1980s, National Informatics Centre (NIC) developed CONTACT software in DBASE in consultation with the office of CGA, MoF and it was introduced in the accounting organisation of GNCTD for use by Pr.AO. NIC also developed COMPACT (Comprehensive Pay and Accounts) PAO 2000 in consultation with the CGA, MoF in WINDOWS NT Ver. 4 environment with SQL Server 7.0 at the back end and Visual Basic 6.0 at the front end and it was introduced in the year 2002-03 to computerise all the major accounting functions of PAOs of GNCTD i.e. pre-check, compilation of accounts, GPF, Budget and Pension. The intended objectives of COMPACT were increasing the reporting and querying capabilities, more management information, reducing the time taken in compilation of accounts, generation of different reports and returns in compatible form for CONTACT, integrating the different sections of PAO, historical data maintenance etc.

2.5.2 Organisation set up

The Accounts organisation in the Government of National Capital Territory of Delhi (GNCTD), functions under the overall supervision of the Chief Secretary, GNCTD who is assisted by the Principal Secretary (Finance), Secretary (Finance), the Controller of Accounts, Deputy Controller of Accounts and 25 Pay and Accounts Officers.

The Pr.AO receives monthly accounts from 23 PAOs covering 1650 Drawing and Disbursing Officers (DDOs). In addition, two PAOs (IV and XVI) covering 37 DDOs, deal with the accounts of the Delhi Police and submit monthly accounts directly to the Pr.AO of the Ministry of Home Affairs, GoI, online on e-lekha for their incorporation in the Central Government Accounts.

As per the existing system in GNCTD, one PAO deals with multiple Departments and one Department is attended to by multiple PAOs. However, there is no inter-linking between these 25 PAOs for operations and every PAO functions in isolation for its assigned DDOs.

2.5.3 Audit objectives

The objectives of IT audit were to assess whether:

- alignment of beginning of IT processes and end of manual processes are perfect and proper, and
- data generated by the operating of the system is reliable.

2.5.4 Audit scope and methodology

IT Audit included the review of:

- Implementation of computerization since its inception in 2002-03,

- Accounting tasks performed by six[28] selected PAOs of GNCTD on COMPACT PAO 2000 software along with manual records maintained for the year 2012-13,
- Uploading and processing of data in the CONTACT software at Pr.AO and segregation of transactions relating to Public Accounts and Consolidated Fund of India for its onward submission to the CGA, MoF, GoI for the year 2012-13,
- Final output i.e. Appropriation Accounts and Finance Accounts of GNCTD in the Principal Accounts Office for the year 2012-13,

A draft report was issued in November 2013 to the Principal Secretary, (Finance) seeking Government's views on the report. The replies of the Principal Accounts Office and PAOs have been incorporated in the relevant paragraphs.

2.5.5 Audit criteria

The audit criteria was drawn from the following sources:

- Provisions of Civil Accounts Manual, Receipts and Payments Rules and General Financial Rules,
- Manuals, programme methods or policies and procedures for introduction and implementation of the IT system, and
- Generally accepted best practices of an IT system e.g. COBIT.

2.5.6 Work flow charts

The work flow charts for processing of bills and their accounting in PAOs, and preparation of Appropriation Accounts and Finance Accounts are shown in **Annexure-2.5.1 and Annexure-2.5.2.**

Audit findings

2.5.7 Lack of General IT Controls

2.5.7.1 Alignment of solution with business rules and needs

(A) COMPACT

COMPACT was introduced to computerise major accounting functions of PAOs of GNCTD i.e. pre-check, compilation of accounts, GPF, Budget and Pension. Scrutiny of process of computerisation revealed shortcomings which are discussed in succeeding paragraphs:

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[28]PAO-IV, VI, IX, XV. XXI, XXIII (based on the number of DDOs-2 PAOs with highest number of DDOs i.e. PAO-IX and PAO-XXIII, 1 PAO with medium number of DDOs i.e. PAO-XV, 1 PAO with lowest number of DDOs i.e. PAO-VI, 1 PAO dealing with Delhi Police and submitting accounts directly to CGA, MOF i.e. PAO-IV and 1 PAO dealing with the receipts i.e. PAO-XXI)

(a) Non-integration of specific functions of GNCTD in COMPACT: COMPACT PAO 2000 software was developed by NIC, keeping in view the functional requirements of PAOs of the Central Government only. It was adopted for the PAOs of GNCTD in 2002-03, although there were specific accounting functions of GNCTD such as transactions relating to Public Accounts, retirement, pensionary benefits and allocation of accounting tasks. The GNTCD before adopting COMPACT did not carry out a feasibility study and integrate these specific functions into COMPACT so that the entire accounting functions are carried out only in COMPACT.

Even after 10 years of its implementation, the required modalities/solutions were not provided in COMPACT for separate Central and State receipts and expenditure reports. The efforts of the Pr.AO for consolidation of PAOs' COMPACT data on e-lekha also did not materialise due to non-bifurcation of accounts.

The Controller of Accounts accepted (January 2014) that COMPACT was implemented in the PAOs of GNCTD without conducting proper feasibility study. The preparation and consolidation of accounts through COMPACT and e-lekha could not be achieved due to their inability to bifurcate accounts into Consolidated Fund and the Public Accounts.

(b) Stand-alone system: The COMPACT software was being operated in 25 PAOs on stand-alone servers. There was no connectivity between these 25 PAOs for operations. The reports generated by PAOs could provide information only on receipts realised and expenditure incurred by their DDOs under a particular head of account and that too on a monthly basis, when accounts for the month were compiled. PAOs or Pr.AO could provide only DDO-wise information of receipts and expenditure. There was no mechanism in place to generate any report on progressive expenditure or receipts of a department. Also, no real time information on progressive expenditure or receipts under a particular head of account for effective monitoring of expenditure was available.

Besides above limitations, the existing stand alone systems also gave rise to certain practices which were clear subversion of the system. Some of the instances of such practices are given below:

(i) Audit observed that AAOs and PAOs were scrutinizing the bills manually and posted their remarks on the face of bills. However, the passing of bills in the pre-check module of COMPACT was left to dealing hands/ Assistant Programmers, who passed these bills in bulk using passwords of AAOs and PAOs. It was seen that 3074 bills (**Annexure-2.5.3**) were cleared in pre-check module of COMPACT passing through three stages of dealing hand, AAO and PAO within a short period of five minutes.

Audit scrutiny showed cases where bills objected to by AAO or PAO manually, were passed on the pre-check module of COMPACT. The errors came to notice only at the time of assigning cheque numbers to such bills in the system. As per the system, once a bill is passed on COMPACT, a cheque number has to be assigned to it. However, wrongly passed bills were not allotted cheque numbers. To overcome this problem, dummy cheque numbers were given to these bills, and printouts were also taken to complete the process. Thereafter, entries for cancellation of dummy cheque numbers were passed in the COMPACT and budget was restored. When the corrected bill came next time, it was entered in the system with slight modification in its number with a suffix and passed for the second time.

Scrutiny of COMPACT data for 2012-13 showed that list of outstanding cheques as on 31 March 2013, included 228[29] dummy cheque numbers involving ₹ 5.20 crore **(Annexure-2.5.4)**. This meant that dummy cheque numbers were not cancelled, indicating a weak budget control mechanism.

The department stated (January 2014) that all dummy cheques were cancelled and the expenditure was returned back. The reply is factually incorrect as there were 228 specific cases where dummy cheques were not cancelled as on 31 March 2013.

(ii) Four[30] out of five selected paying PAOs did not enter the details of receipts into the COMPACT and all records relating to receipts was manual. PAO-IV was entering head-wise receipts in lump sum in COMPACT, instead of challan-wise entry, as received from public sector banks.

In case of PAO-VI, the cheques for refunds were not being issued through COMPACT, but manually and as such, no data for these cheques was entered into the COMPACT. Thus, no effective control was exercisable on receipts and refunds through COMPACT.

The department stated (January 2014) that matter was being pursued with the accredited banks for supplying receipt scrolls in soft copy which could be directly incorporated in COMPACT.

(iii) In all the five selected paying PAOs, there were some cases of issue of cheques manually. Audit observed that 2132 cheques, included in the authorised list of cheques issued to four selected PAOs[31], were not found in the list of cheques issued in COMPACT. Due to this, the exercise of encircling of cheque and reconciliation with the bank scrolls, conducted through COMPACT stood compromised. Thus, balances under two major heads, 8658: Suspense-PSB Balance and 8670: Cheques and Bills and details of outstanding cheques on COMPACT were not reliable.

The department stated (January 2014) that only on rare occasions data of manually issued cheques was not entered in COMPACT due to non-functioning of hardware. The reply of the department is not acceptable as there were 2132 cases where data was not entered in COMPACT which meant that data in COMPACT was not complete and reliable.

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[29] (PAO-XXIII: 101 cheques amounting ₹ 17710639 and PAO-IV: 127 cheques amounting ₹ 34294080).

[30] PAOs-VI,IX,XV & XXIII

[31] PAOs-IV,VI,XV & XXIII. PAO-IX did not furnish the authorised list of cheques used during 2012-13.

(iv) The DDO-wise and head-wise annual budget is entered manually into the Budget Module of COMPACT. The expenditure of DDOs under particular head of accounts is restricted within the budget allocated. However, some payments like pension, leave encashment, gratuity, etc. are charged to MH 2071 of the Consolidated Fund of India, as provision for these payments is not made in the State Budget. In the absence of any budget for every such payment, the system flashes a red signal indicating less or non availability of budget. But these payments were made anyway quite regularly from the user ID of PAO, as COMPACT had the provision to override the budget by PAO.

However, it was observed that the list of overridden bills contained payments made on other object heads such as salaries, office expenses, medical and other charges, which meant that PAOs allowed payments of certain bills without availability of budget, using the facility for overriding of budget.

The department stated (January 2014) that in certain cases bills were admitted on the authorisation of the Finance Department (FD) pending allocation of budget at Revised Estimate (RE) stage, using the overriding of budget facility provided in COMPACT at the PAO level. However, the reply was not supported with documents showing authorisation from FD.

(c) Non-mapping of business rules: Audit noted that there was no system for checks in passing the bills in the COMPACT software (in line with the Civil Accounts Manual, GFRs and Receipts and Payment Rules). This was being done manually by a dealing hand, AAO and PAO. There was, therefore, a possibility of bills of similar nature with similar deficiencies being passed or rejected depending on the discretion and knowledge of the processing officers about the relevant rules and COMPACT had no role to play in this area.

(d) Non-compatibility of General Provident Fund (GPF) Module: Audit observed that the GPF module of the COMPACT software was not being used by the PAOs of GNCTD, as it was not compatible with their practical requirements. For maintenance of GPF accounts of employees of GNCTD, PAOs were using new GPF software - 'GPF Information System' developed by the NIC as per their requirements.

(e) Non-provision of certain accounting functions in COMPACT: The COMPACT did not have provision for the following functions:

- clearing of valuables entries after the banks have credited them, thereby these entries remained outstanding in the system at the end of the year,
- watching the recovery of long term advances like HBA and MCA, and
- watching the submission of DC bills against AC bills before allowing next batch of AC advances.

(f) Non-availability of date-wise data of addition, transfer or deletion of DDOs: As per the prevailing system, the PAOs exercise area-wise jurisdiction over DDOs, as they are allocated to PAOs based on their location. Due to administrative reasons or creation of new DDOs, there were cases of transfer, addition or deletion of DDOs assigned to PAOs. The DDO master data on the COMPACT software did not contain date-wise data of these changes and, hence, the effective date of transfer or addition of a DDO with a particular PAO could not be ascertained from the COMPACT software.

(B) CONTACT

The CONTACT software does not facilitate bifurcation of combined accounts of the Consolidated Fund of State and the Public Accounts and the Consolidated Fund of India, generated by the COMPACT. The PAOs, therefore, have to prepare separate data of transactions for the Consolidated Fund of State and the Public Accounts and the Consolidated Fund of India in the MS-Excel sheets. The representatives from PAOs visit the Pr.AO on monthly basis and manually feed their MS-Excel data into the CONTACT on a stand-alone computer, separately for the Consolidated Fund of State and the Public Accounts and the Consolidated Fund of India, in drives C (State) and D (Centre) respectively. The entire data is then consolidated accordingly. The CONTACT generates the annual progressive consolidated accounts for the financial year separately for the Consolidated Fund of State, from which Appropriation and Finance Accounts of GNCTD are prepared. The CONTACT also generates a text file for the Public Accounts and the Consolidated Fund of India, which are uploaded onto e-lekha every month for incorporation in the accounts of the Central Government.

The shortcomings in the above process of preparation of Appropriation and Finance Accounts are discussed in the succeeding paragraphs:

(a) No provision for exercising control on expenditure against budget: Audit observed that there was no provision to feed or upload the head-wise figures of budget as per Detailed Demand for Grants (DDG) into the CONTACT software and, hence, it did not provide the facility for verification of bookings under correct heads of accounts or bookings exceeding the available budget under a particular head of account, to exercise effective control over expenditure *vis-a-vis* budget. The Pr.AO, therefore, has to do the exercise manually with the help of DDG, Supplementary Demand for Grants (SDG), Re-appropriation and Surrender Orders etc.

(b) Deficient system for detection of errors of misclassification: After carrying out the above manual exercise of control over expenditure against budget and correcting the mistakes of mis-classification, under/over booking of expenditure or receipts etc., the Pr.AO forwards the compiled and corrected data of progressive consolidated accounts in the CONTACT Software, to various PAOs for reconciliation on quarterly basis. In the month of April, the progressive consolidated accounts for the financial year are prepared separately for the Consolidated Fund of State and the Public Accounts and the Consolidated Fund of India. The check to ascertain correctness of annual accounts is that balancing figures of receipts and expenditure booked under MH 8450 for the Consolidated Fund of State and that for the Public Accounts and the Consolidated Fund of India, are matched.

Though the accounts stand balanced and matched, the PAOs prepare the Supplementary-I of accounts from the annual consolidated accounts after carrying out the corrections of mis-classifications etc., noticed by them as a result of reconciliation with the DDOs. After preparation of the

Supplementary-I, the Pr.AO carries out a reconciliation of Supplementary-I *vis-à-vis* the manual records (i.e. DDG, SDG, Recovery of expenditure, Re-appropriation and Surrender Orders etc.) and Supplementary-II (and if required, Supplementary III or IV) are prepared after carrying out the corrections for mis-classifications etc. noticed by Pr.AO. The final corrected copy is known as S042-Supplementary Accounts.

Audit noted that the above system of finding mistakes of classification and correcting them by comparing the PAOs data with the manual records was limited to the heads of accounts in which the mistake of booking was apparent due to nil provision in the head of account or excess booking as compared to allotted budget. This system could not detect cases of mis-classification in the heads of accounts where there were savings and, therefore, booked expenditure did not have the effect of exceeding the allotted budget. This meant that even after reconciliation at multiple stages, there was a possibility of mis-classifications going un-noticed, as detected by Audit in case of PAO-XV and PAO-XXIII (discussed in paragraph 2.5.8.2) or booking of capital expenditure under revenue heads as discussed below:.

As per Rule 8 of the Delegation of Financial Power Rules, 1978, object heads such as 51-Motor Vehicles, 52-Machinery and Equipment and 53-Major Works, fall under the Object Class-6 (acquisition of capital assets and other capital expenditure). However, analysis of the CONTACT software data of actual expenditure for the year 2012-13, revealed that in 91 cases, an expenditure of ₹ 87.67 crore was incorrectly classified as revenue expenditure, instead of capital expenditure as detailed in **Table 2.5.1**.

Table 2.5.1
Expenditure of capital nature booked under revenue head

(In ₹)

Sl. No.	Object Head	No. of cases	Amount
1.	51-Motor Vehicles	25	63045493
2.	52-Machinery and Equipment	64	730541849
3.	53-Major Works	02	83139776
	Total	**91**	**876727118**

(c) Limited use of CONTACT in preparation of Appropriation and Finance Accounts: The end products of the CONTACT software are Statement of Central Transactions (SCT) separately for the Consolidated Fund of State and for the Public Accounts and the Consolidated Fund of India, which only give the Minor head-wise data of actual receipts and expenditure for the financial year.

Audit observed that the process of preparation of the Appropriation Accounts and the Finance Accounts of GNCTD in the prescribed format was executed on MS-EXCEL. In this process, the data of actual receipts and expenditure as provided by CONTACT had to be converted from Minor head-wise to Sub-head-wise by manual additions. The other data required for this process was derived from other sources like DDG, SDG, Re-appropriation and Surrender Orders etc. The process is time consuming and, therefore, the time-line given for preparation of Appropriation Accounts and Finance Accounts could never be adhered to. For instance, for the year 2012-13, the prescribed date was 16 July 2013, but the accounts were finalised up to 16 September 2013.

(d) Supply of inadequate information to Planning and Finance Departments: Audit observed that the data was supplied to the Planning and Finance Departments in the form of hard copy on a monthly basis, which contained only head-wise details of receipts and expenditure and not Department-wise. Real time data was not available with these Departments for real time budgetary control over expenditure.

(e) Loss of source data during consolidation: There was a limitation in CONTACT, as and when the PAOs data was merged to create monthly consolidated accounts or progressive consolidated accounts, the input PAO-wise data got lost in the process and only consolidated monthly and progressive accounts could be retrieved, from the database after the process of consolidation. Therefore, a print out of PAO-wise data had to be taken to keep the record, as soft copy could not be retrieved from CONTACT.

The department stated (January 2014) that provision for preparation of seamless Finance and Appropriation Accounts and real time availability of data to Planning and Finance Department is scheduled to be covered in the proposed Integrated Financial Accounting and Management System (IFAMS).

2.5.7.2 Role of Core Committee (IT)

It was seen that a Core Committee was formed in September 2003 under the chairmanship of the Controller of Accounts, to monitor the progress of computerisation and networking of Accounting Organization. However, the information regarding agenda of the meetings of the Committee, minutes of meeting etc. were not found on record beyond 2003-04 to suggest that changes, modifications and up-gradations of hardware and software in the context of COMPACT, were being monitored by the Committee. Thus, the role of the Committee in steering the IT direction and alignment with organisation goals could not be assessed in audit.

2.5.7.3 System documentation

An organisation should have documented standard operating procedures (SOPs) for all computer systems to ensure their correct and secure operations. However, the user manual, operation manual and system manual, as part of SOPs were not available in respect of CONTACT software in six test checked PAOs and the Pr.AO.

2.5.7.4 Training

The IT Department of GNCTD technically cleared (March 2006) a proposal for setting up of a Computer Training Lab in the Pr.AO with an estimated cost of ₹ 39 lakh. However, no formal training infrastructure was created thereafter. Audit noted that no training calendar was in place but 'in-house training programmes' were arranged as and when required for the officials.

All the six selected PAOs stated (June 2013) that no training was provided to their staff including Assistant Programmers[32] on COMPACT. The officials of PAOs and Pr.AO were routinely transferred and the new incumbents had to learn 'on the job' as there was no facility for training.

2.5.7.5 Change management procedure were not framed

Audit observed that the First version (1.0) of the COMPACT Software was released by NIC on 17 September 2001 and the latest version (6.01) on 12 February 2010. The changes/modifications in the system were carried out in patches as released by NIC from time to time.

The NIC brought changes in the COMPACT software as per the requirements of CGA, MoF. No documentation of changes/modifications carried out and their authentication by a competent authority at the GNCTD level was maintained. In the absence of a recorded policy or procedure, the Management was unable to ensure that (i) all the functional difficulties faced by various PAOs of GNCTD were addressed in the latest version of software, and (ii) the latest version of the software was being used simultaneously at all levels. This increased the risk of unauthorized data modification, unauthorized change in functionality or necessary changes not being effected.

2.5.7.6 IT System Security

(a) Physical Access Control: The objective of Physical Access Control is to prevent unauthorised access and interference with IT services. IT assets should be protected from environmental damage caused by fire, water, humidity, earthquake, electrical power fluctuation, load shedding etc. Audit observed that separate cell in PAOs was not available for IT operations to ensure restriction on physical access to IT systems by unauthorised persons. The arrangements for environmental controls to safeguard against anticipated and unanticipated extremes were also not found in place in any of the PAOs. Even UPSs with adequate battery back up were not installed in adequate numbers as compared to the computer machines in use, to avoid data loss or corruption due to power failure.

The department stated (January 2014) that the servers had been hosted in the room of the PAOs and hence were secured and without any access to outsiders. The reply is not acceptable as there were no separate rooms for servers. Moreover, PAOs being public dealing offices, entry is not restricted for outsiders.

(b) Logical Access Control: Logical access controls help protect computer resources (data and programs) against unauthorised access and modifications. Control procedures like user access management and passwords help in identification, authentication and non-repudiation. Audit noted weaknesses in the access controls as discussed below:

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[32] 14 Assistant Programmers were appointed on ad-hoc/contract basis to look after the IT needs (both hardware and software) of the 25 PAOs of GNCTD

- COMPACT allowed login with same user ID in different client machines simultaneously, resulting in deficient access control and lack of in-built user accountability in the system,
- Due to lack of training, PAOs had assigned their access privileges in respect of pre-check and Master module to the dealing hands or Assistant Programmers, which resulted in diluting of level of authorisation,
- In COMPACT, a user could make any number of attempts to login without any restriction. There was no mechanism to restrict the number of login attempts by a user,
- Data entries in the system, made by dealing hands, can be modified by PAO, but the system did not keep any trails of such modifications,
- The provision of automatic expiration of login session of users in case of the system not being used for a defined duration, had not been incorporated in the COMPACT,
- In PAOs, password policy existed but adequate control over periodical password change was not there. The system kept on showing the message on the screen, about same password being used for more than 15 days.

The department stated (January 2014) that NIC would be approached for making provision to safeguard against weaknesses in the access controls.

