

REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL
OF INDIA

No. 2

CIVIL

FOR THE YEAR ENDED 31 MARCH 2011

GOVERNMENT OF HARYANA



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PREFACE

1. This Report has been prepared for submission to the Governor of the State of Haryana under Article 151 of the Constitution of India.
2. Chapter-I of this Report covers auditee profiles, authority for audit, planning and conducting of audit and responses of the departments to draft paragraphs. Highlights of audit observations included in this Report have also been brought out in this chapter.
3. Chapter-2 deals with the findings of performance audit of Kurukshetra University, the Forest Department and District Jind. Chapter-3 covers audit of transactions in various departments, autonomous bodies, local bodies, etc. Chapter-4 includes comments on the functioning of the Animal Husbandry and Dairying Department.
4. Audit observations on matters arising from the examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2011 are presented separately.
5. The Report containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.
6. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts for the year 2010-11 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 2010-11 have also been included, wherever necessary.

CHAPTER 1

INTRODUCTION

CHAPTER-I

INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (CAG) relates to matters arising from performance audit of selected programmes and activities and compliance audit of Government departments and autonomous bodies.

Compliance audit refers to examination of the transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with. On the other hand, performance audit, besides conducting a compliance audit, also examines whether the objectives of the programme/activity/department are achieved economically and efficiently.

The primary purpose of the Report is to bring to the notice of the State Legislature, important results of audit. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take corrective actions as also to frame policies and directives that will lead to improved financial management of the organisations, thus contributing to better governance.

This chapter, in addition to explaining the planning and extent of audit, provides a synopsis of the significant deficiencies and achievements in implementation of selected schemes, significant audit observations made during the audit of transactions and follow-up on previous Audit Reports. Chapter-2 of this Report contains findings arising out of performance audit of selected programmes/activities/departments. Chapter-3 contains observations on audit of transactions in Government departments and autonomous bodies. Chapter-4 presents an assessment of the functioning of the Animal Husbandry and Dairying Department.

1.2 Auditee profiles

There are 56 departments in the State at the Secretariat level, headed by the Chief Secretary/Financial Commissioners and Principal Secretaries/Commissioners and Secretaries, who are assisted by Special Secretaries/ Additional Secretaries/ Directors and subordinate officers under them. Besides, there are local bodies, 49 autonomous bodies and 163 other autonomous bodies substantially funded by the Government, which are audited by the Principal Accountant General (Audit), Haryana on behalf of the CAG.

The comparative position of expenditure incurred by the Government during the year 2010-11 and in the preceding two years is given in **Table-1** below.

Table 1: Comparative position of expenditure

(₹ in crore)

Disbursement	2008-09			2009-10			2010-11		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Revenue Expenditure									
General Services	54.16	5,970.31	6,024.47	68.02	7,687.33	7,755.35	65.84	9,262.30	9,328.14
Social Services	2,662.19	4,596.54	7,258.73	4,014.59	5,887.63	9,902.22	4,329.69	6,574.39	10,904.08
Economic Services	1,201.56	5,834.19	7,035.75	1,632.16	5,897.75	7,529.91	1,855.98	6,140.75	7,996.73
Grants-in-aid and Contributions		215.78	215.78	-	69.91	69.91	-	81.24	81.24
Total	3,917.91	16,616.82	20,534.73	5,714.77	19,542.62	25,257.39	6,251.51	22,058.68	28,310.19
Capital Expenditure									
Capital Outlay	3,989.86	511.81	4,501.67	4,203.29	1,015.19	5,218.48	3,845.01	186.09	4,031.10
Loans and Advances Disbursed	20.44	311.87	332.31	615.76	213.93	829.69	538.50	183.37	721.87
Repayment of Public Debt		1,291.84	1,291.84	-	2,745.97	2,745.97		3,971.08	3,971.08
Contingency Fund		-	-	-	-	-		190.00	190.00
Public Account Disbursements		11,441.82	11,441.82	-	14,319.66	14,319.66		15,324.41	15,324.41
Total	4,010.30	13,557.34	17,567.64	4,819.05	18,294.25	23,113.80	4,383.51	19,854.95	24,238.46
Grand Total	7,928.21	30,174.16	38,102.37	10,533.82	37,837.37	48,371.19	10,635.02	41,913.63	52,548.65

1.3 Authority for audit

The authority for audit by the CAG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. CAG conducts audit of expenditure of the departments of the Government of Haryana under Section 13¹ of the CAG's (DPC) Act. CAG is the sole auditor in respect of 49 autonomous bodies which are audited under Sections 19(3)² and 20(1)³ of the CAG's (DPC) Act. In addition, CAG also conducts audit of 163 other autonomous bodies, which are substantially funded by the Government, under Section 14⁴ of the CAG's (DPC) Act. Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts issued by the CAG in 2007.