2.5.7.7 Business continuity and disaster recovery plan

The Pr.AO and PAOs did not have any documented IT policy, business continuity plan and disaster recovery plan for timely action in the event of a disaster leading to temporary or permanent loss of computer facility. Following shortcomings were observed in the back up procedures:

- Back up of the data was not stored at an off-site location, but was kept in the custody of the Assistant Programmer in an open drawer, instead of storing in the weather and fire-proof safe,
- In selected PAOs, either there was no anti-virus available or it was not updated,
- There was no clear cut policy in respect of backup procedure, its retention period, type of backup device, life of the stored media etc.

2.5.8 Inadequacy of input, processing and output controls

2.5.8.1 Data inconsistencies in the COMPACT

As part of audit, data dump of COMPACT of selected five[33] paying PAOs for the period April 2012 to March 2013 was restored (with the approval of NIC), onto a system in read-only form and test checked for inaccuracies, inconsistencies and abnormalities. The test check showed the following:

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[33] Back up data of PAO-IV and IX did not contain the data of pre-check module for the year 2012-13

- There were variations in the cheques issued and bank scrolls, as 4651 cheques appeared in the bank scrolls, which were not issued as per the cheque issued data of PAOs,

  The department stated (January 2014) that sometimes the cheque numbers fed in COMPACT might vary from those in scroll received from the banks due to manual intervention in COMPACT, but the same was set right at the time of encircling. The reply is not acceptable as even after this exercise of encircling, there were inconsistencies as pointed out by audit.
- Amount of 639 cheques issued did not tally with the amount shown in the bank scrolls,
- In the cheque issued data, 12 cheques were found issued twice and 1723 cheque numbers were either incomplete or not in the authorised list[34] of cheque issued,
- 12407 cheques shown outstanding at the end of financial year 2012-13, were neither encashed nor shown as outstanding in the year 2013-14,
- Three cheques shown outstanding at the end of financial year 2012-13, were shown as encashed in the year 2013-14, but the amounts varied,

The department stated (January 2014) that validity of cheque was for a period of three months. Cheques issued between January and March of the financial year, were not presented and same were encashed in the next financial year. This might have resulted in variation of cheques issued and realized during the period April to March. The reply is not acceptable as issues pointed in audit are (i) amount not tallying, (ii) duplicate cheque numbers being used, and (iii) cheques outstanding at the end of the financial year neither getting encashed nor shown as outstanding in the next financial year.

- In some cases (PAOs IV, IX and XV), tokens which were generated and issued as acknowledgement of receipt of the bills, were found with negative numbers in the expenditure control register,
- In the expenditure control register, there were 162 cases of budget balance being more than the budget allotted,
- In six cases, the bills were dated later than the date of token,
- In 101 cases, PAO passed the bill with amount which was more than the amount passed by the dealing hands, without recording justification.

Thus, data of COMPACT was inconsistent and lacked reliability.

2.5.8.2 Monthly accounts compilation - lack of controls

As discussed earlier, the PAOs (except PAO-IV and XVI) compiled monthly accounts not on COMPACT, but on MS-Excel. After getting through pre-check section on COMPACT, the passed bills for a month are distributed among the dealing hands, where it is manually entered against allotted DDOs and the heads of accounts in the MS-Excel sheet. Thereafter, the data is

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[34] Authorised list of cheques used during the year 2012-13 is still awaited from PAO-IX.

compiled for preparation of monthly accounts by balancing the receipts and expenditure (both Central and State) after taking into account the amounts lying in the MH 8658-PSB Suspense (Receipt and Payment), 8658-PAO Suspense and 8670-Cheques and Bills. The accounts are tallied by matching expenditure and receipts balances. Tallied monthly account of receipts and expenditure is entered in the CONTACT software of the Pr.AO, for incorporation in the Appropriation and Finance Accounts.

It was noticed that the dealing hands entered the amount of expenditure under heads of accounts as per information on bills recorded by DDOs. It was observed that heads of accounts recorded by DDOs on the face of bills varied from that on sanction letters. Though, after initial entry by dealing hands in the excel sheet, data was processed at the end of the AAO (Compilation), but latter just compared and reconciled the gross amount of expenditure, as per COMPACT and the MS-EXCEL and did not check individual entries. As such, if dealing hand enters the expenditure under an incorrect head of account, there is a risk of going it unnoticed at the AAO/PAO level. Thus, there was lack of audit trails to ensure accountability for the actions performed by the users.

While compiling monthly accounts, reconciliation was carried out in PAOs with concerned DDOs to correct any variation or anomaly through transfer entries etc. However, a cross verification of bills, conducted by Audit for the month of March 2013, pertaining to the selected DDOs with the entries made by the dealing hands in MS-Excel sheet in the PAOs, revealed that in four cases there were variations in the heads of accounts to be booked as per the bills submitted by DDOs, sanction orders and actually booked in the PAO **(Annexure 2.5.5),** which the PAOs concerned[35] had confirmed except PAO-VI who did not provide the relevant records to Audit for cross-verification.

The department stated (January 2014) that existing sanction process and bill entry in the Excel is manual and it was likely that certain mistakes were committed which were subsequently set right on reconciliation of accounts. The reply is not acceptable as in above four cases, the error of mis-classification could not be detected even at the time of reconciliation of accounts.

2.5.9 Conclusion

Even after a lapse of more than 10 years of introduction of computerisation through COMPACT in accounting organization of GNCTD, system was not working to its full potential. Software in use was not compatible with the practical requirements of PAOs. The deficiencies in the system and limitations of the data generated by the applications, resulted in development of alternate manual applications and the significant amount of work continued to be done manually. The lack of audit trails in the original as well as alternatively developed manual applications made it difficult to ensure accountability for

[35] PAO-XV and PAO-XXIII

actions performed by the users. There was no documented policy regarding Back Up, Disaster Recovery and Business Continuity, Change Management, Physical and Logical Access to IT Assets etc.

2.5.10 Recommendations

The Department should make efforts for:

- generation of text file from COMPACT software in compatible form for CONTACT software as per the requirements of the Pr. AO with bifurcation of accounts,
- generation of soft copy of receipt scrolls from the public sector banks so that the receipt data could be uploaded onto COMPACT,
- ensuring mapping of all the business rules in the computerised environment and computerising of left out features in the COMPACT software, so that minimum manual intervention is required,
- compulsory data entry relating to all receipts and payments into the COMPACT software,
- providing regular training to the PAOs' staff and the Assistant Programmers for effective use of all features of the software in use, and
- formulating a well-defined policy for data back-up, anti-virus software, disaster recovery and strengthening physical access and logical access controls to avoid unauthorised access and manipulation or corruption of data.

The audit findings were referred to the Government in November 2013; their reply has not been received (February 2014).

Chapter-III
Compliance Audit

Chapter-III
COMPLIANCE AUDIT

Department of Co-operative Societies

3.1 Registrar of Co-operative Societies, Government of NCT of Delhi

Registrar did not maintain year wise details of Registered Co-operative Societies. No action was initiated against societies which failed to submit their audited accounts, to contribute to the Cooperative Education Fund, to hold annual general meeting, to file annual return, to hold elections etc. No recovery of outstanding loans and investment in share capital of societies was ensured. The financial management of SEEF Fund was found to be poor.

The audit of Registrar of Cooperative Societies, Government of NCT of Delhi covering the period 2010-11 to 2012-13, was conducted to assess the department's performance in monitoring the implementation of the provisions of the Act and functioning of the cooperative societies in Delhi. The following are the important audit findings:

3.1.1 Unreliable data base of the registered societies

Section 4(1) and 7(1) of the Delhi Cooperative Societies Act, 2003 (Act), provide for registration of various types of societies with the Registrar. Audit scrutiny showed the following irregularities:

- The Registrar did not maintain a year wise register in Form 4 for maintaining the data relating to registered cooperative societies, either in manual or electronic form as required under Rule 7 of the DCS Rules, 2007. However, as per data provided by the Computer Wing of the Department, there were 5558 cooperative societies registered with the Department, as on 31 March 2013. Category wise status of societies is given in (**Annexure-3.1.1).**

The Department replied (December 2013) that instructions were being issued to all zonal in-charges to start maintaining manual/ electronic register in Form 4 with immediate effect.

- The data base of 5558 societies does not include 66 societies to whom the Department had given loans and 121 non-government societies, where the Department had invested in the share capital in the past. For instance, Delhi Cooperative Housing Finance Corporation Limited, registered in August 1970, in which, the Department had invested ₹ 30.26 crore, did not exist in the data base. Further, there were 1784 societies (1063 active and 721 inactive) for which the date of registration was marked as 1 January 1974, and no physical records were available with the Department. In the absence of any records for such societies, the mechanism adopted to monitor the functions performed by these 1063 cooperative societies by the Department could not be ensured in Audit.

The Department replied (December 2013) that all the societies to whom it had given loans/ invested capital had been identified and a compiled list had been supplied to all zonal in-charges for taking recovery action in the matter and updating the data base.

- As only a few societies were regular in submitting annual reports (discussed in succeeding paragraphs), an assurance could not be drawn whether 3822 societies shown as active in data base, were actually active and functioning.
- A society which is non-functional for three consecutive years is required to be categorized as "defunct society". A total number of 415 cooperative societies were non-functional for three consecutive years during 2009-10 to 2011-12, but were not categorized as defunct during 2012-13. As a result, the data bank of registered societies, maintained by the Department does not reflect a true picture.

The Department replied (December 2013) that the existing mechanism of submission of annual returns/ reports by registered societies to show their functional status would be reviewed for introduction of manual/ system generated notices to the defaulting societies on annual basis.

3.1.2 Non-winding up of societies

Section 94 of the Act stipulates that in case of a House Building Cooperative Society, where all the plots have been allotted to its members and basic civic services transferred to the local civic body, the Registrar shall, after giving 60 days notice to the cooperative society, initiate winding up proceedings for such society. In case, the land is allotted on perpetual lease basis, prior consent of lessor is required before winding up. In case, where society has been provided land to run a school, community centre, dispensary etc., these provisions do not apply if the general body of the society decides to run these activities for the benefits of the residents. Audit observed that the Department had not compiled any such data. It, however, replied (August 2013) that in most of the house building societies, the civic services have already been transferred to the local bodies, but societies cannot be wound up without the consent of lessors (L&DO/DDA). However, it could not produce any correspondence with lessors, seeking their consent for winding up of societies covered under the provisions of Section 94. In the absence of records, Audit could not ascertain the number of societies required to be wound up.

In its reply, the Department stated (December 2013) that audit findings regarding compilation of data and taking follow up action with the Lessor would be pursued vigorously.

3.1.3 New registrations during 2010-11 to 2012-13

During 2010-11 to 2012-13, the Registrar registered 92 Cooperative Societies**.** Out of these, Audit selected 46 societies (50 *per cent*) for examination. The examination of records of 44 cases, as provided by the Department, showed the following:

3.1.3.1 Irregularities in registration of co-operative societies: Section 5 of the Act stipulates that in case of a primary cooperative society, each of the members shall be a member of different family. Rule 5 (1) (j) requires a declaration on oath from each of the promoter members to the effect that he is not a member of the family of any other promoter joining in the application for registration. Audit scrutiny showed that in 13 cases, there were 92 members who were related. In three societies, both husband and wife or father/mother and son were holding the posts in the managing committee. The concerned dealing divisions of the department recommended the registration of societies without verifying the details.

In its reply, the Department stated (December 2013) that audit findings were noted for taking corrective measures viz. issuance of instructions to the zonal Assistant Registrars for proper scrutiny of application forms besides issuing show cause notices to the concerned societies.

3.1.3.2 Delay in registration of new cooperative societies: Section 9 of the Act stipulates that the application for registration should be disposed of within 90 days from the date of receipt. If unable to dispose of the application within 90 days, Registrar shall make a report to the Government stating therein the reasons for his inability to do so and Government may allow him further time not exceeding ninety days to dispose off such applications. However, 36 out of 44 societies, were registered with a delay ranging upto 477 days and nothing was on record to indicate whether extension of time was sought from the Government. In its reply, the Department stated (December 2013) that audit findings were noted for scrupulous and timely compliance in regard to disposal of applications for registration as per norms prescribed in the DCS Act.

3.1.4 Audit of accounts

3.1.4.1 Non-submission of audited accounts by the cooperative societies

Proper and timely audit is essential to ensure that the affairs of the cooperative societies are managed in accordance with the cooperative principles and prudent commercial practice. The provisions of the Act require a cooperative society to get its accounts audited annually by an Auditor from the panel prepared by the Department, within 120 days from the prescribed date or making up its account for the year (i.e. 30 April for a financial year ending 31 March) and forward the audit report to the Department.

Audit observed that cooperative societies which did not submit audited accounts during 2007-08 to 2011-12, ranged from 59 to 64.23 *per cent* of the total active societies. The Department made no efforts to take-up the issue of submission of audited accounts with the registered societies, even though 11382 audited accounts were not submitted during 2007-12. Penalty of ₹ 1.71 crore against defaulting societies @ ₹ 1500 per year, as prescribed under Rule 167, was not imposed. This pointed to lack of an effective monitoring system to ensure submission of audited accounts by the societies and penal action against the erring societies.

Even where audited accounts were received, the Department did not have a system to review these reports, to identify deficiencies in functioning of the societies and further remedial action as per Section 62 and 67 of the Act.

In its reply, the Department stated (December 2013) that audit findings for creating an effective mechanism for monitoring of audit reports, levy of penalties in the cases of default etc. had been noted for initiating remedial measures and issuing necessary directions to concerned zonal officers.

3.1.4.2 Non-cancellation of registrations for non-submission of audited accounts

Section 20(5) of the Act stipulates that in case of cooperative society which did not get the audit conducted or not hold any annual general body meeting for five consecutive years, such society shall be deemed to have been dissolved and shall cease to exist as corporate body after the expiry of the said period of five years. Section 60(6) further, stipulates that on failure to get the audit of the cooperative society conducted in time, the Registrar shall get the audit conducted and fee paid shall be a charge against the delinquent officers of the committee and shall be recoverable from them as arrears of land revenue. Audit scrutiny showed that 1871 societies did not have their accounts audited even once during 2007-12. As such, these 1871 societies should have been dissolved and ceased to exist in the year 2012-13, under Section 20(5) of the Act; however, the Department did not take any action to cancel their registration and allowed them to continue their operations. The Department did not even invoke the provisions of section 60(6) to get the audit conducted and charge the fee from delinquent officers of the Committee.

In its reply, the Department stated (December 2013) that most of the societies had fixed assets and outside liabilities, hence, could not be dissolved. It further stated (December 2013) that audit findings had been noted for taking corrective and remedial action u/s 20(5) of the Act, wherever the provision of section 60(6) can be invoked.

3.1.5 Cooperative Education Fund (CEF)

Section 55 of the Act stipulates that every cooperative society shall, out of its net profit in any year, credit to CEF such portion of profit, not exceeding five *per cent*, as may be prescribed in the CEF Rules. Rule 74 (1) stipulates that every co-operative society shall credit a sum calculated at the rate of two *per cent* of its net profit every year subject to a maximum of fifty thousand rupees as contribution to the CEF. The fund shall be utilized for grant-in-aid to Delhi State Cooperative Union and Delhi State Cooperative Training Centre for undertaking cooperative education, training, and other cooperative development activities. During 2010-13, the Department received ₹ 3.35 crore as contribution to the CEF and spent ₹ 2.28 crore out of the Fund during the same period.

Audit observed that though the Department accounted for the amount deposited voluntarily by the societies, it did not have the details of the societies contributing to this.

3.1.6 Other statutory obligations of a cooperative society

Registered societies are required to meet certain statutory obligations as prescribed under the Act and Rules. Extent of the fulfillment of statutory obligations by the societies are discussed below:

3.1.6.1 Annual General Body Meeting (AGM)

Section 31 (1) requires every society to hold, within a period of 180 days of making up its accounts for the year, a General Body Meeting of its members, for approval of its programme of the activities, audit report, audited accounts, etc. The Department did not have any records to indicate the societies which did not fulfill the obligations. The Department failed to initiate action under Section 31(2) to call such meetings.

In its reply, the Department admitted (July 2013) that there was no mechanism to monitor the statutory activities of all societies and attributed the reasons to acute shortage of manpower in the Department. It further added (December 2013) that it proposes to take the remedial action by creating a system of manual/ computer based monitoring of annual returns, creating a data base for AGMs and issuance of system generated notices to defaulting societies.

3.1.6.2 Filing of annual return by societies

There was no system to ensure that all societies were submitting the annual returns to the Department as required under section 32 of the Act. Only 10.32 *per cent* of active societies in 2010-11 and 19.74 *per cent* in 2011-12 submitted the annual returns. The Department did not make any efforts to pursue the defaulting societies for submission of returns.

In its reply, the Department stated (December 2013) that effective monitoring system would be put in place by issuing manual/ system generated notices to defaulting societies.

3.1.6.3 Holding of elections by societies

Under section 34 and 35 of the Act, all cooperative societies should hold election on the date of holding AGM. It was observed that the Department did not maintain records of societies where elections were due during the year, but not conducted. Only one out of nine zones could give the number of societies, who conducted elections during the period 2010-11 to 2012-13.

In its reply, the Department, endorsing the audit findings, stated (December 2013) that effective monitoring system would be put in place for taking corrective/ remedial actions through manual/ system generated notices for taking further action u/s 34 and 35 of the Act.

3.1.7 Outstanding loans to cooperative societies

GNCTD provides loans to the cooperative societies through Registrar of Cooperative Society repayable in 10 equal installments with interest @ 5.25 to 12.5 *per cent* per annum. In case of default, penal interest @ 2.75 *per cent* above the normal rate of interest is payable.

The Government had provided ₹ 0.96 crore as loans to 257 societies during 1962 to 2003. As on 31 March 2013, ₹ 2.29 crore (principal - ₹ 0.64 crore and interest ₹ 1.65 crore) was yet to be recovered and the Department did not make efforts to recover outstanding loans of ₹ 2.29 crore.

In its reply, the Department stated (August 2013) that the process of issuing notices/ summons got delayed due to shortage of staff, and the recovery was hampered after retirement of Deputy Director (Planning) in December 2006. It further stated (December 2013) that as per audit findings, list of all such defaulting societies had been compiled and supplied to zonal Assistant Registrars/Assistantt Collectors for initiating recovery process and progress would be regularly monitored.

3.1.8 Share capital investment

The Government had invested ₹ 1.59 crore as share capital in 606 cooperative societies during March 1958 to February 1994 for a period of 15 years out of which the Department could recover only ₹ 24.20 lakh till March 2013, leaving ₹ 1.35 crore as unrecovered, resulting in its blockade.

The Department replied (December 2013) that out of ₹ 1.35 crore, only ₹ 55 lakh remained to be recovered from the defaulting societies whose list had been compiled for initiating recovery process and remaining ₹ 80 lakh was invested in Delhi State Cooperative Bank, from where annual dividend of ₹ 10 lakh was received by the Department. Fact remains that till 2013, Department has not initiated the procedure for recovery of outstanding amount of ₹ 55 lakh.

3.1.9 Settlement and Execution Expenses Fee Fund (SEEF Fund)

Rule 164 (3) stipulates creation of a SEEF Fund, to be managed and controlled by a committee headed by the Registrar Cooperative Societies and comprising of eight members (one each from the Delhi Cooperative Housing Finance Corporation, Delhi State Cooperative Bank Ltd., Delhi Consumers Cooperative Wholesale Stores Ltd., Deputy Development Commissioner and four ex-officio members from Registrar's office). Fee realisable[1] on account of reference of disputes to the Registrar should be credited to this Fund and all expenditure relating to reference of disputes should be paid out of this Fund.

3.1.9.1 Poor financial management of funds

As per the Rules, the SEEF Fund was to be managed and controlled by the Committee, which did not meet even once during 2010-13. All financial decisions including investment of surplus funds were made with the approval of the Registrar. Audit observed poor financial management of SEEF Fund as substantial balances in excess of actual requirement were lying idle in savings/ current bank account. The average monthly balance after meeting all expenditure ranged from 24 to 53 times of average monthly expenditure during 2010-13. As on 31 March 2013, the SEEF Fund had accumulated balance of ₹ 18.51 crore. The Department stated (July 2013) that it was going to hold a meeting of the Committee and all the expenditure incurred so far would be placed before the Committee. The reply, however, did not specify any time frame for the committee meeting and approval of expenditure.

[1] five *per cent* on all sums recovered by the Recovery Officer from judgment debtors.

3.1.9.2 Non-preparation of Annual Accounts for SEEF Fund

The Department did not prepare Annual Accounts of the "SEEF Fund" i.e. Receipt and Payment Account, Income and Expenditure Account, and the Balance Sheet as of August 2013. Scrutiny of records showed that even bank reconciliation statements were not being prepared by the Department to reconcile the closing balances of cash books with the bank statements. In the absence of Annual Accounts and bank reconciliation statement, Audit could not ascertain the correctness of the balance in the Fund.

3.1.9.3 Differences between balances in cash book and bank statements

Examination of cash books and bank statements for SEEF Fund for the period 2010-11 to 2012-13, showed a difference of ₹ 1.11 crore between the balances shown in the cash book and bank statements[2]**.** This requires reconciliation.

The Department replied (December 2013) that the statement of expenditure incurred during last three years was under preparation. An Auditor had been appointed to audit the accounts who would also undertake the bank reconciliation work to ascertain the correctness of balance in the SEEF Fund.

3.1.10 Public grievances redressal system - delay in settlement of arbitrations proceedings

Audit noticed that a large number of disputes were registered annually and referred to Arbitrators for settlement. During 2012-13, out of 3894 cases registered for settlement, 2302 were referred to Arbitrators and 1592 cases were pending with Assistant Registrars for decision for referring to Arbitrators.