- 1 Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to the Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts.
- 2 Audit of the accounts of Corporations (not being Companies) established by or under law made by the State Legislature in accordance with the provisions of the respective legislations.
- 3 Audit of accounts of any body or authority on the request of the Governor, on such terms and conditions as may be agreed upon between the CAG and the Government
- 4 Audit of all receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grants or loans to such body or authority from the Consolidated fund of the State in a financial year is not less than ₹ one crore.

1.4 Planning and conduct of audit

The audit process starts with the assessment of risks faced by various departments of the Government, based on expenditure incurred, criticality/complexity of activities, the level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are requested to furnish replies to the audit findings within six weeks of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State of Haryana under Article 151 of the Constitution of India.

During 2010-11, 7,171 party-days⁵ were used to carry out transaction audit of 1,453 units and to conduct performance audit of two departments, one university and one district. The audit plan covered those units/entities which were vulnerable to significant risks as per our assessment.

1.5 Significant audit observations

In the last few years, Audit has reported on several significant deficiencies in the implementation of various programmes/activities through performance audits, as well as on the quality of internal controls in selected departments. Similarly, the deficiencies noticed during compliance audit of the Government departments/organisations were also reported upon.

1.5.1 Performance audits of programmes/activities/departments

The present Report contains four performance audits, the highlights of which are given in the following paragraphs:

1.5.1.1 Working of Kurukshetra University

The performance audit of the Kurukshetra University revealed that no long-term perspective Plan for development activities had been prepared by it. Its Planning Board was non-functional since September 2000. Right from its inception, the University did not prepare any balance sheet with the result that it had no knowledge of its total assets and liabilities. Its in-house software programme, developed for maintenance of accounts of receipts and payments was not foolproof and was prone to serious errors. Inadequate financial control led to non-

⁵ Autonomous Bodies and Local Bodies: party days :1,199 (Unit Audited:197), Inspection Civil: party days 3,318 (Unit Audited:972), Works/Forest: party days:1,279 (Unit Audited:245) and Commercial: party days: 1,375 (Unit Audited:39).

adjustment of temporary advances amounting to ₹ 5.89 crore given to employees during 1998-2011. The University could not utilise ₹ 20 crore out of ₹ 30 crore provided by the Government during March 2008 for enhancing the intake capacity of students. Out of 54 research projects, only 17 were completed during 2006-11. Shortage of teaching staff was 26 *per cent* for general courses and 61 *per cent* for self-financing courses, which affected the quality of education, leading to a decline in the percentage of successful students in various courses. There was inadequate space for classrooms, laboratories and the library in the University Institute of Engineering and Technology and overall shortage of hostel accommodation both for boys and girls in the University. Physical verification of assets, stores, library, etc. had not been carried out for long periods.

(Paragraph 2.1)

1.5.1.2 Working of the Forest Department

The Government of Haryana framed the Haryana State Forest Policy in 2006, which envisaged bringing 10 *per cent* of the State's area under forest and tree cover by 2010 and ultimately bringing it to 20 *per cent* in a phased manner. Performance audit of the department revealed that no long-term perspective Plan had been prepared to bring 10 *per cent* of the State's total geographical area under forest and tree cover by 2010 as per State's policy. In four divisions, a total amount of ₹ 5.56 crore was kept in bank accounts instead of remitting the same to the Compensatory Afforestation Management and Planning Authority. Against the due amount of ₹ 4.60 crore, only ₹ 2.61 crore was realized as compensation from forest land users. The survival of plantations under the Integrated Natural Resource Management and Poverty Reduction Project was very low. Proper planning for carrying out compensatory afforestation was not done, as a result of which, ₹ 109.18 crore realised in 12 test-checked divisions as compensation from users of forest land for non-forest purposes was not utilised. Contrary to provisions of the Forest (Conservation) Act, 1980 and the Wild Life (Protection) Act, 1972, 11 herbal parks were developed in reserved /protected forests and wild life sanctuary.