As per Rules 84 and 85, read with Section 70 and 71, the Registrar shall decide within 90 days, about referring the disputes to Arbitrator and the Arbitrator shall record his award within a period of 90 days and shall communicate it to the parties. Analysis of statistical data in the arbitration register showed that the disputes were not settled within 180 days, as stipulated. A test check of the data related to disputed cases of Thrift & Credit and Banking Societies lodged during April 2012 to September 2012 and referred to arbitrators for settlement of disputes showed the following:

Cases registered during April to September 2012	Number of Cases Withdrawn/ Dismissed	Number of cases referred for decision u/s 71 for arbitration proceedings	Number of cases having delay beyond stipulated period of 180 days u/s 70 and 71
1560	350	1210	460

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Balances as on	Current Account		Difference	Saving Account		Difference
	Amount as per Cash Book	Amount as per Bank Statement		Amount as per Cash Book	Amount as per Bank Statement	
31-3-2011	22084011	15320650	(-)6763361	3361470	4770200	1408730
31-3-2012	29082200	15410915	(-)13671285	6809286	4836877	(-) 1972409
31-3-2013	23992130	13147752	**(-)10844378**	3882939	3604912	**(-) 278027**

It may be seen that there was delay in 460 cases (38 *per cent*) beyond the stipulated period of 180 days. The delay ranged upto 242 days. Analysis of data further showed that of these 460 cases, in 71 cases the delay ranged between 90 to 200 days, in nine cases, the delay was more than 200 days and in remaining 380 cases the delay ranged up to 90 days beyond the stipulated period of 180 days.

The Department replied (December 2013) that the existing panel of Arbitrators mainly consists of retired officers from Government/ Autonomous bodies who were not well equipped and conversant with the arbitration matters and now with findings of audit, a training programme of empanelled Arbitrators was being pursued by the Department in near future.

Department of Health and Family Welfare

3.2 Fire Safety Arrangements in Delhi Government Hospitals

Eight out of 37 Government hospitals in Delhi do not have No Objection Certificates issued by Department of Fire Services as of December 2013. Non-functioning of fire fighting systems and improper use of basements were noticed. In selected hospitals, neither training for staff on fire safety nor mock fire drills with the help of DFS, were conducted.

An audit of the fire safety arrangements in Delhi Government Hospitals covering the period 2010-13, was conducted to ascertain whether hospitals have taken adequate measures to prevent and fight any outbreak of fire. Out of 37 Government hospitals, 10 hospitals[3] which had not been issued No Objection Certificates (NOCs) by the Delhi Fire Service (DFS), were selected for detailed scrutiny. The following are the audit findings:

3.2.1 Review of fire safety in hospital buildings by the GNCTD

The Health and Family Welfare (H&FW) Department circulated (16 December 2011) instructions to all Heads of the Government hospitals to take steps to ensure fire safety in their hospitals and take note for compliance of sections 29 (g), 31 and 34 of the Delhi Fire Service Act regarding responsibility of owner or occupier of the buildings, for fire safety arrangements, appointment of Fire Safety Officer, etc. The Department followed this by calling periodical meetings of Medical Superintendents of hospitals and officials of PWD for reviewing the status of NOCs in the hospitals. The DFS carried out inspection of all the 37 hospitals in December 2011, and based on fulfillment of the norms required, issued NOCs to 21 hospitals. While six hospitals were exempted from the requirement of NOC under the provisions of the DFS Act, 10 hospitals were not issued NOCs as they failed to comply with the laid down fire safety norms.

[3] Lok Nayak Hospital, Guru Teg Bahadur Hospital, Gobind Ballabh Pant Hospital, Baba Saheb Ambedkar Hospital, Maulana Azad Institute of Dental Sciences, Maternity Hospital, Acharya Bhikshu Hospital, Dr. BR Sur Homoeopathic Medical College and Hospital, Nehru Homoeopathic Medical College and Hospital , Guru Nanak Eye Centre.

3.2.2 Present status of NOCs in selected hospitals

As per Section 35 of the DFS Act, the Director or any other officer(s) authorised by him, shall issue an NOC to the owner or occupier of the building or premises with such conditions as may be specified in the NOC for compliance. The validity of NOC as per Section 36 is three years for hospital buildings. The DFS had been carrying out inspections of hospitals at various intervals and issuing notices, instructions and warnings in respect of fire safety norms. The shortcomings were primarily on non-functioning of fire fighting systems such as fire pumps, detection system, sprinkler system, fire extinguishers, exit signs etc. and on required pathway, ramps and fire check doors in old and existing hospitals. Some of the specific details are as follows:

In Maternity Hospital, the DFS pointed out in December 2012 that the width of staircase was 1.4 mt. as against the requirement of 2 mt. The DFS relaxed (June 2013) the condition subject to creation of a refuge area on first and second floors, while in cases of Dr BR Sur Homoeopathy College and Hospital and Nehru Homoeopathic College and Hospital, major capital nature works were required. The certificate from CHRI, Roorkee or any Government authorised laboratory for fire check doors and steel doors was the main requirement for NOC in case of Maulana Azad Institute of Dental Sciences. These shortcomings were communicated by DFS to the concerned Medical Superintendents and PWD divisions. The observations of the DFS were not complied with by eight selected hospitals and, therefore, were not issued NOC (January 2014). During the course of audit, NOC was issued by DFS to Acharya Shree Bhikshu Hospital on 29 July 2013 and Maulana Azad Institute of Dental Sciences on 27 November 2013 on fulfillment of norms. Remaining eight hospitals were still to comply with the requirements as of January 2014.

3.2.3 Deficiencies noticed during physical inspection of hospitals

Under the provisions of Section 25 to 27 and 32 to 35 of the DFS Act, Building Bye Laws and National Building Code of India (2005), there are 20 minimum requirements which have to be necessarily complied in the buildings for obtaining NOC from DFS. For assessing the status of fire safety arrangements in 10 selected hospitals, Audit broadly divided these 20 minimum fire safety requirements into three categories i.e. (i) Infrastructure and capital works, (ii) Operation and maintenance issues, and (iii) General awareness. Audit findings noticed during physical visits were conveyed to the H&FW Department seeking their comments. The Department endorsed the replies of hospitals. As per replies, number of shortcomings/ deficiencies as pointed out by Audit, were stated to have been rectified by the concerned hospitals. Audit revisited the hospitals to verify the actual status and the deficiencies which still remained to be rectified are discussed in subsequent paragraphs.

3.2.4 Infrastructure and capital works

Infrastructure and Capital Works related to fire safety are further divided into three groups- water management, internal structure and additional works. Shortcomings and deficiencies noticed under these categories are discussed below:

3.2.4.1 Water management: Under this category existence of water hydrant, wet riser and down comer, hose reel, sprinkler, underground water tank, and overhead water tank etc. are the requirements.

- The underground water tanks were found empty (Dr. BR Sur Homoeopathic Medical College and Hospital), not cleaned regularly (Guru Nanak Eye Centre and GB Pant Hospital) and used for drinking purpose (GTB Hospital and Guru Nanak Eye Centre).
- The water hydrants and wet risers were not connected to the underground water tank in Guru Nanak Eye Centre.
- Hose reels were not kept with the water hydrant and nozzles of hydrants were broken or missing in most of the cases in GTB Hospital.
- Same tank was being used for general purposes in Guru Nanak Eye Centre and GTB Hospital.
- DG set in the pump room was found not working in the Maternity Hospital.

In its reply, the Department of H&FW endorsed (18 December 2013) the replies of the hospitals to Audit. The GTB Hospital stated that all works were in progress. Dr BR Sur Homoeopathic Medical College and Hospital, the Maternity Hospital, and the Guru Nanak Eye Centre had intimated that matter had been taken with the PWD.

3.2.4.2 Internal structure: This includes staircases (internal and external), ramps, ventilation, refuge area, basement management, and fire check doors.

- In Maternity Hospital, the approach as well as exit gates, staircases (external and internal) were smaller than required size and refuge areas were not available on first and second floors for evacuation of people.
- Fire check doors were not provided in Maternity Hospital.
- The basements were being used as stores for medicines, chemicals, general items, and furniture in Lok Nayak Hospital and G.B. Pant Hospital. In Baba Saheb Ambedkar Hospital, basement was being used for storing Oxygen cylinders, OPD and for pharmacy purposes.
- Ramp way of Trauma Centre Block in GTB Hospital, was locked and internal stairs were blocked by UPSs.

The Maternity Hospital stated that the Lieutenant Governor had granted relaxation for reduced width of staircase and that other issues were referred to the PWD. The reply is not acceptable as the relaxation was granted subject to provision of refuge areas on first and second floors, which was not complied with. The Baba Saheb Ambedkar Hospital, accepted that basement was being used for running OPDs and one pharmacy, adding that oxygen manifold and cylinders were in the process of shifting from the basement.

3.2.4.3 Additional works: Additional works include alarm systems, public address (PA) system, smoke detector, approach gates, both entry and exit.

- PA system and smoke detector were not provided in GTB Hospital.
- Work on PA system was under progress in Dr BR Sur Homoeopathic Medical College and Hospital.
- Alarm system along with smoke detector was not functional in the Nehru Homoeopathic College and Hospital.
- Infrastructural work was in progress along with work of interlinking all floors by single path way in Lok Nayak Hospital.

In their reply, hospitals stated that works of providing PA system and smoke detector were in progress (GTB Hospital), matter had been referred to PWD for action (Dr BR Sur Homoeopathic Medical College and Hospital). The Nehru Homoeopathic College and Hospital stated that the issue pertained to PWD/DFS. As and when the needful is done by them, the same would be intimated. This reflects the casual approach of the hospitals to fire safety provisions in the hospital.

3.2.5 Operation and maintenance

Safe maintenance of building requires portable fire extinguishers, signages, partitions, fireman's switch, alternate electric supply, ducting for hanging electric wires, circuit breakers, emergency lights etc. Physical visits to hospitals showed the following shortcomings:

- About 10 *per cent* of ABC[4] fire extinguishers were empty and defective in GTB Hospital and Nehru Homoeopathy College and Hospital.
- No records was maintained for periodic checks for contents of fire extinguishers (both water and gas type) in all 10 selected hospitals.
- Signages were not provided in GTB Hospital, Dr. BR Sur Homoeopathic Medical College and Hospital, and Nehru Homoeopathic College and Hospital.
- Fireman's switch (a requirement for bringing the lift to the ground floor in the event of outbreak of fire), was not provided near the lift in Nehru Homoeopathic College and Hospital.
- Ducting for electrical wires was not proper in Trauma Centre Block of the GTB Hospital.

In its reply, GTB hospital stated that empty fire extinguishers were being sent for refilling and works of providing signages and electrical conduits were in progress. The Nehru Homoeopathy College and Hospital and Dr. BR Sur

[4]**i) Class A type fire extinguishers:** are used against fire involving wood, paper, textiles, plastics, etc.
(ii) Class B type fire extinguishers: are effective against flammable liquid fire involving cooking liquids, gasoline, kerosene, paints, etc.
(III) Class C type fire extinguishers: are suitable for fires in live electrical equipment.

Homoeopathic Medical College and Hospital stated that these issues have been referred to the PWD for necessary action.

3.2.6 General awareness

Making the staff and the general public understand the need for fire safety is the basis of general awareness. This can be spread through training, posters, pamphlets and conducting mock fire drills. However, in none of the selected hospitals, training of staff on fire safety was conducted. Mock fire drills with the help of DFS were also not conducted.

3.2.7 Other observations

Of the six hospitals which are exempted from the requirement of NOC under the provisions of the DFS Act, Audit physically inspected five hospitals (BJRM Hospital, Attar Sain Eye Hospital, Dr NC Joshi Hospital, A & U Tibbia College and Hospital and the Poor House Hospital) and observed that:

- In Attar Sain Eye Hospital, water hydrants were not made functional even after six months of their installation.
- PA system of Babu Jagjiwan Ram Hospital was not working as its battery was not functioning.
- There was no fire alarm system in A & U Tibbia College and Hospital. Fire extinguishers were not provided in male and female wards.
- In Dr NC Joshi Memorial Hospital, fire alarm system was not provided and 13 fire extinguishers were empty.
- There was no fire extinguisher or device/instrument in the Poor House Hospital to meet the need of fire safety arrangements.

3.3 Excess payment of ₹ 7.28 crore to Delhi Jal Board

In spite of incurring an expenditure of ₹ 2.61 crore on installation of Water Harvesting System (WHS)/ Water Treatment Plant (WTP), Delhi Government hospitals failed to avail the rebate of 15 *per cent* on their water bills amounting to ₹ 7.28 crore.

The Delhi Jal Board (DJB) decided in December 2009 to allow a rebate of 15 *per cent* on water bills with effect from January 2010, to the Government. Institutions/Offices, if they adopt the water harvesting and/or recycling of waste water. The Principal Secretary, Health and Family Welfare endorsed these orders of DJB to all medical superintendents of hospitals in March 2010 to take advantage of 15 *per cent* rebate by establishing water harvesting system (WHS)/ waste water recycling plant (WTP).

Audit scrutiny (2010-13) of seven hospitals[5] showed that in spite of incurring an expenditure of ₹ 2.61 crore on installation of WHS/WTP, these hospitals failed to avail the rebate of 15 *per cent* amounting to ₹ 7.28 crore on their

[5](i) Chacha Nehru Bal Chikitsalaya, (ii) Dr. Hedgewar Arogya Sansthan, (iii) Guru Gobind Singh Govt. Hospital, (iv) Guru Teg Bahadur Hospital, (v) Lok Nayak Hospital, (vi) Maharishi Balmiki ,nd (vii) Super Speciality Hospital, Janakpuri.

water bills during the period April 2010 to March 2013. Details are given in the **Annexure-3.3.1.**

In response to audit observations (June/July 2013), seven hospitals stated (September/October 2013) that they have requested the Delhi Jal Board to allow 15 *per cent* rebate on water bills.

Thus, in spite of incurring expenditure of ₹ 2.61 crore on installation of WHS/WTP, the Delhi Government hospitals did not avail rebate of 15 *per cent* on water bills, which resulted in excess payment of ₹ 7.28 crore to the Delhi Jal Board.

The matter was referred to the Government in August 2013, their reply has not been received (February 2014).

3.4 Lok Nayak Hospital

Blockade of funds amounting to ₹ 20.66 crore on construction of Orthopaedic Block and procurement of related equipment without putting them to use.

The Lok Nayak Hospital (hospital) decided in March 1997 to construct a separate Orthopaedic Block (building). The Health & Family Welfare Department conveyed the administrative approval and expenditure sanction of ₹ 18.60 crore for the same in November 1997.

The work was assigned to the Public Works Department in November 1997. Subsequently, the Government of National Capital Territory (GNCT) of Delhi assigned this project a priority status in April 1998 and grouped this building amongst Hi-Tech projects. Due to change in scope of work, the amount of administrative approval and expenditure sanction was, therefore, increased to ₹ 34.40 crore in November 1999 and further increased to ₹ 45.88 crore in February 2008.

The target date of completion of the building was March 2009, but it was finally taken over by the hospital in July 2011, i.e., with a delay of more than two years. The total cost of the building was ₹ 34.41 crore[6].

The Orthopaedic Block comprised of seven floors, besides ground floor, and each floor has three wings viz. A, B and C. Out of 24 blocks, 13 blocks (54.16 *per cent)* were lying vacant as of November 2013.

It was also noticed that the hospital procured four Orthopaedic Surgery Operation (operation) tables amounting to ₹ 1.72 crore in March 2009 and these tables were lying unused in the store as of November 2013, i.e., even after four years of procurement. The hospital also incurred an expenditure of ₹ 30.00 lakh (December 2009) on providing lead lining in X-Ray rooms, but these were also not being used as of November 2013.

The hospital decided (May 2011) to install seven modular operation theatres (OTs) in the Orthopedic Block for patients. The estimated cost of these modular OTs was ₹ 4.61 crore, which was subsequently increased to ₹ 8.11

[6] civil work ₹ 25 crore and electric work ₹ 9.41 crore

crore. It was observed that modular OTs have not been installed till November 2013.

The Chief Secretary, GNCT of Delhi directed the hospital administration in February 2012 for setting up of a Sports Injury and Rehabilitation Centre (Centre) at the 2nd floor of this Orthopaedic Block, which has not been done till March 2014.

Thus, the major portion of the building remained unused, resulting in blockade of funds amounting to ₹ 20.66 crore[7] incurred on construction of building, procurement of operation tables, and providing lead lining in X-Ray rooms.

The Medical Superintendent, LN Hospital stated (November 2013) that it has been decided in a meeting held with the Secretary (Health & Family Welfare that the entire Orthopaedic Block will be activated as an Orthopaedic-cum-Trauma Facility, which will include Operation Theatres, ICU and Radiological Facilities. The proposal for only Sports Injury Centre has temporarily been kept on hold as Trauma is priority. A revised proposal including appointment of a consultant for the said job is being sent to Health and Family Welfare Department.

The fact remains that due to frequent changes in decision, the Orthopaedic Block remains partially operational, even after more than two years of its creation, with an expenditure of ₹ 20.66 crore as of November 2013.

The matter was referred to the Department in September 2013, the reply has not been received (January 2014).

3.5 Blockade of funds and wasteful expenditure

Blockade of funds of ₹ 191.80 crore and wasteful expenditure of ₹ 80.20 lakh on construction and operationalisation of two super speciality hospitals in West and East Delhi, which are not fully functional.

The Government of NCT of Delhi (GNCTD) decided to construct two super speciality hospitals - 650 bedded Rajiv Gandhi Super Speciality Hospital (RGSSH), Tahirpur in East Delhi and 300 bedded Janak Puri Super Speciality Hospital (JSSH), Janak Puri in West Delhi, at an estimated cost of ₹ 86.66 crore and ₹ 70.26 crore respectively.

The DDA allotted (January 1999) a piece of land measuring 5.39 hectare to GNCTD at a cost of ₹ 6.00 crore for construction of RGSSH. The administrative approval and expenditure sanction of ₹ 86.66 crore were issued in December 2000. The stipulated dates of start and completion were January 2001 and January 2004 respectively, however, the construction was not completed till July 2013.

In another case, DDA allotted (January 1993) land measuring 8.82 acres at a cost of ₹ 1.18 crore to GNCTD for construction of a 100 bedded cancer

[7] proportionate construction cost of 13 vacant blocks out of total 24 blocks ₹18.64 crore + cost of orthopaedic tables ₹ 1.72 crore + cost of lead lining in x-ray rooms ₹ 0.30 crore = ₹ 20.66 crore.

hospital in West Delhi. However, GNCTD decided (November 1996) to construct a super speciality hospital (i.e JSSH) instead of a cancer hospital. The construction work of the hospital, however, started in June 2003 (after 10 years from the purchase of land) and was actually completed in March 2007, at a cost of ₹ 71.95 crore.

A consultant was also appointed in April 2008 for conceptualisation of PPP model for both these hospitals, and an expenditure of ₹ 80.20 lakh was incurred for engagement of the consultant. The consultant submitted the feasibility report in August 2008. He pointed out to clause 1(vi) of the Allotment Letter, wherein it was mentioned that DDA allotted the land to these hospitals with the condition that the GNCTD was not permitted to sell, transfer, assign or otherwise part with possession of whole or any part of the site or any building, without obtaining prior approval of DDA. But the Government did not pay attention to consultant's observations and went ahead with its proposal of running these hospitals on PPP mode.

In July 2009, the GNCTD, therefore, took a decision that the balance work of RGSSH including the services in the hospital shall be done through Public Private Partnership (PPP) mode. The construction work of RGSSH was, therefore, stopped and PWD was asked (September 2009) to foreclose the construction work on 'as is where is' basis. At the time of foreclosure of work, 98 *per cent* civil and 75 *per cent* electrical work amounting to ₹ 110.67 crore had been completed against revised cost of ₹ 153.68 crore (April 2013).

Meanwhile, RGSSH started OPD services in September 2003, but discontinued the same after a few months due to non-availability of medical and para-medical staff. The OPD services were restarted in September 2008, but the hospital procured high end super speciality medical equipment costing ₹ 2.00 crore during the period 2004-07. As only OPD services were functional, the equipment costing ₹ 1.34 crore were shifted (April 2005 to May 2010) to Guru Teg Bahadur Hospital, without assessing the actual requirement of that hospital.

The GNCTD submitted a proposal (October 2010) to the Hon'ble Lieutenant. Governor (LG) for handing over both the sites to private partner (concessionaire) for operation and management of hospitals on PPP model and took up the matter (November 2010) with DDA, for change of land use for PPP purpose. The DDA categorically turned down the proposal.

The GNCTD again asked PWD (April 2013) for completing the residual construction work of RGSSH and a revised administrative approval and expenditure sanction of ₹ 153.68 crore was approved by the Cabinet in April 2013. Construction work for residual portion was in progress as of March 2014.

Thus, in the absence of a clear vision, analysis of actual requirements and planning, the GNCTD could not make the hospitals functional even after investing ₹ 191.80[8] crore and incurring a wasteful expenditure of ₹ 80.20 lakh on hiring the services of a consultant.

The Department stated (January 2014) that the GNCTD had initially planned to establish the hospital on PPP mode but vide Cabinet Decision dated 12 June 2012 it was decided that the hospitals should be made functional through society mode. A RGSSH Society has been created in September 2013 for operationalisation and management of this hospital. Reply is silent about creation of a society in JSSH.

The reply is not acceptable as both the hospitals are providing limited OPD facilities only and are still not utilized to their full capacity due to frequent changes in policy.

3.6 Excess expenditure of ₹ 4.63 crore due to non-regularization of temporary electric connection in Lok Nayak Hospital

Laxity on part of the Lok Nayak Hospital and Public Works Department in getting the 'No Objection Certificate' for its new building blocks from Delhi Fire Services for regularisation of temporary electricity connection, resulted in excess expenditure of ₹ 4.63 crore.

Lok Nayak Hospital (the hospital) got constructed, through Public Works Department (PWD), four new blocks – new Surgical Block, Special Ward, Casualty Block, and OPD Block. The Casualty Block was handed over by the PWD to the hospital in May 2007.

As the existing sanctioned electric load and the capacity of electrical Sub-Station were not capable of meeting the additional electrical demand of these new building blocks, the hospital got a new temporary electricity connection of 4000 KVA from the electricity distribution company i.e. BSES, in January 2008 in the name of Medical Superintendent (MS), Lok Nayak Hospital. As per the tariff schedule, higher energy charges are levied on electricity supplied through temporary connection.

According to BSES, temporary electricity connection in a building can be regularized only after obtaining the mandatory 'No Objection Certificate (NOC)' from the Delhi Fire Services (DFS) in respect of the building. As maintenance of civil and electrical works of the hospital is the responsibility of the PWD, the hospital requested (December 2011) the Executive Engineer (E), M-151, PWD to take necessary action for obtaining NOC from the DFS and get the new electricity connection regularized. The hospital pursued the matter through reminders in February 2012 and in March 2012. In response, the Assistant Engineer (E) B-2441 intimated the hospital (June 2013) that the DFS officials inspected the new building blocks in June 2013 and pointed out several deficiencies, such as (i) basement staircase door was locked, (ii) lift lobby at each floor blocked, (iii) basement ramp blocked, and (iv) emergency staircase blocked at each level with old furniture.

[8] Cost of land- ₹ 6.00 crore and ₹ 1.18 crore RGSSH and JSSH respectively, Construction cost ₹ 110.67 crore and ₹ 71.95 crore of RGSSH and JSSH respectively and Medical equipment ₹ 2.00 crore of RGSSH

The PWD (Electrical) again intimated (September 2013) the hospital that the deficiencies relating to electrical works had been rectified and for civil works, necessary action was being taken by the Civil Division. Thus, deficiencies pointed out by the DFS had still not been fully rectified by the PWD and the required NOC was still awaited (September 2013). As a result, the temporary electricity connection could not be regularized as of September 2013 and the hospital had no option but to pay energy charges at higher rates to BSES.

Although the temporary electricity connection was taken in January 2008 after completion of construction of two blocks in 2002 and 2006, the hospital requested the PWD for obtaining NOC from DFS only in December 2011. Further, audit scrutiny of electricity bills showed that the hospital has been paying higher energy charges for the electricity consumed through temporary electricity connection since May 2008 and had paid an excess amount of ₹ 4.63 crore[9] upto July 2013 to BSES.

Thus, the laxity on part of the Lok Nayak Hospital and Public Works Department in getting the 'No Objection Certificate' for its new building blocks from Delhi Fire Services, and not having its temporary electricity connection regularized, resulted in excess expenditure of ₹ 4.63 crore.

The matter was referred to the Department in January 2014; their reply has not been received (February 2014).

Department of Industries

Delhi Institute of Tool Engineering

3.7 Loss of opportunity to earn additional interest

Non-existence of fund management mechanism in the Institute resulted in loss of opportunity to earn additional interest of ₹ 0.49 crore.

For smooth functioning and better coordination, the Delhi Institute of Tool Engineering (Society) was constituted as per the Societies Registration Act, 1860, by amalgamating the Tool Room & Training Centre Society and the Hi-Tech Vocational Training Centre Society in November 2007. The Society was set up for the development of micro, small and medium industries through supply of trained manpower in the field of tool making and tool designing and supply of sophisticated tools such as dies, moulds, press tools, jigs, fixtures etc.

As per Clause 3 (xii) of the Memorandum of Association (MoA), the Society is to maintain a fund which shall *inter alia* consist of all moneys provided by the Government of NCT of Delhi (GNCTD) and all fees and other charges received by the Society.

[9] Due to difference between the rates applicable for temporary connection and regular connection. The difference ranged between ₹ 2.39 per unit in May 2008 and ₹ 1.95 per unit in March 2013, applicable for a slab of 400 units and more.

The Society received recurring grant-in-aid amounting to ₹ 32 crore from the GNCTD during the period 2009-13 for meeting the recurring expenditure on salary, electricity, water and telephone etc. In addition to this, the Society also had its own revenue generation of ₹ 7.17 crore on account of fees, gifts, donations, bequeaths and other charges received by it. The year wise detail of recurring grant-in-aid and internal revenue generation during the period 2009-13 is given in the **Table 3.7.1**.

Table 3.7.1: Recurring grant in aid and internal revenue generation

(₹ in crore)

Year	Opening Balance (A)	GIA received during the year (B)	Internal revenue generation (C)	Total recurring revenue (D=A+B+C)	Expenditure during the year (E)	Closing Balance (D-E)
2009-10	1.98	7.00	1.14	10.12	8.66	1.46
2010-11	1.46	7.00	1.90	10.36	9.38	0.98
2011-12	0.98	8.50	1.61	11.09	10.63	0.46
2012-13	0.46	9.50	2.52	12.48	11.30	1.18

(The expenditure during the year and closing balance taken from the utilization certificates)

The Society also received a non-recurring grant-in-aid of ₹ 3.14 crore in March 2009 from the GNCTD. The year-wise detail of non-recurring grant-in-aid received and expenditure incurred there against during the period from 2009-13 is given in the **Table 3.7.2**.

Table 3.7.2: Non-recurring grant-in-aid

(₹ in crore)

Year	Opening Balance (A)	GIA received during the year (B)	Expenditure incurred during the year (C)	Closing Balance (A+B-C)
2009-10	3.28	nil	0.85	2.43
2010-11	2.43	nil	0.45	1.98
2011-12	1.98	nil	1.17	0.81
2012-13	0.81	nil	0.45	0.36

(The expenditure during the year and closing balance taken from the utilization certificates)

The above two tables would show that during the period of 2009-13, the Society had substantial unspent balances of recurring as well as non-recurring grant-in-aid. As per Clause 3 (xiii) of the MoA, the Society is to invest the money, which is not immediately required, in any securities authorized under the Indian Trust Act or in any other manner with the sanction of the GNCTD.

It was, however, observed in audit that the unspent balances, which were not immediately required, were kept in the Savings Bank Account and the Society did not make efforts to invest the same as per Clause 3 (xiii) of MoA. Had the Society followed better fund management system as per MoA and deposited the unspent balance in term/ flexi deposits instead of keeping the same in Savings Bank Account, it could have earned additional interest income of

₹ 0.49[10] crore during the period 2009-13. It was further observed that the Institute has not constituted a financial committee or sub-committee, as provided in Clause 46 (xvii) of Rules and Regulations of the Society, to safeguard the financial interest of the Society.

The Government accepted (January 2014) the audit observation and introduced flexi deposit facility for the DITE Savings Bank Account (April 2013) and earned an interest of ₹ 7.45 lakh during the period from August 2013 to February 2014.

Department of Services

3.8 Delhi Subordinate Services Selection Board

The Board did not prepare annual plans and fix targets of recruitment. Large number of requisitions were pending for finalisation for recruitment. The Board did not finalise even a single requisition within prescribed period of 180 days from the date of its receipt.

An audit on "Delhi Subordinate Services Selection Board" covering the period from 2009-10 to 2011-12, was conducted with the objective to see whether the Board could meet the requirement of Government of National Capital Territory (GNCT) of Delhi. Audit selected 60 out of 299 requisitions for detailed scrutiny based on judgmental sampling. The following are the major audit findings:

3.8.1 Finalisation of requisitions

3.8.1.1 Absence of annual plan and targets: Annual plan and fixing of targets are important managerial tools in the hands of executives for discharging the mandated functions of an organisation. However, the Board did not prepare any annual plan or fix targets to be achieved during the period under audit i.e. 2009-12 resulting in 31 pending requisitions involving 10,959 vacancies.

The Board intimated (November 2013) that it has assigned the task of preparation of annual plan to its Planning & Statistical Branch.

3.8.1.2 Non-ascertaining of number of vacant posts: As per paragraph 4(i) of the Notification and paragraph 5(i) of Citizen Charter of the Board, the Chairman is responsible for ascertaining from the departments from time to time, the number of Group ‘B’ and ‘C’ posts for which recruitment is to be made. However, there was nothing on record to establish that such exercise was being carried out by the Board. This is indicative of absence of an effective mechanism with the Board, through which it can foresee or anticipate its future activities, prioritise them and draw a plan to accomplish the desired level of performance.

[10] Difference between the amounts of interest of ₹ 0.50 crore earned @ 3.5 *per cent* on savings accounts and interest of ₹ 0.99 crore had the Society deposited the amounts in short term deposit/flexi deposit at prevailing rates of interest (average rate of interest @ 7 *per cent* has been taken for working of loss)

3.8.1.3 Delay in finalisation of requisitions: In terms of paragraph 3 (A)(iii) of modified Resolution dated 12 May 2008, the Board is required to complete the selection procedure and recommend the suitable candidates within a period of 180 days of receiving the requisition from the concerned departments. Audit scrutiny of 60 selected requisitions for 19281 posts, received from indenting departments during 2009-12, showed that the Board could not finalise even a single requisition within the prescribed period. The status of selected requisitions is summarised in **Table 3.8.1.**

Table 3.8.1: Status of 60 selected requisitions received up to March 2012

Sl. No.	Year of requisitions	No. of requisitions/ (vacancies)	Status of requisitions	Status (as on 30 September 2013)		
				Department	Delay*	
					Year	Months
1	Up to March 2008	**4** (102)	**S**- 2**	Excise Deptt., and Institute of Human Behavior and Applied Sciences (IHBAS)	-	-
			W - 2	Director General of Prisons	2	10
2	2008-09	**9** (382)	**S**- 4**	Delhi Jal Board -2, and Forensic Science Laboratory-2	-	-
			P - 5	Municipal Corporation Delhi-1 NCC-1, and DSIIDC-1 Delhi Jal Board -1 Delhi Jal Board -1	4 4 4 4	11 10 7 3
3	2009-10	**24** (14,389)	**F - 9**	H&FW-1, DISMH-1 Health & Family Welfare-2 Health & Family Welfare -1 Education Deptt.-1, Delhi Jal Board-1 Delhi Transport Corporation-1, Health & Family Welfare -1	2 2 2 2 1 1 1	9 5 4 2 6 4 0
			S- 2**	Education Deptt. -2	-	-
			W - 1	Delhi Public Library	2	7
			P - 12	Education Deptt. -1, Delhi Jal Board -1 Social Welfare-1, Transport-1, DTTE-6, DJB-1 MCD-1	3 3 3 3 3 3	10 9 7 7 1 0
4	2010-11	**14** (1,849)	**F - 2**	Education Deptt. -1 Education Deptt. -1	2 2	7 0
			S- 5**	Health & Family Welfare -1, NDMC-2, DJB-1, Education Deptt. -1	-	-
			P - 7	DSIIDC-1 MCD-1, NDMC-1 MCD-1 MCD-1, Education-2	4 2 2 2 2	10 10 8 6 3
5	2011-12	**9** (2,559)	**S**- 2**	MCD-1, and DFS-1	-	-
			P - 7	Delhi Financial Corporation-1, MCD-1, FSL-2, Services Deptt.-1, Education Deptt. -2,	1 1 1 1	9 7 6 1

S - Scrapped, W - Withdrawn, P - Pending, F - Finalised.
****Delay has been calculated after 180 days from the following month of the receipt of requisition.***
*****A total of 15 cases were scrapped under order of the High Court dated 01.06.2012.***

- It is seen from the table that the Board could finalise only 11 cases (18 *per cent*) with 3578 posts, that too with a delay ranging from 12 months to 33 months. While 15 cases with 1004 posts were scrapped under the orders of the Hon'ble High Court due to non-clarity on the policy of reservation of vacancies, the DG Prisons and the Delhi Public Library withdrew their requisitions due to delay in finalisation of their requisitions. Remaining 31 requisitions (52 *per cent)* received during 2008-12 and involving 10,959 vacancies pertaining to 12 departments were yet to be finalised as of 30 September 2013. A delay ranging from 13 months to 59 months has already occurred in these cases.

The Board in its reply (October and November 2013) attributed reasons for delay to (i) receipt of large number of applications, manual system of handling of applications, old examination system prior to 2013 and change in classification of posts after receipt of applications (ii) modification of essential qualification (iii) revision of recruitment rules (iv) incomplete information/ documents (v) lack of availability of suitable candidates. The reply is not acceptable as in all these cases either the Board itself asked for requisite documents after a lapse of two to three years or the department changed the recruitment rules or other requirements. For instance, due to delay in finalization of requisitions, the Education Department was forced to appoint Guest teachers on purely temporary basis.

- In respect of 11 cases finalized, where against the total requisition of 7204 candidates, the Board could send dossiers of only 3578 candidates. The Board intimated that no suitable candidates were found against the shortfall. The reply is not acceptable as it did not provide documentary evidence in support of its claim that suitable candidates were not found.

3.8.2 Constitution of the Board

In terms of the Notification (as amended in May 2008), the Board should be comprised of a Chairman, two Members, a Controller of Examination, a Secretary and supporting staff. However, the Board, though created in July 1997, was functioning without any Member till December 2012, when it received its first Member. The posts of the second Member and the Controller of Examination in the Board are yet to be filled up (September 2013) by the GNCTD.

The Chairman is responsible for ascertaining the number of vacancies and is to be assisted by Members and Controller of Examinations. The Controller of Examinations is particularly responsible for all matters relating to examinations.

The approach of the Government in appointing Members and Controller of Examinations at the top level, along with 25 *percent* shortage at the lower level, (100 men-in-position against a sanctioned strength of 134), affected the performance of the Board adversely, as has been discussed in preceding paragraphs. In none of the cases, the Board was able to finalise the requisitions of indenting departments within the prescribed time limit and as a result, a large number of requisitions were pending for finalization. As many as 224 examinations, for 18283 posts, were still to be conducted by the Board as of September 2013.

3.8.3 Internal control mechanism

As per the Notification (partially modified in 2008), the primary function of the Board is to recommend suitable candidates for appointment in various departments of GNCTD and local bodies/Public Sector Undertakings, under the direct recruitment quota of Groups 'B' and 'C' categories of posts. For achieving this objective, the Board, besides having its functionaries in full strength, should also have a well-structured policy and system so as to ensure that the selection procedure is efficient, transparent and completed within the prescribed time.

However, it was found that the Board did not have an effective internal control mechanism in the form of manuals, standing orders, guidelines, rules, regulations, periodical reports, returns and internal audit. There was no record maintained for the meetings of the Board, wherein policy matters, review of performance of various Branches, monitoring of ongoing recruitment assignments based on requisitions received, are discussed and decisions taken. Though the Board is an attached office of the Services Department of the GNCTD, it did not submit any Annual Performance Report on its major activities to the Services Department and other authorities, as required under the Notification.

The Board provided (July 2013) only the minutes of meeting held in February, 2013 and onwards, however, no minutes of meeting held during the period of audit were provided to audit. The Board in its reply stated (August 2013) that meeting notices or minutes of meetings were not recorded in view of the confidentiality of the matter. The reply is unacceptable as some record establishing that meetings were actually held, should have been maintained.

The audit findings were referred to the Government in September 2013; their reply has not been received (February 2014).

Department of Urban Development

Municipal Corporations of Delhi

3.9 Community Halls maintained by the Municipal Corporations of Delhi

Basic amenities and facilities such as drinking water, sanitation, drainage and sewerage, electric fittings etc. were absent or of sub-standard quality in Community Halls (CHs). Parking facilities, kitchen facilities and fire safety arrangements were not up to the mark. Monitoring of functioning of the CHs was not effective. The occupancy of CHs was sub-optimal.

After the trifurcation of MCD in May 2012, three corporations - South Delhi Municipal Corporation (SDMC), North Delhi Municipal Corporation (NDMC), and East Delhi Municipal Corporation (EDMC) are maintaining the CHs falling under their respective jurisdiction through their Community Services Department (CSD). The audit of 41 out of 266 CHs maintained by the Municipal Corporations of Delhi, covering the period 2010-11 to 2012-13, was conducted to assess the quality of services provided in CHs. The following are the important audit findings:

3.9.1 Finances

The budget allocation, actual expenditure for repair and maintenance of all the CHs with MCD, along with revenue realised during 2010-13 are given in the **Table 3.9.1**.

Table 3.9.1: Budget, actual expenditure and revenue realised (2010-13)

(₹ in crore)

Year	No. of CHs	Budget allocation	Expenditure	Savings (%)	Revenue realised from usage of CHs
2010-11	216	2.00	0.84	1.16 (58)	0.92
2011-12	235	3.00	0.47	2.53 (84)	4.69
2012-13	266	3.00	0.42	2.58 (86)	11.90
Total	**-**	**8.00**	**1.73**	**6.27**	**17.51**

The table shows that the expenditure on repair and maintenance of CHs of all three MCsD, was ₹ 1.73 crore during 2010-13, with savings showing an increasing trend (58 to 86 *per cent*) during all these three years.

3.9.2 Provision of civic amenities and other facilities

Audit scrutiny of records and physical visits along with representatives from the Community Services Departments of MCsD, to selected 41 CHs, showed that basic amenities and facilities were not being provided to the users, and where provided, these were of sub-standard quality. The deficiencies and shortcomings in the services being provided at CHs, noticed during physical inspections are discussed in subsequent sub-paragraphs:

3.9.2.1 Drinking water

Thirty two out of 41 selected CHs did not have drinking water supply from Delhi Jal Board. As such, the organisers of functions were either forced to use untreated water from bore wells, raising health concerns or to make their own arrangements for water.

3.9.2.2 Sanitation services

As per Commissioner's orders dated 22 February 2011 and circulated by the Director (CSD), Zonal Assistant Director, is responsible to assess the needs of sanitation items and inform CSD (HQ) accordingly so that these items could be purchased and provided in time. In case of emergency, if these items are not available in store, he is authorized to purchase these items with a limit of ₹ 1000. Audit scrutiny showed that the need of sanitation items was neither assessed nor supplied to CHs. None of the CHs has maintained any record of purchase and stock of sanitation items (consumables like broom, mopping clothes, phenyl, cleansing agents, soap etc.). It was also observed during visits that sanitation items were not available in any of the CHs and sanitation conditions were substandard. Particularly, toilets and bathrooms were in bad condition in 24 CHs[11], as most of the commodes, urinals, flush systems, wash basins, lights and doors were found broken. Four CHs[12] did not have separate toilet facilities for females, whereas, CH at C block, Sultan Puri did not have any toilet facility at all. In 20 CHs[13], about 50 *per cent* of water taps were either not functioning or broken.

(CH at Sector-13, Rohini)

(CH at Kotla Mubarakpur)

3.9.2.3 Drainage and sewerage system

Six CHs[14] were not connected to the sewerage system whereas in five others[15], sewerage system was blocked. The drainage system in CHs at Amar Jyoti Colony and Sri Niwaspuri, was not proper, resulting in water logging and mud accumulation in the premises.

(CH at Amar Jyoti Colony)

(CH at Sri Niwaspuri)

3.9.2.4 Electric fittings, fans, tube lights etc.

Open and live electrical installations, circuits, junction boxes etc. are the sources of constant threat to human life. However, the physical visits showed hanging electric wires, open and broken switch boards in 24 CHs[16]. In seven

[11] Rohini Sector 5, 13, 11, 3, Shahbad Dairy, Shalimar Bagh, Naiwala, Amar Jyoti Colony, Balimaran, C-Block Mangolpuri, D.B.Gupta Road, Tikona Park Kashmiri Gate, Mahavir Vatika, Hakikat Nagar, Trilokpuri 17 Block, Ghonda Chowk, Mandawali, Kotla Mubarakpur, Sewa Nagar, Nehru Nagar, Batla House, Sriniwaspuri, Paschimpuri PKT.2, Malviya Nagar.

[12] Naiwala, Tikona park Kashmiri Gate, Hakikat Nagar, Trilokpuri 17 Block.

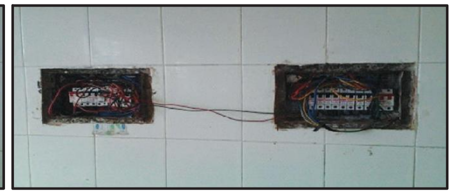
[13] Rohini Sector 5,13,11, Shahbad Dairy, Shalimar Bagh, Naiwala, Amar Jyoti Colony, C-Block Sultanpuri, D.B.Gupta Road, Mahavir Vatika, Mukherjee Nagar, Kondli, Mayur Vihar PH.I, Ghonda Chowk, Tahirpur, East Loni, Kotla Mubarkpur, Sewa Nagar, Batla House, Sriniwaspuri.

[14] Trilokpuri17 Block, Shahbad Dairy, Amar Jyoti Colony, C bk. Mangolpuri & Sultanpuri, Mukherjee Nagar.

[15] East Loni, Kotla Mubarakpur, Sewa Nagar, Nehru Nagar, Batla House.

[16] Shahbad Dairy, A block Nangloi, Shalimar Bagh, Rohini Sector 3, 11, 13, C-Block Mangolpuri, D.B.Gupta Road, Hakikat Nagar, Trilokpuri 17 Block, Kondli, Mayur Vihar Ph.I, Ghonda Chowk, Mandawali, Tahirpur, East Loni, Kotla Mubarakpur, Sewa Nagar, Bhogal, Nehru Nagar, Batla house, Madipur A block, Paschimpuri PKT.2, VikasPuri.

CHs[17], most of the fans and tube lights were unserviceable and not functioning.



(CH at Mayur Vihar, Phase-I) (CH at GhondaChowk)

3.9.2.5 Poor condition of buildings

Physical visits and scrutiny of records showed that the conditions of buildings of 12 CHs[18], were poor and required immediate repairs. The buildings had broken doors, window panes, plasters coming off from walls and roof etc. It was observed that buildings of two of these CHs (Shahbad Dairy and Amar Jyoti Colony, Sector 17 Rohini) were constructed only in 2004-05, but due to their poor maintenance, these have become dilapidated. Though, the CSD had been lodging complaints about the defects in the building, the Engineering Department of MCsD, which is responsible for repair and maintenance, did not take any remedial action. This shows lack of coordination between two departments of MCsD.

(CH at Shahbad Dairy) (CH at Nehru Nagar)

3.9.2.6 Parking facilities

Only four out of 41 CHs have parking facilities. In remaining 37, people coming to attend the functions, are forced to occupy space wherever available on streets, for parking their vehicles and thus, obstructing routine public life in the nearby localities.