(Paragraph 2.2)

1.5.1.3 District Jind

A district-centric audit of Jind district was conducted to assess the status and impact of implementation of various socio-economic development activities there. Scrutiny revealed that the District Planning Committee had not prepared any Perspective Plan. The district was short of health centres, minimum infrastructure and doctors, as a result of which it was lagging behind in the achievement of targets of reducing the infant mortality rate, the birth rate and the death rate and increasing ante-natal care, institutional deliveries, etc. In the education sector, there was lack of monitoring of the execution of repair works of 777 schools and many schools had no science laboratories. A total of 851 out of 8,969 samples checked during 2006-11 contained bacteriological contamination. Sewerage facilities were not available in Julana town while a sewerage treatment plant was not provided in Safidon town. In Panchayati Raj institutions, there were deficiencies such as

delayed execution of works and leaving them incomplete, diversion of funds, irregular expenditure, non-maintenance of asset registers, lack of supervision, overpayments, etc. There were no solid waste treatment plants for Jind and Uchana towns. Deficiencies in the public distribution system such as non-detection of bogus ration cards, delays in distribution of food items to beneficiaries, lack of supervision, etc. were observed. There was shortage of police personnel and a rising trend in crimes in the district.

(Paragraph 2.3)

1.5.1.4 Functioning of the Animal Husbandry and Dairying Department

The main objectives of the Animal Husbandry and Dairying Department were to provide health care and breeding facilities for livestock to upgrade and conserve indigenous breeds; control quality of animal feed, milk and milk products and providing self-employment through dairying. Performance audit of the functioning of the department revealed that the targets for increasing the production of milk, eggs and wool were fixed in the Eleventh Five Year Plan, but targets were not set to increase the number of livestock. The department had performed well so far as the achievement of the targets of production of milk and eggs was concerned as the per capita availability of these products had increased. There was, however, a decrease in the number of livestock from 94.43 lakh in 2003 to 90.50 lakh in 2007 as per the livestock census of 2007.

Utilisation certificates of ₹ 35.20 crore were furnished to Government of India without obtaining details of expenditure for ₹ 20.47 crore from executing agencies. Incentive money amounting to ₹ 2.73 crore was paid in excess to beneficiaries under the Murrah Development Scheme. Artificial insemination services were outsourced by violating the norms of financial propriety. Against the target of establishing 1,100 dairy units, only 445 units were set up under the Hi-tech Commercial Dairy Scheme. No system was evolved to draw samples of milk and milk products of milk plants to check their quality. Monitoring by the department was not effective and there was no internal audit system in place.

(Paragraph 4.1)

1.5.2 Compliance audit of transactions

The Report highlights several significant deficiencies in critical areas which impacted the effective functioning of Government departments and organisations. These can be broadly categorised as:

- Non-compliance with rules.
- Propriety audit/unjustified expenditure.
- Failure of oversight/governance.

1.5.2.1 Non-compliance with rules

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the

competent authority. This not only prevents irregularities, misappropriation and frauds, but also helps in maintaining good financial discipline. This Report contains instances of non-compliance with rules involving ₹ 6.01 crore. Some significant audit findings are given below:

Embezzlement of ₹ 3,76,250 occurred in the District Red Cross Society, Karnal due to non-observance of the provisions of financial rules regarding receipts and deposit of service charges levied for issue of registration certificates of land records.

(Paragraph 3.1.1)

The Executive Engineer (EE), Construction Division No. 3, Irrigation Department, Kaithal, adopted an incorrect wholesale price index of steel which resulted in excess payment of ₹ 62.25 lakh to a contractor on account of an escalation clause. Irregular extension of time given to the contractor by the EE and the Superintending Engineer resulted in a loss of ₹ 5.35 crore.

(Paragraph 3.1.2)

1.5.2.2 Propriety audit/unjustified expenditure

Audit detected instances of impropriety and extra expenditure involving ₹ 11.55 crore, some of which are highlighted below:

The Executive Engineer, Nehrana Water Services Division, Sirsa spent ₹ 89 lakh in constructing 116 borewells to improve groundwater reserves which were later abandoned, rendering the entire expenditure wasteful.

(Paragraph 3.2.1)

Injudicious decision of the Executive Engineer, Provincial Division, Public Works Department (PWD), Buildings and Roads (B & R), Kaithal of making payment to an agency during the process of termination of a contract and non-recovery of mobilization advance as per terms and conditions of the agreement resulted in undue financial aid of ₹ 47.93 lakh to the contractor and non-recovery of ₹ 3.99 crore.

(Paragraph 3.2.2)

The Executive Engineer, Provincial Division No. 1, Gurgaon failed to provide a clear site for construction of an Industrial Training Institute building at Sohna which resulted in extra expenditure of ₹ 1.09 crore on retendering.

(Paragraph 3.2.3)

In Provincial Division, PWD (B & R), Charkhi Dadri, due to sub-standard execution of work, expenditure of ₹ 2.52 crore incurred on a damaged road became infructuous. Besides, avoidable expenditure of ₹ 30 lakh on repairs was incurred due to non-invoking of the defect maintenance liability clause of the agreement.

(Paragraph 3.2.4)

The Haryana State Agricultural Marketing Board started the construction of cold storages at Sonipat without finalisation of designs and drawings and detailed estimates which resulted in unfruitful expenditure of ₹1.72 crore as the construction had not been completed.

(Paragraph 3.2.5)

The Haryana Police Housing Corporation, constructed residential houses at the Police Station, Mohana at a cost of ₹ 56.26 lakh without providing basic amenities. The houses were lying unoccupied since January 2006, rendering the expenditure unfruitful.

(Paragraph 3.2.6)

1.5.2.3 Failure of oversight/governance

The Government has an obligation to improve the quality of life of the people towards fulfilment of certain goals in the areas of health, education, development and upgradation of infrastructure, public service, etc. Audit, however, noticed instances where funds released by Government for creating public assets for the benefit of the community aggregating ₹ 515.91 crore remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and lack of concerted action at various levels. A few such cases are mentioned below.

The Executive Engineer, Water Services Division, Dadupur constructed a ditch drain for carrying treated/untreated effluents of Yamunanagar and Jagadhri cities by spending ₹ 10.28 crore. The drain failed to sustain the discharge due to defective construction and effluents continued to be released in the Western Jamuna Canal which provided drinking water to the State and Delhi.

(Paragraph 3.3.1)

In Loharu Water Services Division, Charkhi Dadri, an irrigation channel constructed with high cost borrowing of ₹1.15 crore from the National Bank for Agriculture and Rural Development along with interest payment of ₹ 75.90 lakh thereon, was lying unutilised since its construction in September 2005.

(Paragraph 3.3.2)

Thirty four villages in three districts (Kaithal, Jhajjar and Mohindergarh) already being supplied potable water were selected for installation of water purification plants costing ₹ 4.21 crore.

(Paragraph 3.3.3)

The Executive Engineer, Public Health Engineering Division, Tosham constructed a sewerage scheme for Siwani Town by spending ₹ 2.99 crore but the scheme remained non-functional due to non-construction of a disposal point and non-providing of sewer connections to residents.

(Paragraph 3.3.4)

Due to non-finalisation of the list of eligible applicants, 2,072 dwelling units constructed by the Haryana Urban Development Authority at Panchkula by spending ₹ 62.01 crore were lying vacant for two years. In Ambala, the construction of 1,640 units could not be completed due to wrong site selection even after spending ₹ 55.49 crore.

(Paragraph 3.3.5)

Five District Food and Supply Controllers (Ambala, Kaithal, Karnal, Kurukshetra and Sirsa), failed to claim refund of bonus paid to farmers for the Kharif season of 2008 in time, resulting in loss of ₹ 2.04 crore to Government on account of interest.

(Paragraph 3.3.6)

The Haryana Building and Other Construction Workers Welfare Board failed to formulate and implement welfare schemes for the benefit of the workers, resulting in cess of ₹ 376.98 crore collected from the Government and Public Sector undertakings remaining unutilised.

(Paragraph 3.3.7)

1.6 Lack of responsiveness of Government to Audit

1.6.1 Outstanding inspection reports

After periodical inspections of Government departments, the Principal Accountant General (Audit) issues Inspections Reports (IRs) to the heads of the offices audited with copies to the next higher authorities. The executive authorities are expected to promptly rectify the defects and omissions pointed out and report compliance to the Principal Accountant General (Audit) within six weeks. Half-yearly reports of IRs pending for more than six months are also sent to the concerned Administrative Secretaries of departments to facilitate monitoring and compliance of the audit observations in the pending IRs.

A review of IRs issued up to March 2011 of various offices of the Education Department (Elementary, Secondary and Higher Education) disclosed that 6,189 paragraphs of 2,267 IRs with money value of ₹ 278.91 crore (**Appendix 1.1**) remained outstanding as on 30 June 2011. Of these, 1,581 paragraphs involving 805 IRs were more than five years old. Category-wise details of irregularities pointed out through these IRs which had not been settled as of 30 June 2011 are indicated in **Appendix 1.2**.

The Administrative Secretary of the department, who was informed of the position through half-yearly reports, failed to ensure prompt and timely action on the audit observations. The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Elementary, Secondary and Higher Education in March 2011.

1.6.2 *Response of departments to draft paragraphs*

Draft paragraphs/performance audit reports pertaining to the year 2010-11 were forwarded demi-officially to the Principal Secretaries/Secretaries of the concerned departments between June and September 2011 with the request to send their responses within six weeks. Departmental replies for one out of four performance audit reports and one out of 15 paragraphs included in this Report have been received. The replies, wherever received, have been suitably incorporated in the Report.