3.9.2.7 Kitchen

Audit observed that kitchens in CHs were of very small size, considering the fact they are used for cooking purposes during functions attended by a large number of people. As such, they were being used as stores and not as kitchens. Audit found that 15 CHs[19] did not have kitchen facility at all and users used open space for cooking purpose, thereby spoiling and damaging the floors.

[17] Shahbad Dairy, A blk. Nangloi, C blk. Mangolpuri, Mayur Vihar, Mandawli, Batla House, Kotla Mubarakpur.

[18] Shahbad Dairy, Naiwala, Amar Jyoti Colony, Rohini Sector 13, C-blk. Sultanpuri, Hakikatnagar, Mukherji Nagar Ist floor, Trilokpuri 17 Block, CPJ blk Seelampur, Kotla Mubarakpur, Batla house, Nehru Nagar.

[19] A Block Nangloi, Naiwala, Balimaran, C-Block Sultanpuri, D.B.Gupta Road, Tikona Park Kashmiri Gate, Mukherjee Nagar, Trilokpuri 17 Block, Seelampur, Kondli, Sewa Nagar, Nehru Nagar, Madipur A Block, VikasPuri, Malviya Nagar.

3.9.2.8 Fire safety arrangements

None of the CHs was found to have fire safety arrangements viz fire extinguishers, fire buckets, fire alarm and fire detectors etc.

Audit analysis showed that on an average, 42 functions like marriage, religious functions etc. were organised per CH per year. The average expenditure per CH per year works out to only ₹ 0.22 lakh which seemed inadequate for providing quality facilities to general public. Thus, a fair conclusion can be drawn that providing quality facilities to the public in CHs, was not on the priority list of the MCsD.

MCsD, while accepting the audit observations (November 2013), attributed the reasons for shortcomings to shortage of funds and staff. The reply, as far as shortage of funds is concerned, is factually incorrect as there were savings of 58 to 86 *per cent* under the head –'Repair & Maintenance of CHs' during last three years and MCsD were earning significant revenues from these 266 CHs (₹ 17.51 crore was realised during 2010-13).

3.9.3 Human resources

There was acute shortage of staff for running and maintenance of CHs. As of August 2013, against the sanctioned strength of 351 (44 Community Organisers, 69 Assistant Community Organisers and 238 Community Workers), there were only 178 incumbents in position. Besides, 54 *Chowkidars* and 128 sanitation staff were also short. The shortage of staff had been affecting the delivery of quality community services and their monitoring by supervisory staff.

In their reply, MCsD stated (November 2013) that due to shortage of staff, it was facing day to day problem including inspection of CHs. However, efforts were being made to improve the efficiency of the system.

3.9.4 Monitoring of functioning of CHs

3.9.4.1 Inspection

As per assignment of duties by the Director (CSD), Community Organisers (COs) of the Zone are responsible for daily inspection and supervision of CHs under their respective charge and to submit inspection reports to the Director of CSD. CO is also to guide and give suggestions to the Community Workers (CWs) for organising activities and programmes and on any other such matters. However, it was noticed that the COs neither carried out any inspection nor submitted inspection reports to the Director during 2010-13. This showed that there was no mechanism in place to monitor the working of COs and CWs, as the lapse was not taken notice of, by higher authorities at any time.

MCsD accepted the audit observation and stated (November 2013) that efforts were being made to convene periodic meetings at Headquarters level to tone up the supervisory staff. The inspection performas have been arranged in CHs and instructions regarding inspection issued.

3.9.4.2 Sub-optimal utilization of CHs

The information (a copy downloaded from website of MCD) provided by the CSD indicated that the occupancy of CHs was sub-optimal. During 2010-13, the average yearly occupancy of 110 CHs was less than 20 days and only in four cases, it was above 180 days. The yearly occupancy in remaining CHs, was between 20 and 180 days. It was also observed that in five cases[20] out of 41 selected for audit, CHs located at first floors, were not booked even on a single occasion during the period under audit. One of the reasons for non-occupancy was the common single gated premises for two CHs, one at the ground floor and the other at first floor.

This shows that facilities being provided are not of adequate quality to attract public attention for organising their functions in CHs.

In its reply SDMC stated (November 2013) that booking of CHs was a prerogative of the general public. The Department does not have any control over this issue under the prevalent circumstances. Reply is not acceptable, as the facilities provided by MCD, were not of quality so as to attract public to CHs for organising their functions.

The EDMC also stated that it had conducted staff meetings regularly to discuss utilization of community halls and emphasize increase in booking of CHs and revenue. Staffs have been directed to provide a clean space and cooperate with the party during their function.

3.9.5 Construction and handing over of new CHs

The concerned Engineering Departments of MCsD are responsible for constructing new building and take up the construction after consultation with CSD regarding facilities to be provided in the building. The GNCTD provides funds in the form of grants-in-aid for construction of new CHs. The budget allocation and actual expenditure on construction of CHs under Plan head during 2010-13, are given in the **Table 3.9.2.**

Table 3.9.2: Budget and actual expenditure under Plan head (2010-13)

(₹ in crore)

Year	Budget allocated	Expenditure	Saving (%)
2010-11	25.00	24.06	0.94 (3.76)
2011-12	60.94	42.32	18.62 (30.55)
2012-13	62.10	35.20	26.90 (43.32)
Total	**148.04**	**101.58**	**46.46 (31.38)**

From the above table, it is seen that MCsD has incurred ₹ 101.58 crore against an allocation of ₹ 148.04 crore during the period 2010-13, leaving unspent balance of ₹ 46.46 crore (31.38 *per cent*). This indicates that MCsD need more efforts to utilise the available grant which ultimately affects progress of construction of new CHs.

After taking possession of land from Delhi Development Authority or any other agency, CSD gives requisitions for constructing new CHs to the Engineering Department. However, there is no rule or norms on the time

[20]Kondli, Mandawali, Amar Jyoti Colony, Rohini Sector 2, Mukherjee Nagar.

frame within which the Engineering Department should complete the construction of building and hand over it to the CSD. Neither, the requisition spells out any terms and condition in this regard. Nonetheless, Para 15.4 (7) of CPWD Manual stipulates that construction of buildings upto four storey, should be completed within 8-12 months.

Test check of 55 cases showed that buildings of seven CHs[21] were completed during January to December 2012, at a cost of ₹ 11.13 crore but were not handed over as of August 2013 by the Engineering Department to CSD even after a lapse of 8 to 19 months after their completion. In 26 cases, the Engineering Department took 29 to 93 months in constructing and handing over new CHs to CSD, after the requisition. In another 22 cases, even the work of construction was not completed after a lapse of 20 to 60 months from the date of requisitions. Thus, the delay in constructing and handing over of new CHs deprived the public of facilities during the period of delay.

In their reply, CSDs attributed (November 2013) the delay in construction and handing over of new CHs to the Engineering Departments, as incomplete infrastructures could not be taken over. The Engineering Departments stated that normally 50 months were needed from requisition to completion of a CH. Reply is not acceptable as 14 CHs out of 26 CHs were constructed and handed over to CSD between 53 to 93 months. The Engineering Department further stated that in case of CH at L Block JJ Colony Wazirpur, CSD was intimated in May 2013 to take over the newly constructed building, but their response was awaited as of October 2013. The replies are silent about norms on the time frame within which new building of CH should be completed and handed over to the CSD. This also shows lack of coordination between the two departments.

3.9.6 Other audit findings

3.9.6.1 Security deposit not deposited into government account

Rule 6 of the Receipts and Payments Rules provides that all moneys received by or tendered to Government officers on account of revenues or receipts or dues of the Government shall, without undue delay, be paid in full into the accredited bank for inclusion in Government Account. Scrutiny of records showed that security deposits in the shape of demand drafts, collected from the users, were not remitted into the government account. It was kept by the Community Worker till it was released to the user after the function. It was also observed that in many cases, validity of demand drafts expired before the date of function, thus, not serving the purpose of covering any damages, penalty etc. on the part of users.

MCsD accepted the facts and stated (November 2013) that the matter was likely to be taken up with the higher authorities to address this issue in a just and proper manner.

[21]Geeta Colony, Sidh Apartment, Vijay Nagar Double Storey, L Block JJ Colony Wazirpur, E Block Sultanpuri, P Block Mangolpuri, F Block Sultanpuri.

3.9.6.2 Unauthorised occupation in CHs

In four cases[22], the premises of CHs were being unauthorisedly occupied by private parties for keeping or storing their DC generator sets, tent items, tables, bed, sofa sets etc. In CH at CPJ Block, Seelampur, the old building is occupied by one NGO (Care Nidhi) without renewal of its agreement.

In respect of CH, Kotla Mubarakpur and CH, Batla House, the SDMC stated that bringing and removing tentage items to the site, took considerable time and it was difficult to watch each and every movement. Reply is not acceptable, as during joint survey, COs and CWs of both the CHs, had observed unauthorised occupation of premises, for which the matter had already been reported to the higher authorities. In respect of CH, Mukherjee Nagar and CH, Ballimaran, the Assistant Director (HQ) CSD, North DMC intimated (November 2013) that the matter of encroachment raised by Audit, had been sent to the concerned zonal office. The reply shows that North DMC has not taken any concrete action on unauthorised occupation in CHs.

3.9.6.3 Public perception about facilities provided in CHs

For assessing public perception about the facilities available in CHs, a questionnaire was given to two Resident Welfare Associations (RWAs) located near each of the 41 selected CHs. The questions were primarily framed to seek information on adequacy of CHs in the locality, sufficiency and quality of the facilities provided, and the complaint redressal mechanism etc. Analysis of responses received from 77[23] out of 82 RWAs, showed:

- 44 RWAs felt that basic facilities like electricity, water, kitchen and toilet facilities were either not sufficient or available.
- 39 were of the view that maintenance and cleanliness in the CHs were not satisfactory.
- 18 adjudged the allotment procedure of CHs as neither easy nor user friendly.
- 17 felt that the security deposit was not easily refundable.
- 52 RWAs believed that Community Hall in their area was not sufficient and 28 said that it was not easily available to general public.
- 44 RWAs felt that there was no public grievances redressal system.

The outcome of survey indicated that on one hand, 68 *per cent* general public residing nearby the selected CHs felt insufficient number of CH in their areas; on the other hand, the occupancy rate was less than 25 *per cent* in 68 *per cent* CHs due to poor maintenance and not providing basic facilities in CHs. Audit also came across instances wherein seven completed CHs were not thrown open to public.

The audit findings were referred to the Government in October 2013; their reply has not been received (February 2014).

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[22] Kotla Mubarkpur, Batla House, Mukherjee Nagar, Ballimaran.

[23] No RWA found nearby the CHs Bhogal (one), DB Gupta Road (two) and Rohini Sector 13 (two).

3.10 Regularization of Unauthorised Colonies in Delhi

Certain changes were made by MoUD in the Guidelines which were not in accordance with revisions approved by the Union Cabinet, on the basis of which Regulations 2008 were framed. The Regulations 2008 after amendments made thereto in June 2008 and June 2012 deviated from the Guidelines approved by the Union Cabinet for regularization of unauthorized colonies in Delhi. Issue of Provisional Regularization Certificates was not envisaged in the Guidelines. Several discrepancies were found in fixation of boundaries by GNCTD. Boundaries were fixed without verification of *khasras* by the Revenue Department resulting in allotment of excess *khasras* to RWAs. Prohibited areas, DDA hindrances, overlapping of boundaries etc were not considered during boundary fixation in contravention of amended Regulations. The Urban Development Department, GNCTD has failed to provide basic services like sewer lines, water lines, roads and drainage to all the 895 unauthorized colonies despite incurring an expenditure of ₹ 3029.21 crore up to March 2013.

3.10.1 Introduction

Unauthorized Colonies in Delhi have been in existence right from the time the planned development of Delhi started with the setting up of DDA in 1957. Ministry of Urban Development (MoUD) received a proposal from GNCTD in May/June 1993 recommending regularization of unauthorized colonies existing as on 31 March 1993 in Delhi. However, Hon'ble High Court of Delhi, while hearing the case in a writ petition CWP No 4771/93 titled 'Common Cause (Registered) Society Vs UoI & Ors', restrained the Union of India (UoI) from regularizing any colony in Delhi, and directed UoI (9 December 1996) to constitute a high level committee to frame a policy and terms and conditions for regularization. The Committee submitted its report in 1997. Based on recommendations of the Committee and the Cabinet decision of July 2000, MoUD formulated guidelines in 2001. The Government of India, Ministry of Urban Development and Poverty Alleviation mentioned in the Cabinet note (July 2000) that the unauthorised colonies in Delhi would be regularised if they conform to the approved guidelines and the beneficiaries pay the development charges. According to Guidelines, unauthorized colonies existing as on 31 March 1993, were to be considered for regularization. On a representation from GNCTD, Guidelines 2001 were revised with the approval of the Union Cabinet in 2004, and the cut-off date for regularization was extended from March 1993 to March 2002. In the Cabinet note (February 2004) the regularization of unauthorized colonies has been defined as "approval of layout plans by the local authority in accordance with certain guidelines and bringing colony and structure therein within purview of master plan of Delhi and provision of Building Byelaws in force".

These Guidelines of 2004 were again revised in 2007 by MoUD on the basis of the Union Cabinet decision dated 8 February 2007. Based on these revised Guidelines, MoUD, approved/ finalised the Regulations 2008. The Delhi

Development Authority (DDA) notified them under Section 57 of the DDA Act, 1957 in March 2008.

Amendments were made in Clause 4 and Clause 5 of Regulations 2008, which were notified by DDA in June 2008 and in June 2012 respectively. GNCTD issued Order dated 4 September 2012, identifying 895 unauthorized colonies for regularization.

The audit of the process of regularization was conducted so as to see that the Guidelines as approved by MoUD, are in accordance with the Cabinet decisions, Regulations made are in accordance with the Guidelines approved on the basis of Union Cabinet decisions and also the order of September 2012 was in conformity with the Regulations. Ninety one colonies (10 *per cent* of 895: 32 out of 312 on private lands, and 59 out of 583 on public lands) were selected on random basis for detailed scrutiny. Records of 82 colonies (27 on private lands and 55 on public lands), were made available to Audit, out of 91 selected colonies. Files relating to nine selected colonies (five on private lands and four on public lands) were not provided to Audit by UDD, along with other records as detailed in **Annexure-3.10.1**. Important findings are as under:

Audit findings:

Scrutiny of policy files in MoUD relating to regularization of unauthorized colonies in Delhi showed the following discrepancies:

3.10.2 Changes/additions made in Revised Guidelines (February 2007) not in accordance with the Union Cabinet approval

Partial modifications in Guidelines of 2004 were approved by Union Cabinet (8 February 2007). However, the Guidelines, as approved and communicated by MoUD (October 2007) to DDA contained certain changes/ deletions/ additional provisions, which did not have the approval of the Union Cabinet. Comparison of some of the deviations in the Guidelines approved by Union Cabinet (2004 and February 2007), herein after called "approved Guidelines" and Revised Guidelines approved by MoUD (October 2007), herein after called "Revised Guidelines", is given in **Annexure-3.10.2**. Major deviations observed by Audit are as under:

- **Base Map:** As per approved Guidelines the base map of Unauthorised Colony will be provided by local body/ DDA to the Resident Society who will fix up the boundary on the plan and also get prepared the layout plan of the colony from the Registered Architect/ Town Planner. As per Revised Guidelines the Resident Society will get the layout plan of the colony prepared from Registered Architect/ Town Planner and the same will be submitted to the local body/ DDA and GNCTD.
- **Formal orders of Regularization:** As per approved Guidelines formal orders of regularization were to be given by local body/DDA after execution of infrastructure works whereas the same is to be done by GNCTD after land use change as per Revised Guidelines.
- **Fixation of boundary:** Earlier the boundary was to be fixed by Resident Society on the base map provided by local body/DDA, whereas as per

Revised Guidelines, GNCTD will fix the boundary on the LoP submitted by Resident Society.

The addition of Para 4.2 in Revised Guidelines shifted the focus of regularisation from the point of provision of infrastructure facilities as per approved Guidelines of 2007 to point of land use approval by DDA/local body as per Revised Guidelines of 2007 communicated by MoUD. As a result, the provision of infrastructural facilities in the unauthorised colony as precondition for regularisation of unauthorised colony was altogether neglected and omitted. This was not only against the guidelines approved by Central Cabinet but also against the Supreme Court decision that in case it is not possible to provide the basic services to the unauthorised colonies, they should not be regularised. Thus, the amendments made by MoUD in the Revised Guidelines 2007 were irregular.

The MoUD, GoI stated (June 2014) that it had approved revised guidelines (issued to DDA and GNCTD in October 2007) on the ground that the issue had been delayed and there were only minor procedural deviations from earlier guidelines approved by the Cabinet, and hence Cabinet approval on the final version of revised guidelines was not taken. The fact remains that certain changes were made in the Guidelines which did not have the approval of the Cabinet and are not procedural as stated above.

3.10.3 Irregular amendments in Regulations 2008

3.10.3.1 Amendments in Clause 5 of the Regulations 2008

While the procedure to be followed by the DDA/GNCTD was laid down in the regulation 2008 under clause 5 which delineated the sequence of steps, such as boundary fixation by GNCTD, approval of layout plan by local body/DDA, approval of land use change by DDA, payment of all requisite charges before formal orders of regularization of unauthorised colony are issued. The amendment made to the Regulations 2008 in June 2012 completely changed the sequence with the effect that approval of lay out plan and approval of land use change will follow the issue of formal orders of regularization. In fact, the amendment to regulations made in June 2012 facilitated issue of order of regularisation immediately after fixation of boundary of the unauthorised colony is completed. The amendment made to the regulation in June 2012 substantially altered the procedure of regularisation of unauthorised colony which was not contemplated by the Cabinet in the approved Guidelines.

As a result of change of procedure of regularisation, 312 unauthorised colonies on the private lands stood regularised as per the orders of GNCTD in September 2012 without undergoing the process of approval of Lay out Plan and approval of land use change. As these amendments are not in line with the approved Guidelines, the regularisation declared by the GNCTD in September 2012 in respect of 312 unauthorised colonies on private lands is irregular.

MoUD in its reply (January 2014 and March 2014) stated that GoI (Allocation of Business) Rules, 1961 has inter-alia allocated the subject "schemes of large scale acquisition, development and disposal of land in Delhi" to MoUD. It further stated that the regulations for regularization of unauthorized colonies were framed pursuant to the Cabinet decision on the revised Guidelines-2007, and further approval of the Cabinet was not obtained on the regulations so framed. The reply is not tenable as the process of regularization contained in Clause 5 of Regulations 2008 is based on Para 4.2 of the Revised Guidelines 2007 which does not have the approval of the Union Cabinet (February 2007).

The MoUD, GoI accepted the facts (June 2014).

3.10.3.2 Amendments in Clause 5.3 of the Regulations 2008

As per the guidelines approved in February 2007, the cut-off date for eligibility of the colonies for regularisation is as per aerial survey of 2002, whereas the amended clause of 5.3 of Regulations made it as aerial survey of 2007, which was not in accordance with the Cabinet decision of February 2007.

MoUD stated (March 2014) that the amendment was necessitated as GNCTD faced a problem in fixing the boundaries as the satellite images were blurred and had zigzag shapes which could not be used for fixation of boundaries. It further stated that purpose of using aerial survey of 2002 was to identify the colonies which existed as on 31 March 2002 and aerial survey of 2007 was supposed to be used for finalization of the boundary of those colonies. The fact remains that this was in deviation of Cabinet decision.

The MoUD, GoI accepted the facts (June 2014).

3.10.3.3 Irregular issue of Provisional Regularisation Certificate

DDA inserted a provision at 4.6.1 in the Regulation of 2008 in June 2008 which enabled the GNCTD to issue a Provisional Regularisation Certificate (PRC) before they undertake any steps required for regularisation of unauthorised colony as described under clause 5 of the Regulations 2008. Issue of PRCs was not in the scheme of regularisation approved by the Cabinet in February 2007, and therefore an irregular and unwarranted exercise. As a result, 1218 PRCs issued were of no consequence in the scheme of regularisation.

MoUD in its reply (March 2014) stated that Minister of Urban Development was competent to approve the regulations and amendments in terms of the Government of India (Allocation of Business) Rules, 1961 (as amended from time to time). The reply is not tenable as issue of Provisional Certificate was not contemplated in the Guidelines approved by the Cabinet.

The MoUD, GoI accepted the facts (June 2014).

3.10.4 Implementation of Regulations 2008 as amended in June 2008 and June 2012

On the basis of amendments in clause 5 of Regulations, GNCTD issued orders dated 4 September 2012. As per these orders, the boundaries of 895 identified colonies have been finalized under Clause 5.3 of the Regulations 2008 as amended on 6 June 2012. Further, the Order mentioned that in exercise of the powers delegated under Clause 5.4 of the Regulations, 312 colonies on private lands stand regularized from the date of issue of Order and 583 partly or fully on public lands stand regularized from the date of recovery of cost of public land by GNCTD on behalf of the land owning agency to be notified from time to time.

Scrutiny of records in UDD relating to 895 identified colonies showed the following discrepancies in carrying out the boundary fixation:

3.10.4.1 Fixation of boundaries in contravention of amended Clause 5.3 and without verification of land record by Revenue Department

As per amended Clause 5.3 of Regulations, boundaries were required to be finalized by superimposing images of aerial survey 2007 on LoP submitted by Resident Welfare Associations. The Revenue Department objected to boundaries fixed by UDD, as the aerial survey of 2007 was not imposed on the LoPs submitted by RWAs and that there was no fixation or finalization of boundary points. These objections indicated that procedure adopted in fixing the boundaries was in violation of the Regulations.

In addition to the above procedure, the walk through surveys ordered by the UDD to further authenticate the LoPs submitted by RWAs were not carried out as areas denoted in the maps on UDD website were heavily built-up without any reference points or control markers for identifying the *khasra* numbers as per the revenue records. Thus, boundaries of colonies were fixed without proper verifications of land records.