1.6.3 *Follow-up on Audit Reports*

According to the instructions issued (October 1995) by the Finance Department and reiterated in March 1997 and July 2001, the administrative departments were required to initiate *suo moto* positive and concrete action on all audit paragraphs and performance audits featuring in the Comptroller and Auditor General's Audit Reports (ARs), regardless of whether the cases had been taken up for examination by the Public Accounts Committee or not. The administrative departments were also required 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 Legislature.

A review of the position regarding receipt of Action Taken Notes (ATNs) on the paragraphs included in the ARs up to the period ended 31 March 2010 revealed that out of 74 paragraphs and performance audits of 24 administrative departments included in the ARs for the period 2006-07, 2007-08, 2008-09 and 2009-10 were presented⁶ to the State Legislature, ATNs on 67 paragraphs and performance audit reports in the case of 23 administrative departments were not submitted as per details given in *Appendix 1.3*. The administrative departments, viz Public Works (Buildings and Roads Branch), Irrigation, Public Health, Education, Finance and Home (Police and Jail) had not submitted ATNs in respect of 30 out of 67 paragraphs/performance audit reports. Six administrative departments, out of those which had submitted the ATNs, had not taken any action to recover a total amount of ₹ 207.27 crore in respect of 10 paragraphs and performance audits as per details given in *Appendix 1.4*. Further, the response of the administrative departments towards the recommendations of the Public Accounts Committee was not encouraging as 354 recommendations relating to Audit Reports 1970-71 to 2005-06 were still awaiting final action by the concerned administrative departments as per details given in *Appendix 1.5*.

6 Audit Report 2006-07: March 2008, Audit Report 2007-08: February 2009 and Audit Report 2008-09: March 2010

CHAPTER 2

PERFORMANCE AUDIT

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CHAPTER 2

PERFORMANCE AUDIT

Higher Education Department

2.1 Working of Kurukshetra University

Highlights

The Kurukshetra University was established in 1956 for the encouragement of higher education and research, especially in Sanskrit, Prakrit and modern Indian languages. Subsequently, in 1986, the University was upgraded with jurisdiction of 11 districts of the State. A performance audit of the University brought out deficiencies in planning, budget formulation, financial management, maintenance of accounts, etc. Low rate of success of students in a few courses was due to shortage of teaching and non-teaching staff. Progress of research projects and submission of theses by research scholars was not up to the mark. There was inadequate infrastructure for classrooms, laboratories and a library in the University Institute of Engineering and Technology and hostel accommodation, both for boys and girls.

A long term Perspective Plan for developmental activities was not prepared. The Academic Planning Board remained non-functional for the last 11 years.

(Paragraph 2.1.6.1)

Budget projections were not realistic and could not be achieved. The rate of increase in the salary expenditure was much more than the rate of increase in the internal receipts of the University, which could erode the financial base of the University.

(Paragraph 2.1.7)

The University, right from its inception, did not prepare any balance sheet, with the result that its total assets and liabilities were not known to it. Further, an in-house software programme developed for maintenance of accounts of receipts and payments was not foolproof and was prone to serious errors.

(Paragraphs 2.1.7.2 and 2.1.7.3)

Youth welfare and cultural fees amounting to ₹ 66.74 lakh were outstanding against 94 affiliated colleges.

(Paragraph 2.1.7.6)

Inadequate financial control led to non-adjustment of temporary advances amounting to ₹ 5.89 crore given to employees during 1998-2011.

(Paragraph 2.1.7.8)

Due to lack of planning and slackness, ₹ 20 crore out of ₹ 30 crore provided by the Government for enhancing the intake capacity of students could not be utilised.

(Paragraph 2.1.8.7)

Out of 54 research projects, only 17 projects were completed during 2006-11. Out of 117 registered research scholars for Ph.D, only 28 research scholars submitted their theses within the prescribed period.

(Paragraphs 2.1.9.1 and 2.1.9.2)

The shortages of teaching staff were 26 per cent for general courses and 61 per cent for self-financing courses, which affected the quality of education, leading to a decline in the percentage of successful students in various courses.

(Paragraph 2.1.10.1)

There was inadequate space for classrooms, laboratories and a library in the University Institute of Engineering and Technology and an overall shortage of hostel accommodation, both for boys and girls.

(Paragraphs 2.1.11.2 and 2.1.11.3)

Physical verification of assets, stores, library, etc. was not carried out for long periods.

(Paragraph 2.1.12.5)

2.1.1. Introduction

The Kurukshetra University was established as a unitary¹ type of University in 1956 for the encouragement of higher education and research, especially in Sanskrit, Prakrit and modern Indian languages. The Government upgraded the University as a teaching-cum-affiliating University vide the Kurukshetra University Act, 1986 in December, 1986, with jurisdiction of 11² districts of the State.