The UDD stated (March 2014) that aerial surveys were used to ascertain the existence of colony and tentative built up area in the year 2007. It further added that boundary fixation was being done by the Revenue Department by carrying out physical survey and stated that the Government had only prepared the list of colonies which are prima-facie fulfilling the criteria for consideration of regularization. The reply is not tenable as GNCTD has fixed the boundaries without verification of authenticity of *khasras* and also declared in September 2012 that 895 colonies were eligible for regularization and boundaries of each identified colony were finalized.

3.10.4.2 Discrepancies in Land Status Report

As per the order of September 2012, colonies on private lands stand regularised form the date of issue of the order and colonies on public land from the date of recovery of cost of land. Audit scrutiny of records of UDD showed that as per Land Status Reports of Revenue Department (issued before September 2012), 312 colonies were on private lands[24] and 583 were on government lands[25]. However, later on UDD observed that status of *khasras*

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[24] In case of land under acquisition proceedings private land is all lands in respect of which the awards have been given but the landowners have not taken the compensation and are retaining the physical possession.
In case of GaonSabha lands private land is all lands vested in the GaonSabha under Section 81 of the Delhi Land Reforms Act, 1954 where the physical possession is with the original landowners.

[25] In case of land under acquisition proceedings, public land is all lands in respect of which the Awards have been given, and the landowners have received the compensation, irrespective of current physical possession.

of few colonies was changed by Revenue Department, from private to government leading to reduction in the number of unauthorised colonies on private lands from 312 to 111 indicating that 201 colonies on public land have also been regularised without recovery of cost of land.

The UDD stated (March 2014) that physical verification for finalizing the boundaries through Revenue Department will correct the inconsistencies pointed by Audit. The reply is not tenable as the UDD has fixed the boundaries of the colonies without verification of status of land.

3.10.4.3 Approval of boundaries of colonies on prohibited area

Clause 3.3 (a) and (d) of Regulations exclude area under forest land and ASI protected land from being a part of any regularized colony. Audit observed that 10 colonies were regularized even though they were located partly or fully on forest/ridge area and three colonies were located on regulated area of centrally protected monuments of Delhi circle.

The UDD stated (March 2014) that the unauthorized colonies falling in notified, regulated and reserved forest area would be seen during finalization of the LoPs by the local bodies. Reply is not tenable as boundaries have already been fixed in respect of these colonies.

3.10.4.4 DDA hindrances

As per Sub-Clause 3.3 (b), colonies posing hindrances in the provision of various infrastructure facilities, would not be regularized. Audit observed that in case of 201 identified colonies, DDA had shown hindrances as per its Master Plan, Zonal Plan etc. In spite of this, these colonies were regularized in contravention of the Clause 3.3 (b) of Regulations. In case of eight colonies, areas pertaining to certain *khasras*, which DDA requested for exclusion from the boundary of the colony, were not excluded from the list of regularized colonies.

3.10.4.5 Existence of colonies

Clause 3.3 of the Regulations 2008 states that colonies existing as on 2002 would be regularized. The reports submitted by the Survey of India and MCD did not confirm the existence of 48 number of colonies as of 2002. However, the order of GNCTD in September 2012 regularized the same.

3.10.4.6 Overlapping of boundaries and multiplicity of RWAs

Audit observed that boundaries of 831 out of 895 colonies were overlapping (ranging from one to 100 *per cent*). Overlapping was due to non-comparison of coordinates of individual colony with other colonies. Further 179 colonies, coming under multiple RWAs[26] category, were also included in orders of 895 colonies.

In case of GaonSabha lands, public land is all lands originally vested in the GaonSabha at the commencement of the Delhi Land Reforms Act, 1954, irrespective of the physical possession on ground and all lands subsequently vested in the GaonSabha under Section 81 of the aforesaid Act, where the physical possession is with the Government.

[26] More than one RWA claiming right over a colony or part thereof.

The UDD stated (March 2014) that above issues in paragraph 3.10.4.4, 3.10.4.5 and 3.10.4.6 would be sorted out during physical verification and final fixation of boundaries. The reply is not tenable as the orders of fixation of boundaries were issued without resolving the issue of overlapping of boundaries and multiplicity of RWAs.

The MoUD, GoI stated (June 2014) that the audit observations (**sub-paras 3.10.4.1 to 3.10.4.6**) on the implementation of Regulations 2008, pertain to the GNCTD and the GoI has no role to play at implementation level. It further stated that GNCTD vide their letter of February 2014 had informed that GNCTD would undertake a comprehensive review of existing regulations for regularization of unauthorised colonies in Delhi.

3.10.5 Discrepancies in fixation of boundaries in selected cases

Audit selected a sample of 91 cases out of which 82 cases were made available and the scrutiny of which showed the following discrepancies in fixation of the boundaries:

3.10.5.1 Allotment of excess khasras to RWAs

In 81 colonies[27], 1813 *khasras* were allotted to RWAs by the GNCTD, out of which status of land of 369 *khasras* was not recorded. In 62 cases[28], 752 *khasras* were allotted in excess by the GNCTD, though not claimed by RWAs.

In 18 cases, correctness of allotment of *khasras* could not be ascertained due to incomplete information on LoP or non-availability of LoP.

3.10.5.2 Inclusion of vacant land in the boundary

In 81 cases, the boundary had been fixed by including vacant lands lying along the boundary line. Thus, the possibility of inclusion of excess area in the boundary of colony fixed by GNCTD cannot be ruled out.

3.10.5.3 Discrepancies in built up area percentage

As per Clause 3.3(c), unauthorized colonies/habitations where more than 50 *per cent* plots are un-built cannot be regularized. In six cases[29], the built-up percentages as of 2007 were less than 50 *per cent*, yet the colonies were regularized. In 21 cases[30], more than one LoP with different built-up area percentages were found on record.

In case of a colony (Registration No. 47-ELD) the map available on website showed the built-up percentage of 24.18 *per cent*, whereas the map available in the file, had the built-up percentage of 81 *per cent* as per 2007 survey. The basis of built up percentage, on which colony was regularized, had been altered. The corrected entry was not certified by the competent authority. The regularization of above colony was irregular as the colony did not meet the

[27] 26 on private lands and 55 on public lands.
[28] 22 identified on private lands and 40 identified on public lands.
[29] 2 identified on private lands and 4 identified on public lands.
[30] 7 identified on private lands and 14 identified on public lands.

criteria of 50 *per cent* built–up area as required under Clause 3.3 (c) of the Regulations 2008.

The UDD stated (March 2014) that all the above discrepancies would be taken care of during physical verification and demarcation of boundaries of unauthorized colonies. The fact remains that excess *khasras* were allotted to RWAs and fixation of boundaries was in violation of Regulations.

3.10.5.4 Ownership status of land

In 81 cases, RWAs did not submit ownership documents as required under Clause 4.5.2 of Regulations, 2008. The UDD also did not ascertain the status of land ownership from the Revenue Department (January 2014). However, UDD finalized the boundaries without verification of land ownership. Scrutiny also showed that 16 private colonies, declared as such by UDD, existed partially on land belonging to the Government or vested Gram Sabha as shown by the maps prepared by the Survey of India.

3.10.5.5 Non-obtaining of 'No Objection Certificate' from concerned agencies

As per Sub-Clause 3.3 (b), colonies posing hindrances in the provision of various infrastructure facilities, would not be regularized. However, none of the 82 files scrutinized by Audit, contained' No Objection Certificate' from concerned agencies like DDA, Railways, DJB, MCD, NHAI etc., which could provide an assurance that provisions of Sub-Clause 3.3 (b) were actually considered in the process of regularization of colonies.

The UDD stated (March 2014) that above issues would be sorted out during physical verification and final fixation of boundaries. The reply is not tenable as the orders of fixation of boundaries were issued without obtaining 'No Objection Certificate' from concerned agencies.

3.10.5.6 Road width in regularized colonies

Scrutiny of 82 selected cases showed that in 65 cases, road width was not as per the norms of the Fire Department. In nine cases, road width was not mentioned in LoPs and in eight, LoPs were not submitted by RWAs.

The UDD stated (March 2014) that the matter will be subjected to Special Regulations framed by DDA / Local bodies under relevant provisions of MPD-2021. The reply is not tenable since boundary fixation has already been completed without considering the road width.

3.10.6 Lack of development works

As per Clause 4.2.2.2 (B) of the MPD-2021, in all unauthorized colonies, it must be ensured that for improvement of physical and social infrastructure, minimum necessary and feasible level of services and community facilities are provided. The Supreme Court in WP (C) No 725 of 1994 of 14 February 2006, held "In case the State authorities are not in a position to make available the basic services in respect whereof it is admitted that there are severe limitations, there shall be no regularization of unauthorized colonies." Further, paragraph 7.2 of revised guidelines, 2007 stipulated that the regularization of unauthorized colonies should be subject to the above order of Supreme Court.

Audit observed that the UDD released ₹ 3666.81 crore during 2007-13 for providing basic services in unauthorized colonies. Of this, ₹ 3029.21 crore was utilized. Details of development works done were not provided to Audit. However, scrutiny of status of the works in 895 colonies, posted on website of the UDD (**Annexure-3.10.3**), showed that executing agencies (DSIIDC, I&FC, SDMC, NDMC and PWD) did not complete road and drain works in 416 colonies out of 891 colonies allocated to these agencies. The DJB failed to provide sewer lines in 797 colonies and water lines in 197 out of 895 colonies as on 31 March 2013. The approval of fixation of boundaries of unauthorized colonies identified for regularization without provision of necessary services deprived the residents of these facilities.

The UDD accepted that there was no monitoring of physical and financial progress of works done by the executing agencies.

The above points were reported to the GNCTD (March 2014). GNCTD stated (March 2014) that the process of boundary fixation has not yet attained finality. The reply of the Government is not tenable in view of the fact that the orders of GNCTD dated 4 September 2012 declared that the boundaries of each identified colony have been finalized under Clause 5.3 of the Regulations 2008 as amended on 6 June 2012. Further, the Order mentioned that 312 colonies on private lands stand regularized from the date of issue of Order and 583 partly or fully on public lands stand regularized from the date of recovery of cost of public land by GNCTD on behalf of the land owning agency to be notified from time to time.

New Delhi **(DOLLY CHAKRABARTY)**
The 30 June 2014 **Principal Accountant General (Audit), Delhi**

Countersigned

New Delhi **(SHASHI KANT SHARMA)**
The 1 July 2014 **Comptroller and Auditor General of India**

Annexures

Annexure–1.1

(Referred to in paragraph 1.10; page 6)

Statement showing Status of Accounts of the Autonomous Bodies as on 31 March, 2013

Sl. No.	Name of the body	Period of entrustment	Year upto which Accounts were rendered	Delay in Submission of Accounts (in months)	Period upto which Separate Audit Report is issued	Placement of SAR in the Legislature	Delay in submission of SARs (in years)
1.	G.G.S.I.P.U	GGIPU Act 1998 provides for audit	2010-11	6 months	2010-11	To be placed	2Years
2.	G.G.S.I.P.U		2009-10	24 months	2009-10	To be placed	3 Years
3.	G.G.S.I.P.U		2011-12	3 months	2011-12	To be placed	1Years
4.	Indraprastha Institute of Information Technology	Formal Entrustment not received	-	-	-	-	-
4.	Delhi Urban Shelter Improvement Board (DUSIB)	-do-	-	-	-	-	-
5.	Ambedkar University	-do-	-	-	-	-	-
6.	N.S.I.T	5 years from 2007-08	2005-06	53 months	2005-06	To be placed	2Years
7.	N.S.I.T		2006-07	41 months	2006-07	To be placed	2Years
8.	N.S.I.T		2007-08	51 months	2007-08	To be placed	2Years
9.	N.S.I.T		2008-09	43 months	2008-09	To be placed	1 years-
10.	N.S.I.T		2009-10	awaited	-	-	-
11.	N.S.I.T		2010-11	awaited	-	-	-
12.	N.S.I.T		2011-12	awaited	-	-	-
13.	Delhi Jal Board	Deemed entrustment as per DJB, Act 1998	2001-02	100 months	2001-02	To be placed	5Years
14.	Delhi Jal Board		2002-03	78 months	2002-03	To be placed	4Years
15.	Delhi Jal Board		2003-04	60 months	2003-04	To be placed	3Years
16.	Delhi Jal Board		2004-05	63 months	2004-05	To be placed	1 & ½ Years
17.	Delhi Jal Board		2005-06	50 months	2005-06	To be placed	1 & ¼ Years
18.	Delhi Jal Board		2006-07	58 months	2006-07	To be placed	1 year-
19.	Delhi Jal Board		2007-08	Awaited	-	-	-
20	Delhi Jal Board		2008-09	Awaited	-	-	-
21	Delhi Jal Board		2009-10	Awaited	-	-	-
22	Delhi Jal Board		2010-11	Awaited	-	-	-

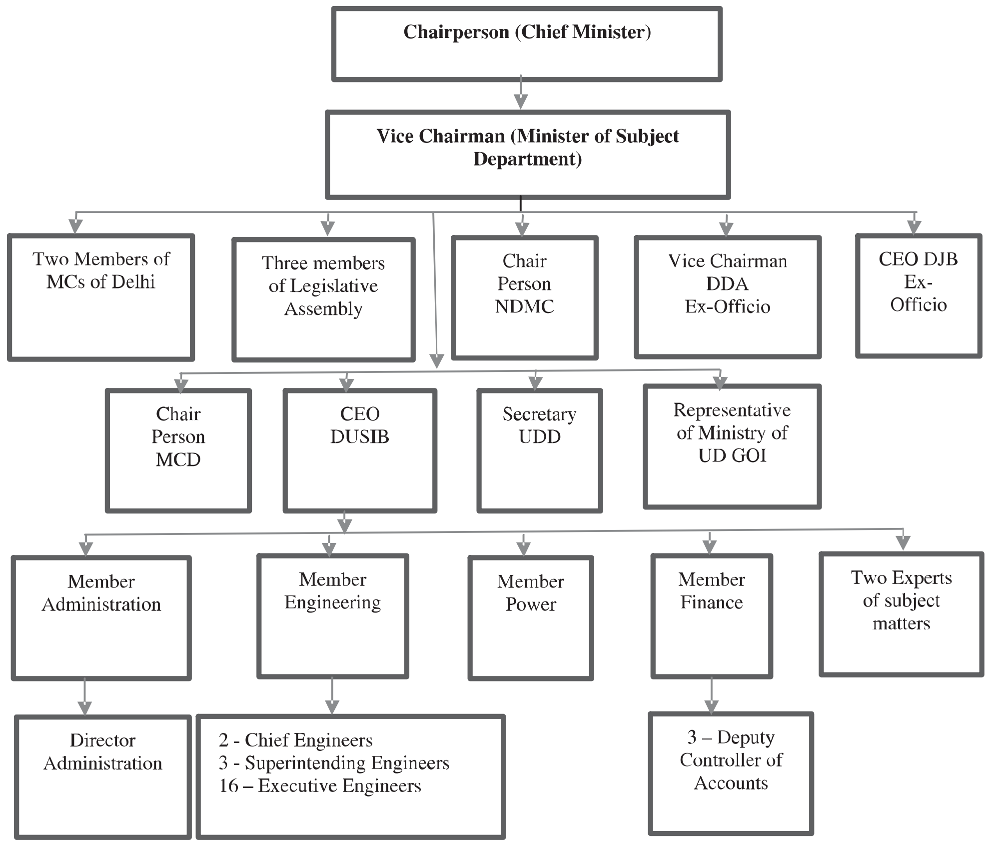
Sl. No.	Name of the body	Period of entrustment	Year upto which Accounts were rendered	Delay in Submission of Accounts (in months)	Period upto which Separate Audit Report is issued	Placement of SAR in the Legislature	Delay in submission of SARs (in years)
23	Delhi Jal Board		2011-12	Awaited	-	-	-
24.	Delhi Building & Other Construction Workers Welfare Board (DBCWWB)	Deemed entrustment as per DBCWWB, Act, 1996	2002-03	119 months	2002-03	-	--
25	DBCWWB		2003-04	107 months	2003-04	-	-
26	DBCWWB		2004-05	95 months	2004-05	-	-
27.	DBCWWB		2005-06*	83 months	-	-	-
28.	DBCWWB		2006-07*	71 months	-	-	--
29.	DBCWWB		2007-08*	59 months	-	-	-
30.	DBCWWB		2008-09*	47 months	-	-	-
31.	DBCWWB		2009-10*	36 months	-	-	-
32.	DBCWWB		2010-11	awaited	-	-	--
33.	DBCWWB		2011-12	awaited	-	-	-
35.	Delhi Electricity Regularity Commission	Audit is conducted under section 19(3)	2012-13	-	2012-13	To be placed	-
36.	Delhi State Legal Authority	Deemed entrustment as per The LSA Act, 1987	2012-13*	-	-	-	-

* under process

Annexure–2.1

(Referred to in paragraph 2.1.1.1; page 10)

Organisation chart of Delhi Urban Shelter Improvement Board



Annexure-2.2

(Referred to in paragraph 2.2.2.1; page 26)

Un-necessary provision

(₹ in crore)

Year	Major Head	Sub head	Nomenclature	Original Budget	Re-appropriated	Total	Exp.	Total Savings
2008-09	2203	B1(5)(7)	Starting of production -cum-training facilities in institutions	0.80	0.80	-	-	-
	-do-	B1(5)(8)	Networking of all Intuitions	0.50	0.50	-	-	-
	-do-	B1(5)(9)	Development of material for learning	0.20	0.10	0.10	-	0.10
	-do-	B1(5)(13)	Development of Delhi knowledge Hub	1.00	1.00	-	-	-
	-do-	B1(5)(14)	Eminent Faculty in Reputed Institutions	0.40	0.40	-	-	-
	-do-	B1(6)(3)	EDUSAT Networking	0.40	0.40	-	-	-
	-do-	B1(6)(4)	Setting up of ITI	1.10	1.10	-	-	-
	-do-	B1(6)(7)	Technical Education Fund	0.10	0.10	-	-	-
	-do-	1(6)(8)	Development of Collaborate Arrangement with intuitions of repute	0.10	0.10	-	-	-
	2230	B1 (2)(5)	Up-gradation of Training & lecture in Govt. ITI(CCS)	0.13	0.03	0.10	-	0.10
2009-10	2203	B1(5)(8)	Networking of all Intuitions	0.50	0.50	-	-	-
	-do-	B1(5)(9)	Development of material for learning	0.10	0.10	-	-	-
	-do-	B1(5)(16)	Development of Delhi knowledge Development foundation	1.00	1.00	-	-	-
	-do-	B1(6)(4)	Setting up of University of Science and Technology	0.30	0.30	-	-	-
Total				**6.63**	**6.43**	**0.20**	**-**	**0.20**

Annexure-2.3.1

(Referred to in paragraph 2.3.5.9; page 54)

Expenditure on providing double tack coat

Sl. No./ Agmt. No.	Name of work	Estimated quantities	Excess quantities (tack coat)	Rate	Avoidable expenditure (in ₹)
Civil Road Maintenance Division M-111					
1/75	Stg. of Najafgarh Road (Raja Garden to Subhash Nagar Chowk), New Delhi	166600	105467	6.50	685536
2/76	Stg. of Upper Ridge Road (Vande Mataram Marg) (from Dhaula Kuan Flyover to Simon Bolivar Marg T-Point (1.5 KM) & from Shankar Road Round About to Dayal Chowk) (1.5 KM), New Delhi. (Voucher No.211/ March 2013)	180042	72520	6.03	437296
3/78	Stg. of Guru Ravi Das Marg (New Rohtak Road to PUSA Road) & Military Road (D.B. Gupta Road to New Rohtak Road) Karol Bagh, New Delhi	115830	66000	6.5	429000
4/80	Stg. of Internal Roads of Rajouri Garden i.e. Major Sudesh Marg (Najafgarh Road to Ring Road) & Major Sudesh Gadok Marg (Najafgarh Road to J Block, Rajouri Garden), New Delhi.	111738	55869	6.50	363149
Civil Road Maintenance Division M-113					
5/94	Stg. of Major Som Nath Marg and Tamil Sangam Marg at R. K. Puram, -New Delhi	137960	80600	9.55	769730
6/104	Stg. of internal roads of Vasant Kunj Area i.e.DA school road from Aruna Asaif Ali road to Delhi Jal Board tube well (2) B-1 Telephone Exchange Road from Mahrauli Mahipalpur Road to B-5 and B-6 Road (3) B-2 and B-3 Road from Shiv Mandir to B-5 and B-6 Road (4) D-1 and D-2 Road from MM Road to ILBS Hospital (5) Sports complex Road from ILBS to MM Road (6) Vatika Road from MM Road to DPS School	126750	67575	9.55	645341
7/95	Stg. of Internal Roads of Green Park, Hauz Khas & Qutub Institutional Area i.e. (1) Narendra Kumar Panday Marg,(2)Peripheral Road of C&B Block of Qutub Institutional Area and other roads	109190	54595	9.55	521382
Civil Road Maintenance Division M-142					
8/02	Stg. of Road from Najafgarh Dhansa Road to Dhuarla Border, New Delhi	356460	237640	9.55	2269462
9/1	Stg. of Road from Najafgarh Jharoda Road upto Bahadurgarh Border, New Delhi	264600	176400	9.55	1684620
10/3	Stg. of Najafgarh Phirni Road, New Delhi	89100	59400	9.55	567270
Civil Road Maintenance Division M-313					
11/45	Imp. of Carriageway at Mall Road Extension SH: Stg. and resurfacing of main carriageway and Const. of cement concrete service road & foothpath etc.	206787	100320	9.55	958056
12/48	Imp. and Stg. of Bhakatawarpur Pall SH: Road Work	48000	24000	9.08	217920
13/55	Imp. of Carriageway, Footpath, Drainage of Lucknow Road from Mall Road to P.S. Timarpur SH: Stg. of road and Imp. of Footpath & Drain	47600	23800	9.08	216104

14/60	Imp. of Burari Road from Kingsway Camp to Road No. 50 SH: Stg. of road and Imp. of Footpath & Drain	105000	52500	9.08	476700
15/59	Imp. and Const. of Carriageway of Shah Alam Bandh Road G.T.Road to Road No. 51 SH: Imp.& Const. of carriageway, central verge,footpath & S.W. drain	a)51800 b)103600	a)25900 b)51800	a)13.79 b)9.08	357161 470344
16/61	Imp. of Gulab Singh Marg from Tiwetia Marg light to Prerana Chowk SH: Stg. of road and Imp. of Footpath & Drain	100800	50400	9.08	457632
Civil Road Maintenance Division M-312					
17/63	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on road in Sector- 3, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath.	42948	19522	9.08	177260
18/50	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on road in Sector- 6, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath	28800	12912	9.08	117241
19/58	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on road in Sector- 6, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath	20600	9322.5	9.08	84648
20/74	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on road in Sector- 11, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath	68975	35760	9.08	324701
21/56	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting of Sir Chhotu Ram Marg (Road No.A-2 from Avantika Chowk to Kanjhawala Road and road passing through Jaipur Golden Hospital connecting Road No. A-1 to 42-A in Sector-2 Rohini Delhi. SH. Stg. of Road and Imp. of footpath	34456	7128	9.08	64722
22/72	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on road in Sector- 14, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath	76430	32044	9.08	290960
23/51	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages on road passing through Pocket A-1 to F-3 and road passing tank road in Sector- 2 &4, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath	56250	25130	9.08	228180
24/62	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on road in Sector- 14, Rohini, Delhi. SH. Stg. of Road and Imp. of footpath	22200	9880	9.08	89710
25/54	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting of Kalamandir road, L.P.Road 9TANK Road) and B- Block Road in Mangolpuri, Delhi. SH. Stg. of Road and Imp. of footpath	120520	54400	9.55	519520
26/68	Stg., Imp. of footpath and pro. and fixing of retro reflective road signages and up gradation of street lighting on roads Police Line, Amar Bismil Marg and Phirni Road, Delhi. SH. Stg. of Road and Imp. of footpath	42948.40	19522	9.08	177260
			Total		**13600905**

Annexure-2.3.2

(Refers to in paragraph 2.3.5.13; page 56)

Amount not withheld for non achievement of milestones

Sl. No.	Agreement No.	Name of work	TC (in ₹)	SDOS/ SDOC/ ADOC	Milestones not achieved	Amount to be held (in ₹)	Amount withheld	Difference in amount withheld (in ₹)
Civil Road Maintenance Division M-311								
1	60/12-13	Stg., signage work and up gradation of street light in Rohini Sector 13 Extn. 15& 19 interconnecting roads SH:Stg. of Road	26009406	20.12.12/ 19.3.13	4	1040376	Nil	1040376
2	12/12-13	Const. of foot over bridge with staircase and lifts for pedestrians across road No.41 at Netaji Subhash Place (Pitam Pura) Delhi SH: Civil Work	44113513	30.5.12/ 28.11.12	4	1764541	Nil	1764541
3	6/12-13	A/R and M/O Various Roads SH: Repair of Pot Holes	13359831	3.5.12/ 2.7.12	4	534393	Nil	534393
4	61/12-13	Stg., Imp. of drainage system Signage work and up-gradation of Street Light in Roini Sector -17 interconnected Roads SH: Stg. of Road and Imp. of drainage System	28387888	20.12.12/ 19.3.13	4	1135516	Nil	1135516
5	72/12-13	Stg., Imp. of Footpath & Drain providing and fixing retro-reflective road signages Horticulture maintenancae work and upgradation of street lighting from Alipur to Holambi crossing (Shahpur Garhi turn), Narela Alipur Road SH: Stg. of Road and Imp. of footpath & drain	58860614	8.2.13/ 6.8.13	4	2354425	Nil	2354425
6	57/09-10	Const. of Foot Over Bridge for pedestrian across Ring Road Delhi with staircase and lift at :- (i) Near Britannia Chowk (ii) Near Moti Nagar "T"-Point	33976135	2.2.10/ 26.8.10	4	1359045	Nil	1359045
							Total	**8188296**

Annexure 2.4.1
(Referred to in paragraph 2.4.1.1; page 62)
Role and responsibilities in managing the drainage system

Sl. No.	Agency	Role and responsibility
1.	IFCD	Maintains main drains of discharge capacity of more than 1000 cusecs, and some small drains. In all, it manages 61 storm drains with a total length of 400 km.
2.	MCD	Trifurcated in May 2012, the MCsD maintain 480 drains (having width or depth of four feet and above) and 2530 drains (having width or depth below four feet), under its jurisdiction.
3.	PWD	The PWD maintains drains along its roads with width of 60 feet and above, running for a total length of 1250 km.
4.	NDMC	NDMC is responsible for maintaining 14 drainage systems in approximately 43 sq km of area under its jurisdiction.
5.	DJB	The DJB manages disposal and treatment of waste water and sewage in areas under the jurisdiction of MCD. It has a network of 7000 km of sewer lines with 196 km of trunk sewers and about 1508 km of peripheral network.

Annexure-2.4.2
(Referred to in paragraph 2.4.4.1(i); page 66)
Delay in completion of works before onset of monsoon

Sl. No.	Name of work	Date of award	Date of completion
Monsoon of 2010			
1.	De-silting of Escape Drain No. 1 from RD 2560m and RD 2770m by deploying labour on contract basis as per site conditions	08.04.2010	13.12.2010
2.	Removal of floating material between RD 6690m and RD 7970m of Trunk Drain No. 1	21.05.2010	27.02.2011
3.	Removal of floating material between RD 9370m and RD 10740m of Trunk Drain No. 1	21.05.2010	27.02.2011
4.	Removal of floating material between RD 12230m and RD 10740m of Trunk Drain No. 1	21.05.2010	27.02.2011
5.	Removal of floating material between RD 13387m and RD 12230m of Trunk Drain No. 1	22.05.2010	28.02.2011
6.	Removal of obstructions from the bed of Burari drain from RD 2280 m to RD 6038 m	06.03.2010	06.11.2010
Monsoon of 2011			
7.	De-silting of Bund Drain from RD 0m to RD 800m by deploying labour on contract and JCB Machine as per site conditions	09.02.2011	24.01.2012
8.	De-silting of Escape drains No. 1 from RD 345m to RD 2560m	14.02.2011	24.11.2011
9.	Removal of floating material between RD 6690m and RD 7970m of Trunk Drain No. 1.	15.03.2011	20.12.2011
10.	Removal of floating material between RD 10330m and RD 7970m (D/S of Arterial Highway Bridge to Pipe Line Bridge) of Trunk Drain No. 1	21.03.2011	31.12.2011
11.	De-silting of lined section of trunk drain no. 1 from RD 6350 m to RD 6690 m up to its designed section and maintenance of drain for a period of six months	13.05.2011	12.02.2012
12.	De-silting of R/S Channel of trunk drain no.1 from RD 5800 m to RD 6250 m up to its designed section and maintenance of drain for a period of six months	25.05.2011	24.02.2012
13.	De-silting of R/S Channel of trunk drain no.1 from RD 5260 m to RD 5800 m up to its designed section and maintenance of drain for a period of six months	26.05.2011	25.02.2012
14.	Removal of obstructions/floating materials from the reservoir of L.F. Bund store including disposal of removed obstruction/floating material by burying and maintenance of reservoir for a period of nine months	30.06.2011	04.04.2012
15.	Annual clearance and maintenance of drain along L.F. Bund (for a period of nine months) from RD 0 m to RD 900 m	30.06.2011	05.03.2012

Sl. No.	Name of work	Date of award	Date of completion
16.	Annual clearance and maintenance of drains along low level service roads along L.F. Bund for a period of 254 days from Rd 900 m to RD 3800 m.	25.07.2011	10.11.2012
17.	Removal of obstructions from the bed of Burari Creek drain between RD 6900 m and RD 8863 m	27.04.2011	15.07.2011
18.	Removal of obstruction such as old big broken trees, patera, un-hygienic deposits, bushes from the bed of drain no. 6 between RD 0 m and RD 14725 m	08.07.2011	22.07.2011
Monsoon of 2012			
19.	De-silting of TD no. I from RD 8600 m to RD 8950 m up to its designed section (right side only)	10.04.2012	14.07.2012
20.	De-silting of TD no. I from RD 7600 m to RD 7970 m up to its designed section (right side only)	17.04.2012	18.07.2012
21.	De-silting of TD no. I from RD 7200 m to RD 7600 m up to its designed section (right side only)	26.05.2012	21.08.2012
22.	Renovation of dumped material/malba from berm and floating material from flowing channel of TD no. I in b/w RD 6690 m and RD 5260 m and its maintenance of its drains for a period of six months	19.06.2012	24.02.2013
23.	Repair of existing RR boundary wall and removal of malba and garbage along R/B of TD no. I between RD 10330 m and RD 11270 m	22.06.2012	26.08.2012
24.	Removal of dumped material/malba from berms and floating material from flowing channel of TD no. I in B/W RD 6690 m and RD 8950 m and its maintenance for a period of six months	09.10.2012	13.04.2013
25.	Removal of obstructions from the bed of Burari Creek drain between RD 6900 m and RD 8863 m	29.05.2012	26.09.2012
26.	Removal of obstructions from bed of New Drain between RD 1800 m and RD 2100 m and RD 4875 m and RD 5400 m on left bank and RD 1800 m and RD 2800 m and RD 4475 m and RD 4975 m on right bank	08.06.2012	24.09.2012
Monsoon of 2013			
27.	Construction of berm and removal of obstruction of TD no. I between RD 11300 m and RD 13387 m	12.03.2013	16.07.2013

Annexure-2.4.3
(Referred to in paragraph 2.4.4.1 (iii); page 66)
Delay in activities of de-silting of drains in respect of PWD

Zone	Deficiencies
M1	In Zone M-1, in all the 24 packages, the prescribed timelines were not adhered to. In seven cases under Division M-113 (where roads were taken over from MCD), the status report of de-silting sent to the Principal Secretary, PWD and the E-in-C on 11 May 2012 did not even mention the details of the roads and their reaches, for which award of work was being finalized. Moreover, tenders were to be finalized in nine cases, even though more than half the period fixed for de-silting had already elapsed.
M-2	Status report of 22 May 2012 of Zone M-2, did not depict stipulated date of completion of de-silting even for a single road stretch, out of its 25 road stretches.
M-3	As per status report of 21 May 2012 of Zone M-3, all three divisions were to receive tenders on 24 May 2012 for de-silting of drains along roads taken over from MCD. No status report was furnished in respect of PWD roads.
M-4	Status report of 21 May 2012 for de-silting works under Zone M-4, showed that in four out of 14 cases, the stipulated date of completion of work was during the second week of June. In six cases, tenders were to be finalized, whereas, in four cases, stipulated date of completion was fixed between 18 and 25 October 2012 i.e. approximate time of monsoon withdrawal.

Annexure-2.4.4
(Referred to in paragraph 2.4.4.3; page 68)
New vulnerable locations emerged during the monsoon of 2013

Date	Locations
9.7.2013	Nukkad Faiz Bazar to K.G. Hospital, Delhi Gate to Rajghat Ansari cut, Roshnara 'T' point Metro Pillar, Purana Quila Road to C-Hexagon India Gate, Shalimar Bagh Under pass, Delhi Haat Road No. 41, Netaji Subhash Place Near Flyover, Deen Dayal Upadhayay Marg, Ram Charan Aggrawal chowk, Old Delhi Railway Station, East Barapula, Outer Ring Road, Sansad Vihar, Mangol Puri, Jail Road, Badli, Outer Ring Road Haiderpur, Mahipalpur towards Vasant Kunj near Mata Chowk, Mahipal Pur Chowk, Dhaula Kuan Loop, Ring Road, Bawana Chawk, Prahladpur Village, Bawana, Barwala Village, Pooth Khurd Village, Nigam Bodh Ghat 'U' Turn, Baba Kharg Singh Marg, Under Sarai Kale Khan flyover, Mathura Road, Aali 'T' Point to Khadar 'T' Point, Ring Road NH-24, NH-8 near landing point, Bhagwan Das Road – Mathura Road Xing, Siri Fort Road, Ring Road, Punjabi Bagh in front of Janamashtami Park, Sec. 6-7 Dwarka
20.7.2013	New Friends Colony red light, No. 1 Park Lane, B-3 Fortis Hospital, Nehru Place to Chirag Delhi, Ali Gaon, Jamia to Sukhdev Nagar, Hotel Janpath, Jama Masjid, R/A Teen Murti , South Avenue, R/A Rail Bhawan, Safdarjung Road, Satya Niketan Gurudwara to Moti Bagh chowk, K.N. Katju Marg, Laxmi Nagar to Preet Vihar, Shastri Park to Gandhi Nagar, Park Street, Laxmi Narayan Mandir Marg, Mandir Marg Complex, Dabri to Dwarka-Rajapuri, Karkadooma Metro Marg, Lodhi Road CGO Complex near Aman Hotel, Escort Hospital, Punjabi Bagh to Maya Puri, ESI Hospital, Girdhari Lal Chowk Dabri to Palam Fatak, Sarai Kale Khan to Rajghat, Najafgarh Road to Uttam Nagar, Round about Tilak Nagar, Vishnu Dutt Marg- Nangal Raya, Sagar Pur Bus Stand on Pankha Road, Uttam Nagar East Metro Station, Metro Pillar No 720 to 730, Kakrola More Light Signal
22.7.2013	Mandir Marg T- Point, Pahar Ganj Chowk, Maharani Bagh Ring Road, Nehru Nagar Bus Stand, Gupta Market
30.7.2013	R/A Jhandewalan, Raj Pur Road MCD Office, A- Point, Mori Gate, Iron Pul, G-Block Outer Circle Conn. Place, Bhavbhuti Marg, High Court to W Point, Sher Shah Suri Road, Madhuban Chowk to Preet Vihar, Sarita Vihar Flyover
5.08.2013	Pillar No. 308 in Front of NSG, Maa Anandmai Marg Container Depot, Under Savitri Flyover, Chowk, Britannia Flyover

Annexure-2.4.5
(Referred to in paragraph 2.4.4.4; page 69)
Delay in award of works

Sl. No.	Division	Name of work	Fault identified on	Date of award of work	Date of completion	Delay in award of work
Monsoon of 2010						
1.	West III	Improvement by de-silting of main line of Janak Puri	07.04.2010	20.09.2010	24.10.2010	166 days
2.	West III	De-silting of Uttam Nagar trunk sewer	06.05.2010	24.12.2010	21.03.2011	232 days
Monsoon of 2011						
3.	West III	Improvement of sewer system in Jwala Puri	04.06.2011	09.11.2012	10.03.2012	158 days
4.	West III	Improvement of sewer system by repairing manhole and de-silting	08.06.2011	30.07.2011	07.09.2011	52 days
5.	NE III	De-silting of sewer line in Shastri Park	12.06.2011	09.11.2011	03.01.2012	150 days
Monsoon of 2012						
6.	NE III	De-silting of sewer line in Seelampur	04.11.2011	27.04.2012	30.09.2012	175 days
7.	East II	De-silting of sewer line in Amar Kali	23.03.2012	06.06.2012	01.10.2012	75 days
8.	East II	Improvement of sewer system in Ward no. 229	18.04.2012	18.03.2013	23.04.2013	335 days
9.	North I	De-silting of sewer line in Malka Ganj	06.06.2012	25.07.2012	21.08.2012	49 days
10.	North I	De-silting of sewer in GT Road	08.06.2012	23.08.2012	11.10.2012	76 days
11.	North I	Removal of blockage in Ward no. 12	12.06.2012	17.08.2012	30.08.2012	66 days
12.	NE III	Improvement of sewer line in Gali no. 1-30	26.06.2012	25.08.2012	22.03.2013	60 days
13.	East II	Improvement of sewer system in Vivek Vihar	29.06.2012	21.09.2012	22.11.2012	84 days
14.	East II	Improvement of sewer system in AC 69 Hans Apartment	03.07.2012	08.10.2012	22.11.2012	97 days
15.	East II	Improvement of sewer system in AC 62	01.08.2012	01.10.2012	23.03.2013	61 days

Annexure-2.4.6
(Referred to in paragraph 2.4.5 (a); page 71)
Locations where repeated water logging was reported even after Action Taken/Assurance given

Location	Occurr-ences of water logging	Reasons	Action taken (As of 31 Jan 2013)	Water logging after 31 Jan 2013	Action taken (As of 16 July 2013)	Water logging after 16 July 2013
1	2	3	4	5	6	7
Ashram Chowk	6 July, 21 Aug. and 28 Aug. 2012	Choking of bell mouth	Bell mouths cleaned	5 Feb. and 9 July 2013	Bell mouths cleaned.	22 July, 30 July and 5 Aug. 2013
ITO/ Tilak bridge/ under IP flyover	6 July and 21 Aug. 2012	Slow drainage at outfalls, choking of drain, breakdown of pump	Pumps got repaired and drainage set right by cleaning and regrading of drain.	5 Feb. and 09 July 2013	Pumps got repaired and drainage set right by cleaning and regrading of drain.	20 July, 22 July, 30 July and 05 Aug. 2013
Dhaula Kuan under pass/ flyover	27 Aug. 2012	Due to plastic waste blockage of drainage	Immediate removal of plastic waste during rain	-	Immediate removal of plastic waste during rain and water pump to be installed*.	7 Aug. and 20 Aug. 2013
Adchini T point on Aurbindo Marg	6 July, , 21 Aug., 28 Aug. and 29 Aug. 2012	No proper drain	Drain has been constructed in road No 11.	9 July 2013	Drain work completed	20 July and 6 Aug. 2013
Aurobindo Marg both sides before Max hospital till Yusuf Sarai	27 Aug. and 29 Aug. 2012	Improper drainage system	Estimate is under process in division office	9 July 2013	New drain constructed by DMRC.	6 Aug. 2013
Shanti Van Chowk	6 July 2012	Low lying area and choking of bell mouth at Shanti Van light signal	Action being taken for permanent pumping system and bell mouths cleaned	-	Permanent pumping system being installed and bell mouths cleaned.	30 July and 6 Aug. 2013
DC office MB Road	28 Aug. and 29 Aug. 2012	Inadequate drainage system	Drain to be remodeled	5 Feb. 2013	Work is in progress. Short term measure taken.	7 Aug. 2013
Anuvrat Marg	28 Aug. and 29 Aug. 2012	No proper drain	Culvert work completed and is functional. There is likely to be no water logging	17 June 2013	Culvert work completed and is functional.	20 July and 7 Aug. 2013

RTR Road	27 Aug. and 29 Aug. 2012	Due to damaged bell mouth	Work in progress	5 Feb., 16 June and 9 July 2013	Work in progress.	20 July 2013
Olf palme Marg	27 Aug. 2012	Due to improper drainage system and due to choking of bell mouth	Construction of new culvert is under progress by flyover zone , PWD	9 July 2013	Short term measures to prevent water logging have been taken	7 Aug. 2013
Maa Anand Mai Marg	28 Aug. and 29 Aug. 2012	Damage of one manhole	Action is being taken for construction of one manhole and repair of drain	5 Feb. and 16 June 2013	Needful done	5 Aug. 2013
Chhata Rail	6 July, 27 Aug. and 28 Aug. 2012	Low lying area.	Action being taken for permanent pumping station	5 Feb., 17 June and 9 July 2013	Action being taken for permanent pumping station	6 Aug. 2013
Dhansa Stand	21 Aug. and 6 July 2012	Sewer cum storm water drain of nearby local colonies connected to SWD of main road	Roads in Najafgarh town area are low lying including Dhansa road. Many SWDs are under construction to drain out storm water.	5 Feb., 17 June and 9 July 2013,	Drainage work is in progress and is likely to be completed.**	20 July, 22 July and 6 Aug. 2013
Loni Road/ Loni Flyover	7 Aug. and 21 Aug. 2012	52 cusec drain is full of silt (not with PWD).	Men are at work and matter to be taken up with drain owning authorities	5 Feb 2013 and 16 June 2013	Labour kept standby. There is likely to be no water logging unless the water level of 52 cusec drain comes down.	20 July and 30 July 2013
Moti Bagh chowk/ Moti Bagh flyover	21 Aug. and 29 Aug. 2012	Bell mouth cleaning is required/ drain pipe blocked	Bell mouth cleaned/ to be taken up	5 Feb. and 17 June 2013	Pipe replaced and labour and pumps kept standby.	20 July, 30 July and 20 Aug. 2013
Jasola Road	-	Choking of bell mouths.	Bell mouths got cleaned	16 June 2013	Bell mouths got cleaned	20 July, 22 July, 30 July and 6 Aug. 2013

* Pumps stated to have been installed as per Monsoon Order 2013.