As of 31 March 2011, 434 colleges were affiliated to the University. It has Ph.D as well as 46 post-graduate (PG) teaching departments and institutes offering 130 courses, besides 23 non-teaching departments. The Directorate of Distance Education provides distance education in various courses. The objectives and activities of the University are:

- to hold examinations and grant such degrees, diplomas and other academic distinctions as may be laid down in its Statutes, Ordinances or Regulations;
- to confer honorary degrees or other distinctions on approved persons;

¹ University without affiliated colleges.

² Ambala, Kurukshetra, Karnal, Kaithal, Panipat, Panchkula, Sirsa, Fatehabad, Jind, Hisar and Yamunanagar.

- to co-operate with educational and other institutions in India and abroad having objectives similar to those of the University;
- to make special arrangements for the education of women and students belonging to weaker sections of society and
- to provide for research and instruction in such branches of learning as it may think fit.

The University got Grade 'A' accreditation by the National Assessment and Accreditation Council (NAAC), Bangalore in 2009. Further, the University had acquired a unique place of being the only University in the country to honour the outstanding Indian scientists through Goyal Prizes³. Fifty one eminent scientists had been honoured with Goyal prizes.

2.1.2. Organisational set-up

The Governor of the State is the Chancellor of the University. The Vice-Chancellor is the principal executive and academic officer who exercises control over the affairs of the University. He is assisted by a Registrar, a Finance Officer, 15 Deans, 45 Directors of Departments/institutes, two Controllers of Examinations and two Chief Wardens. The authorities of the University are (i) the Court (ii) the Executive Council (iii) the Academic Council (iv) the Finance Committee (v) the Faculties (vi) the Academic Planning Board and (vii) such other authorities as may be declared by the Statutes.

2.1.3. Audit objectives

The objectives of the performance audit were to assess whether:

- there was proper planning of the various activities of the University;
- the financial management, mobilization and utilisation of resources was efficient and effective;
- the academic activities/programmes were efficiently managed in accordance with the prescribed norms.
- the human resources and infrastructure were adequate and as per norms to improve the quality of education;
- the estate management and support services were adequate, efficient and effective; and
- the monitoring mechanism was in place and effective.

³ Goyal Prizes are instituted to honour Indian scientists who are engaged in advanced research in basic and applied sciences, chemistry, life sciences and physics.

2.1.4. Audit criteria

For the performance audit, the following audit criteria were adopted:

- Norms fixed by the Academic Council.
- Norms prescribed by the funding agencies.
- Norms and targets of research works.
- Orders of the University Grant Commission (UGC), minutes of the Executive Council, Academic Council and Finance Committee meetings, the Kurukshetra University Act and Statutes-1986 and the All India Council for Technical Education (AICTE) Handbook.
- Punjab Budget Manual, Punjab Financial Rules and the Public Works Department Code as applicable to the University.
- Calendar of Kurukshetra University and the University Accounts Code.
- Annual Reports of Kurukshetra University and Annual Audit Reports of the Director, Local Fund Audit.
- Procurement system evolved by the University.

2.1.5. Scope of audit and methodology

Audit of the University is conducted under Section 14 (2) of the Comptroller and Auditor General's (Duties, Power and Conditions of Service) Act, 1971. Out of 69 departments (46 teaching and 23 non-teaching), 13⁴ teaching departments and nine⁵ non-teaching departments along with the Directorate of Distance Education and the University College were selected for test check. These departments were selected by adopting the probability proportional to size without replacement method. The performance audit covered the period from 2006-11. Entry conferences were held with the Vice-Chancellor of the University in April 2011 and with the Financial Commissioner and Principal Secretary to the Government of Haryana (FCPS), Higher Education in May 2011, wherein audit objectives, audit criteria and the scope of audit were discussed. The FCPS's suggestions to look into the research activities and obtain feedback of students regarding quality of education, hostel facilities, etc. were also kept in view during the performance audit. An exit conference was held in July 2011 with the FCPS, Higher Education and Vice-Chancellor of the University to discuss the audit findings. Responses of

⁴ Political Science, Psychology, Home Science, Commerce, Electronics Science, Computer Science and Application, Physics, Chemistry, University Institute of Engineering and Technology, Institute of Law, Institute of Mass Communication and Media Technology, University School of Management, Institute of Pharmaceutical Science

⁵ General Administration, University Printing Press, Library, Computer Centre, Construction, Electricity, Sanitation, Hostels and Examination Branch

the FCPS, Higher Education and Vice-Chancellor of the University were taken into consideration while finalising the performance audit report.

Audit findings

2.1.6. Planning Process

2.1.6.1 Non-formulation of Perspective Plan

Long term Perspective Plan was not prepared.

The University should have prepared a long-term Perspective Plan outlining the year-wise developmental activities to be carried out by it.

The Registrar of the University assured (August 2011) that a five-year Perspective Plan would be formulated and a vision document for proper implementation of the programmes and activities would also be prepared.

The Academic Planning Board was non-functional since September 2000.

Section 13 of the Kurukshetra University Act, 1986 provided that the University would constitute an Academic Planning Board. The Board was to advise on planning and development of the University, particularly in respect of the standards of education and research. However, it was observed that the last nominations for the Academic Planning Board were made in December, 1998 for two years and the last meeting of the Board was held in September, 2000 and thereafter the Academic Planning Board was non-functional. The Registrar of the University stated (August 2011) that the Chancellor was being requested to nominate seven members of the Board as per Statutes.

2.1.7. Financial management

The University is financed through grants (Plan and Non-Plan) from the State Government, UGC and other Central Government Organizations like AICTE, Council for Scientific and Industrial Research (CSIR), Indian Council of Historical Research (ICHR), Department of Science and Technology (DST), etc. The University also generates its own income by way of fees and fines from the students, sale of publications and study material, lease rent, etc. The details of income and expenditure for the period 2006-11 are given below in Table-1:

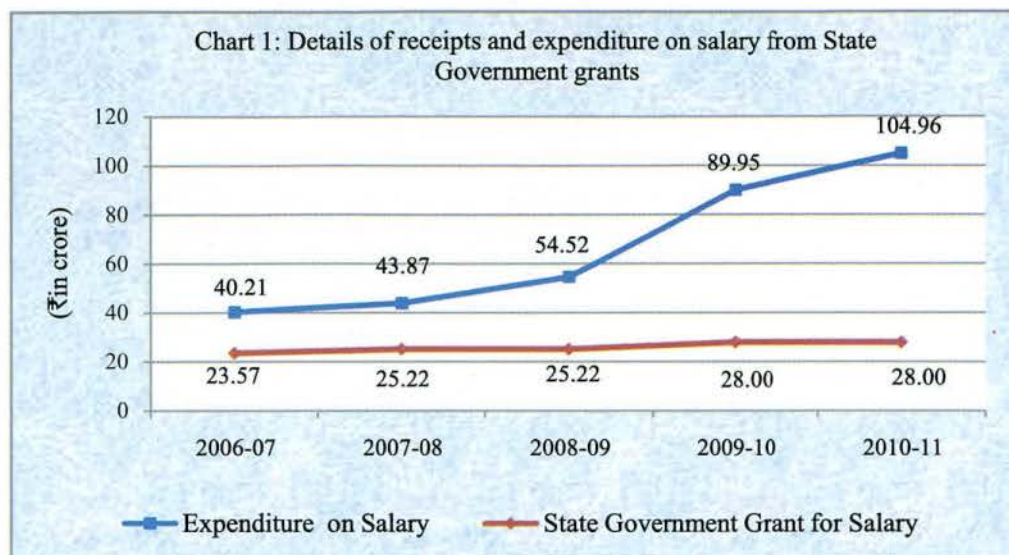
Table 1: Statement showing details of receipts and expenditure

Year	(₹ in crore)			
	Opening balance	Income	Expenditure	Closing balance
2006-07	53.07	114.55	110.30	57.32
2007-08	57.32	170.23	129.41	98.14
2008-09	98.14	159.80	154.75	103.19
2009-10	103.19	193.97	197.72	99.44
2010-11	99.44	194.70	227.29	66.85

Source: Income and expenditure account of the University.

Note: Figures for 2010-11 are tentative.

The Government provides grants under Non-Plan for salaries. It was observed that the Government had not been releasing funds for this purpose as per the University requirement. The salary expenditure was much higher than the grants released by the Government, as depicted in the following chart.



The Government was not releasing adequate funds to the University for salaries.

It would be seen from the above chart that grants from the Government had increased from ₹ 23.57 crore in 2006-07 to only ₹ 28 crore in 2010-11, whereas the expenditure on salaries had increased from ₹ 40.21 crore to ₹ 104.96 crore during this period. The deficit was met by the University from the income from Distance Education and courses under self-financing schemes. The University could not create adequate infrastructure for laboratories, libraries, computer facilities, hostel accommodation, etc. (refer paragraph 2.1.11.3 and 2.1.12.4) which would have otherwise been created out of the income from the Distance Education programme and the self-financing scheme.

Further, the income from internal receipts rose from ₹ 36.91 crore in 2006-07 to ₹ 70.70 crore in 2010-11 (92 per cent) while the expenditure on salaries increased from ₹ 40.21 crore to ₹ 104.96 crore (161 per cent) during this period.