** PWD assured that there would be no water logging, though works were in progress.

Annexure-2.4.7
(Referred to in paragraph 2.4.5(b); page 71)
Locations where water logging was reported during rainfall

Date on which water logging was reported by Traffic Police	Water level at Old Railway Bridge reported by the IMD (in mts)	Quantum of rainfall as reported by the IMD (in mm) during 24 hours				Number of water logging points reported by Traffic Police
		Palam	Safdurjung	Dhansa	Delhi Rly Bridge	
06.07.12	202.35	34.00	40.10	9.60	62.40	73
21.08.12	203.22	1.40	28.40	10.20	7.30	70
27.08.12	204.28	37.80	43.10	18.40	11.60	23
28.08.12	204.70	29.00	59.50	5.80	8.40	41
29.08.12	204.70	19.90	14.40	4.20	0.00	33
22.07.13	204.48	9.40	1.30	0.00	1.00	17
05.08.13	203.09	0.70	11.00	0.00	0.00	13
06.08.13	203.42	38.20	13.50	24.40	6.30	27

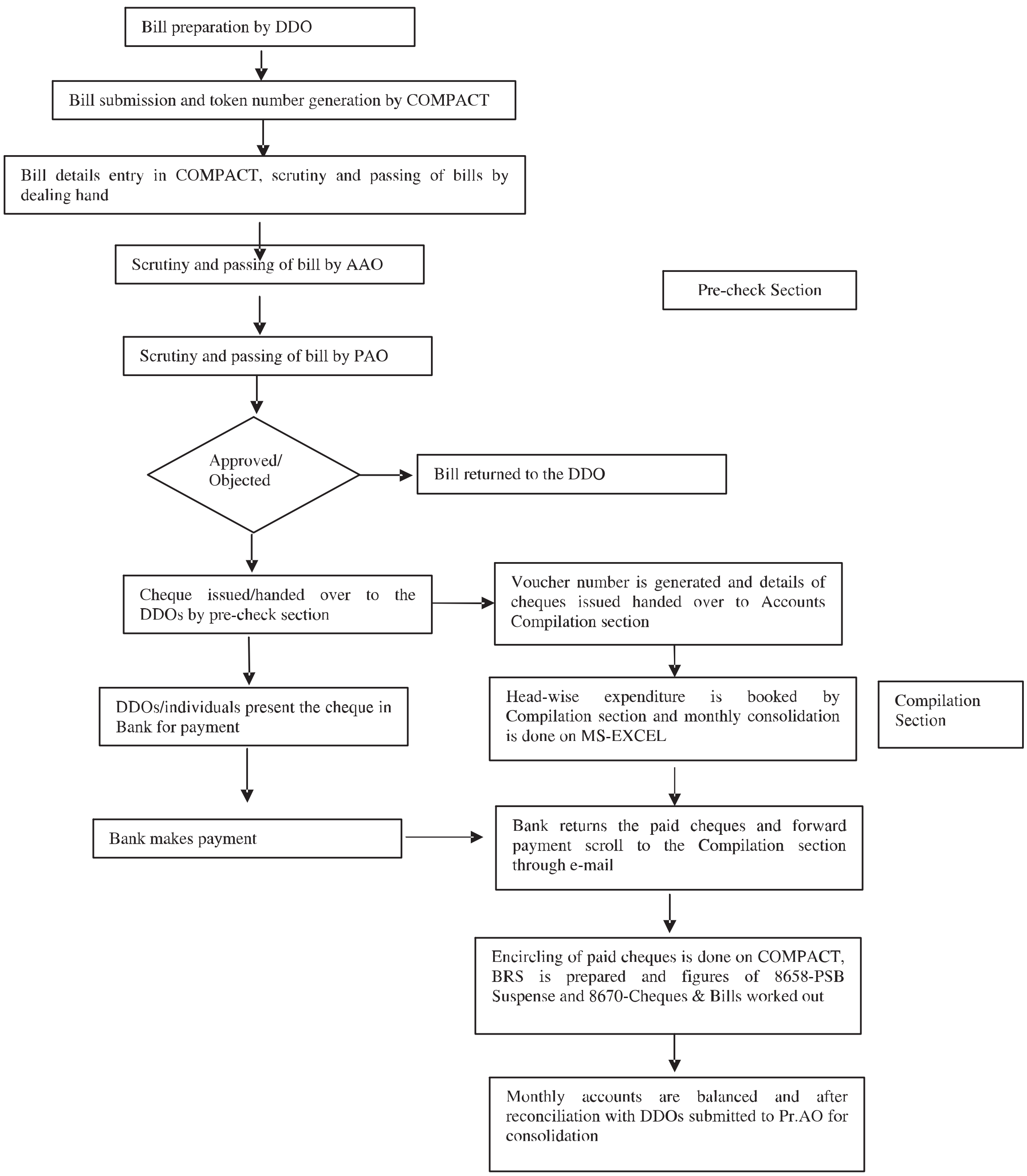
Annexure-2.4.8
(Referred to in paragraph 2.4.6 (v); page 73)
Details of delayed works for construction of boundary walls

Sl. No.	Name of Work	Award Value (₹)	Stipulated date of start & completion	Actual date of completion	Date of Foreclosed /stoppage of work with % of completion	Reasons for delay/foreclosed	Reply of Department
1	Demolition and reconstruction of boundary wall on the left bank of Najafgarh drain	65.87 lakh	10.05.2012 and 09.11.2012	—	March 2013, (51 *per cent*) at ₹ 47.71 lakh	Contractor stopped the work citing lack of site due to parking of cars and also non-availability of bricks in the open market.	Department replied that the contractor should have acquainted with site condition before tendering.
2.	Revamping of Najafgarh drain form Basaidarapur Bridge to its outfall into river Yamuna	208.31 lakh	February, 2008 and November 2008	—	October 2010 (65 *per cent*) ₹ 172.85 lakh.	Department could not hand over hindrance free site to the contractor	The Department accepted the facts.
3.	Construction of boundary wall on land boundary along left Bank of Najaf -garh drain	510.92 lakh.	June 2008 and June 2009	—	March 2010 after completing the demarcated 9 km (45 *per cent*) ₹ 258.59 lakh	The Department had written letters to Revenue Department for balance demarcation of land.	The Department accepted the facts.
4	Construction of stone masonry wall on both side of Burari Drain	100.81 lakh	April 2008 and August 2008.	—	53%, (₹ 53.01 lakh) 28.10.2009.	The work was stopped due to non-availability of demarcated site and work was foreclosed	The Department accepted the facts
5.	"Remodeling of Bawana Escape (seven works)	401.03 lakh for seven works of boundary walls	Start Jan 2003 to September, 2003 and Completion May 2003 to October 2004 for 6 works. May 2009 to August 2009 for one work	Two works completed in 2005-06 and one in 2009-10	Four works amounting to ₹ 149.67 lakh were foreclosed during 2005-06 to 2009-10.	Works were suspended by contractors	The Department stated (December 2013) that incomplete works were rescinded by the Department. These works are under arbitration at present.

Annexure-2.4.9
(Referred to in paragraph 2.4.10.2(b); page 76)
Locations where water logging was reported by Traffic Police but not depicted in the status report of PWD

Date	Location
09.07.2013	Aurbindo Marg, Sanjay 'T' Point, Chhata Rail, Dhansa Stand, Lawrence Road underpass, Mayapuri Chowk loop towards Lajwanti Chowk, In front of Wazirpur authority, Poorvi Marg to Rao Tula Ram Marg, Mahipalpur Chowk, Jhandu Singh Marg, ISBT, Road No 37, Road No 41, Azad Market chowk
06.08.2013	Dhansa Stand Najafgarh, Shanti Van Chowk, Chhata Rail, Harkesh Nagar, Aurbindo Marg Yusuf Sarai, Jasola Road No 13, Under Sarita Vihar flyover
07.08.2013	Olf Palme Marg Paschimi Marg, MB Road and 100 Foota Anuvrat Marg, DC office MB Road

Annexure-2.5.1
(Referred to in paragraph 2.5.6; page 81)
Work flow chart of bills processing and their accounting by PAOs



Annexure-2.5.2
(Referred to in paragraph 2.5.6; page 81)
Work flow chart of preparation of Appropriation and Finance Accounts

Manual entry by 23 PAOs of monthly accounts of actual receipts & expenditure into CONTACT software in Drives C and D of computer

Consolidation of PAOs monthly data by Pr.AO on CONTACT separately for Consolidated Fund of State and Public accounts & CFI and generation of progressive consolidated accounts

Uploading of text file of monthly/progressive data generated by CONTACT for Public accounts & CFI on e-lekha

Submission of monthly/progressive data of receipts & expenditure for Consolidated Fund of State to Planning & Finance Department in hard copy form

Quarterly reconciliation with the PAOs

Preparation of annual consolidated accounts and generation of Statement of Central Transactions (Minor head-wise) for Centre and State

Uploading of annual consolidated accounts for Public Accounts & CFI on e-lekha

Submission of annual consolidated accounts for Consolidated Fund of State to Planning & Finance Department in hard copy form

Preparation of Supplementary-I by PAOs after reconciliation with DDOs

Preparation of Supplementary-II/III by Pr.AO after carrying out corrections of mis-classification detected by cross-verification of manual records (DDG, Supplementary DDG etc.) with annual consolidated accounts data

Reconciliation of SCT (Central) with SCT of CGA available online and of SCT (State) with manual records and rounding off of figures of SCT (both central and state)

Preparation of Appropriation and Finance Accounts in the prescribed format on MS-EXCEL by manually feeding CONTACT data of actual receipts and expenditure and other data from manual records like DDG, Supplementary DDG, Re-appropriation and Surrender Orders etc.

Annexure-2.5.3
(Referred to in paragraph 2.5.7.1(b)(i) ; page 82)
PAO-wise position of bills passed by dealing hand, AAO and PAO within 5 minutes

Sl.No.	PAO	No. of cases
1.	PAO-IV	107
2.	PAO-VI	468
3.	PAO-IX	1564
4.	PAO-XV	621
5.	PAO-XXIII	314
	Total	**3074**

Annexure-2.5.4
(Referred to in paragraph 2.5.7.1(b)(i); page 83)
PAO-wise position of outstanding cheques as on 31 March 2013 which included dummy cheque numbers

(₹ in crore)

Sl. No.	PAO	No. of cheques with dummy cheque numbers	Amount
1.	PAO-IV	127	1.77
2.	PAO-XXIII	101	3.43
	Total	**228**	**5.20**

Annexure-2.5.5
(Referred to in paragraph 2.5.8.2; page 91)
List of variation/anomalies in booking of heads of accounts

Sl. No	Bill No.	Date	Token No.	DV No.	Amount	Head as per DDO	Head as per Sanction Order	Head booked by PAO in MS-Excel sheet
	PAO-XV					**(DDO Code: 032768)**		
1	CB/468	23.02.13	27988	23933	177913	2202 A.2(3)(2)(4)-Promotion of sports & games activities-Office Exp	2202 A.2(3)(2)(4)-Promotion of sports & games activities-Office Exp	2202 A.2(3)(1)(1)-NP-Promotion of sports
2	CB/486	07.03.13	27987	23932	122188	2202 A.2(3)(2)(4)-Promotion of sports & games activities-Office Exp	2202 A.2(3)(2)(4)-Promotion of sports & games activities-Office Exp	2202 A.2(3)(1)(1)-NP-Promotion of sports
3	CB/485A	07.03.13	29161	25020	126784	2202 A.2(3)(2)(4)-Promotion of sports & games activities-Office Exp	2202 A.2(3)(2)(4)-Promotion of sports & games activities-Office Exp	2202 A.2(3)(1)(1)-NP-Promotion of sports
	PAO-XIII					**(DDO Code: 032385)**		
4	394	NA	NA	NA	4532	2012 A.1(2)(8)(1) (9)-ASF-Medical Treatment Plan	2012 A.1(2)(8)(1) (9)-ASF-Medical Treatment Plan	2012 A.1(2)(8)(1) (9)-ASF-Medical Treatment Non-Plan

Annexure-3.1.1
(Referred to paragraph: 3.1.1; page 95)
Position of cooperative societies registered with the Department as on 31 March 2013

Type of Cooperative Society	Registered	Active	Non operational	Defunct	Liquidated	Under liquidation	Others inactive
Thrift and Credit	1294	1135	21	49	62	15	12
Consumer Store	568	335	46	27	131	5	24
Group Housing	1972	1250	207	206	89	66	154
House Building	133	105	6	9	5	1	7
Industrial	1191	785	93	162	100	4	47
Federation	24	23	0	0	1	0	0
Bank	19	16	0	0	2	1	0
New Multi purpose	175	82	19	23	45	1	5
package	182	91	24	23	42	1	1
Total	**5558**	**3822**	**416**	**499**	**477**	**94**	**250**

Position of Cooperative societies registered and active for last three years ending 31 March

Year	Total Registered	Active	Non-functional/Defunct/ liquidated/others
As on 31 March 2011	5487	3751	1736
As on 31 March 2012	5515	3779	1736
As on 31 March 2013	5558	3822	1736

Annexure-3.3.1
(Referred to in paragraph: 3.3; page 107)
Excess payment of ₹ 7.28 crore to Delhi Jal Board and expenditure incurred on installation of Water Harvesting System/Water Treatment Plant

Sl. No.	Name of Hospital	Date of Installation	Expenditure on Installation (₹ in crore)	Period of Excess payment	Amount of Excess payment (₹ in lakh)	Remarks
1	Chacha Nehru Bal Chikitsalaya	June, 2005	0.01	12.05.10 to 14.02.2013	10.27	The hospital has been requesting PWD Authorities for the required action to be taken by them. Now the matter is being pursued at the level of Chief Engineer of PWD.
2	Dr. Hedgewar Arogya Sansthan	2008-09	0.07	06.05.2010 to 31.03.2013	6.72	Ten *per cent* rebate on water bills is being availed since February 2013 and matter has been taken up with DJB to get additional rebate of five per cent.
3	Guru Gobind Singh Hospital	04.10.2011	0.71	08.03.2011 to 27.02.2013	13.61	The matter has been taken up with the DJB to provide rebate of 15 *per cent* on water bills.
4	Guru Teg Bahadur Hospital	2010, 31.07.2013 30.09.2013	0.25	08.04.2010 to 07.03.2013	379.33	The matter has been taken up with the DJB to provide rebate of 15 *per cent* on water bills.
5	Lok Nayak Hospital	15.09.2008 10.03.2010	1.13	14.04.2010 to 09.04.2013	280.06	After being pointed out by Audit, the hospital has taken up the matter with the DJB who has agreed to give the rebate of 15 *per cent* on the water bills.
6	Maharishi Balmiki Hospital	Data not available	0.07	06.05.2010 to 15.03.2013	20.05	Matter has been taken up with DJB to give rebate of 15 *per cent* but response awaited from DJB.
7	Super Speciality Hospital, Janakpuri	05.03.2007	0.37	27.05.2010 to 20.03.2013	18.00	The DJB has assured to give a rebate of 15 *per cent* on water bills after the adequacy report on Rain Water Harvesting and Sewage Treatment Plant Report has been submitted to them.
Total			**2.61**		**728.04 Or say ₹ 7.28 crore**	

Annexure-3.10.1
(Referred to in Paragraph 3.10.1; page 125)
Non - production of information and records (as on 21 February 2014)

(1) Urban Development Department, GNCTD			
Sl. No.	**Memo No.**	**Date**	**Record requisitioned**
1	24	10.5.2013	File regarding engagement of DSSDI and other related records.
2	31 & 44	27.5.2013 & 14.06.2013	LoPs containing observations of the Local Bodies, detail of pendency of LoPs with the Local Bodies. Number of LoPs sent to Local Bodies for approval after fixation of boundaries by GNCTD but not received from the Local Bodies till date.
3	61	01.8.2013	Files bearing Registration Nos. 1565, 1276C, 1470, 368, 643, 17-LoP, 77-ELD, 59-ELD and 1222 (Total 9 files).
4	8 (Suppl. Audit)	03..01.2014	Records relating to land status reports
5	10 (Suppl. Audit)	13.02.2014	Records relating to colonies on forest land and expenditure incurred on development work in these colonies
6	12 (Suppl. Audit)	18.02.2014	Records relating to complaints, RTI and meetings with revenue department
7	13 (Suppl. Audit)	21.02.2014	Records relating to unauthorized colony bearing registration number 53 (Sad Nagar, Delhi).
(2) Delhi Development Authority, INA, New Delhi			
1	DDA/UC/3	18.09.2013	Regarding Land Status Report in respect of 91 colonies.

Annexure-3.10.2

(Referred to in Paragraph 3.10.2; page 125)

Comparison of some of the deviations in the Guidelines approved by the Union Cabinet (2004 and February 2007) and Revised Guidelines approved by the MoUD (October 2007)

Guidelines approved by the Union Cabinet (2004 and February 2007)	Revised Guidelines 2007 approved by the MoUD (October 2007).	Difference between the two Guidelines.
Para 1.5 : In each colony it will be necessary to establish a Registered Resident Co-operative Society (henceforth called Resident Society) for coordination, preparation of layout & services plans, execution of development work and for liaison with the concerned local body/DDA in respect of various issues pertaining to the regularization process.	**Para 3.1:** The registration of Resident Society in each unauthorized colony to liaison with the concerned local body/DDA/GNCTD in various matters would be a pre condition for considering the case of regularization.	1) As per Guidelines approved by the Union Cabinet (2004 and February 2007), Cooperative Society is to be the representative body of the colony. As per Revised Guidelines 2007 approved by the MoUD (October 2007), Resident Society is to be representative body of the colony.
Para 2.1 (a) : The base map of Unauthorized Colony will be provided by the local body/DDA to the Resident Society who will fix up the boundary on the plan and also get prepared the lay out plan of the colony from the Registered Architect/Town Planner. The requirement of infrastructure services/community facilities will be assessed in consultation with the local body/DDA. The Resident Society would then undertake developmental works of services as per the approved services plan of the colony and on completion of	**Para 4.2** a) Determination and identification of boundaries of only those colonies which are eligible for regularization under these guidelines is required to be done by GNCTD. b) The Residents' Society will get the lay out plan of the colony as mentioned in Para 1.5 prepared from registered Architect/Town Planner within one month time on 1:1000 scale, based on a standard/uniform check-list annexed with these guidelines. The lay out plan will be submitted by the Residents' Society to the concerned local body/DDA. A copy of the lay out plan will also be sent by the Residents' Society to GNCTD simultaneously. c) Local Body or DDA as the case may be within two months from the time prescribed in Para	1) Para 2.1(a) and Para 3.2 of Guidelines approved by the Union Cabinet (2004 and February 2007) has been deleted and in lieu of which Para 4.2 has been added in Revised Guidelines 2007 approved by the MoUD (October 2007) resulting in following differences in the two Guidelines: 2) As per Guidelines approved by the Union Cabinet (2004 and February 2007), the base map of Unauthorized Colony will be provided by the local body/DDA to the Resident Society who will fix up the boundary on the plan and also get prepared the lay out plan of the colony from the Registered

the same would apply for regularization to the concerned local body/DDA.	(b) above will complete the scrutiny of the layout plan on the basis of general principles contained in these guidelines. d) GNCTD will finalize the boundaries of each identified colony within three months from the last date of submission of layout plan prescribed in Para (b) above. GNCTD will use satellite/aerial survey images of releva e local body concerned, the layout plan shall be forwarded to the concerned local body /DDA by the GNCTD for formal approval of the layout plan of the colony by the competent authority. e) The layout plan may be approved by the competent authority in the local body concerned within one month of receipt of layout plan after fixation of boundary by GNCTD. After that the local body shall refer the matter to the GNCTD for further necessary action for regularization of each colony. f) Simultaneously the local body will also refer the approved layout plan of each colony to the DDA for change in land use. g) Once approval is granted by GNCTD, pursuant to approval of layout plan by local body concerned, the colony shall qualify for consideration for regularization provided the requirements of payments have been made.	Architect/Town Planner. As per Revised Guidelines 2007 approved by the MoUD (October 2007), Resident Society will get the lay out plan of the colony prepared from registered Architect/Town Planner. The lay out plan will be submitted by the Residents' Society to the concerned local body/DDA and a copy will also be sent to GNCTD. 3) As per Guidelines approved by the Union Cabinet (2004 and February 2007), regularization was to be carried out by local body/DDA. As per Revised Guidelines 2007 approved by the MoUD (October 2007), Regularization was to be carried out by GNCTD 4) As per Guidelines approved by the Union Cabinet (2004 and February 2007), boundary was to be fixed by Resident Society. As per Revised Guidelines 2007 approved by the MoUD (October 2007) boundary was to be fixed by GNCTD
Para 3.2: The colony will be declared as regularized only after the execution of the infrastructure	h) Formal order of regularization may be issued by the GNCTD after change in land use is affected by the DDA with the approval of	

inally approved in July 2013 by the FCB. The work is still to be awarded (February 2014). Thus, a delayed decision by the FCB led to flooding of Tibetan Market during two heavy monsoons (2011 and 2013). The Department stated (March 2014) that the clearance fro

works as per approved services plan by the society.	competent authority and after ensuring that required payments have been made. **i)** The entire process of regularization of colony of GNCTD except change in land use is to be completed within six months and formal regularization after effecting change in land use within 9 months. In case the time limit prescribed above needs relaxation in respect of some colonies, the Lt. Governor, Delhi may relax the time limit on specific request of GNCTD.	5) As per Guidelines approved by the Union Cabinet (2004 and February 2007), formal regularization to be issued only after the execution of infrastructure works by local body/DDA. As per Revised Guidelines 2007 approved by the MoUD (October 2007), formal order of regularization can be issued after land use change by GNCTD.
Para 3.1: Execution of development work will commence only after the approval of service plan by the concerned agency & submission of the layout plans along with the processing fees etc. to the concerned local body/ DDA	**Para 5.4:** GNCTD may commence the development works and augmentation of infrastructure facilities in public interest in colonies/part of colonies soon after the receipt of layout plan as mentioned in Para 4.2 (b) if it is satisfied that these colonies or part there of fulfill the general principles contained in these guidelines	Para 3.1 of Guidelines approved by the Union Cabinet (2004 and February 2007) has been deleted and in lieu of which Para 5.4 has been added in Revised Guidelines 2007 approved by the MoUD (October 2007) resulting in following difference in the two Guidelines: 6) As per Guidelines approved by the Union Cabinet (2004 and February 2007), development work could only commence after the approval of service plan, submission of the layout plans along with the processing fees etc. to the concerned

		local body/ DDA. As per Revised Guidelines 2007 approved by the MoUD (October 2007), GNCTD can commence development work and augmentation of infrastructure after receipt of layout plans, if it is satisfied that a colony or part thereof fulfills the general provisions in the Guidelines.

Annexure-3.10.3
(Referred to in paragraph 3.10.6; page 132)
Physical status of development works done by Executing agencies, as on 31 March 2013

Sl. No.	Executing Agency	Colonies allocated out of 895	Number. of Colonies where work is completed	Percentage of colonies where the work is still to be completed
1	DSIIDC	403	261	35.24
2	I&FC	272	111	59.19
3	South DMC	85	18	78.82
4	North DMC	4	4	0
5	PWD	127	81	71.65
	Total	**891**	**475**	**46.68**
6	DJB			
	i. Water supply	895	698	28.22
	ii. Sewer Line	All un-sewered	98	89.05

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