The Registrar of the University replied (August 2011) that the Government was requested to provide grant-in-aid of ₹ 94.44 crore on account of pay revision with effect from January 2006 but it had not acceded to the request.

2.1.7.1 Preparation of budget estimates of receipts and expenditure

Budgets set the annual financial agenda and are the most important tools for ensuring financial discipline. It is, therefore, imperative that their preparation is marked by due care and diligence. Monitoring the progress of expenditure against well-formulated budget targets is an important management oversight function. Poor budgetary control not only results in inefficient use of scarce financial resources but also hampers achievement of the objectives of an organisation.

Details of budget estimates, actual receipts and expenditure during the period 2006-11 are given below in Table-2:

Table 2: Details of budget estimates of receipts and expenditure

(₹ in crore)

Year	Receipts			Expenditure		
	Budget Estimate	Revised Estimate	Actuals	Budget Estimate	Revised Estimate	Actuals
2006-07	126.58	165.16	114.55	123.38	124.05	110.30
2007-08	149.99	183.73	170.23	162.78	152.75	129.41
2008-09	158.64	246.27	159.80	176.69	197.72	154.75
2009-10	204.11	215.02	193.97	200.17	238.87	197.72
2010-11	193.04	214.16	194.70	235.97	230.56	227.29

Source: Budgets and Income and Expenditure Accounts of the University.

As is evident from the table, there were variations between the revised estimates and actual receipts. The University had not analysed reasons for shortfall in realisation of receipts, although there were substantial shortfalls during the years 2006-07 and 2008-09.

The Registrar of the University stated (August 2011) that estimates were prepared on the basis of information received from departments, but the actual realisation was much less than budget projections. Thus, the departments had prepared unrealistic estimates.

2.1.7.2 *Compilation of annual accounts*

Section 26(1) of the Kurukshetra University Act 1986 provides that the University should prepare Annual Accounts and Balance Sheets under the directions of the Executive Council every year.

It was observed that the University was preparing only Income and Expenditure Accounts but was not preparing Balance Sheets. In the absence of Balance Sheets, the state of affairs i.e. assets, liabilities, loans and advances, cumulative excess of income over expenditure or vice-versa could not be ascertained.

The Registrar of the University stated (August 2011) that prior to April 2009, it was exempted from preparing Balance Sheets and that Balance Sheets for the years 2009-10 and 2010-11 were under finalisation. The reply regarding exemption from preparing Balance Sheets is not sustainable because the Director, Higher Education was not competent to give exemption from preparing Balance Sheets as the requirement was provided for in the Kurukshetra University Act. Only the legislature was competent to give exemption through amendment of the Act.

2.1.7.3 *Cash books*

As per provision of Rule 2.2 of the Punjab Financial Rules as adopted by the State of Haryana, all money transactions should be entered in a cash book as soon as they occur and should be attested by the head of the office in token of check. At the end of each month, the head of the office should verify the cash balance in the cash book and record a signed and dated certificate to that effect.

There were variations between estimates and actual receipts.

The University was not preparing Balance Sheets though required under the Kurukshetra University Act, 1986.

Maintenance of accounts of receipts and payments was not foolproof and prone to serious financial irregularities.

2.1.8.6 Non-creation of 'Maintenance Funds' for technical education

Maintenance Funds for technical education were not created as envisaged in TEQIP.

Under the World Bank sponsored Technical Education Quality Improvement Programme (TEQIP), the University received (2003-08) ₹ 8.20 crore to improve the quality of technical education and enhance its existing capacities. An amount of ₹ 7.74 crore was spent for the purpose, ₹ 3.47 lakh was refunded to GOI and the balance amount of ₹ 43.39 lakh was lying with the University.

Paragraph 3.4.1 of TEQIP laid down that institutions covered under TEQIP would be funded by the State Government through block grants which would be in addition to the normal Plan funds. The institutions were to establish Corpus Funds, Staff Development Funds, Depreciation/Renewal Funds (for equipment replacement) and Maintenance Funds (for maintenance of equipment and buildings) out of the block grants. It was observed that these funds were not created by the University for long-term maintenance of quality technical education. Scrutiny of the records further revealed that neither had the University submitted any proposal to the Government for creation of these Funds nor had the Government released any block grants for the purpose. The Registrar of the University replied (August 2011) that the Institute of Instrumentation Engineering (IIE) had initiated the process of getting the block grants from the Government.

2.1.8.7 Under-utilisation of earmarked funds

Out of a grant of ₹ 30 crore provided for enhancing capacity, only ₹ 10.34 crore was spent.

The Commissioner and Secretary to the Government of Haryana, Higher Education Department released (March 2008) a special grant of ₹ 30 crore for enhancing intake capacity, equipment, laboratories, etc. of different courses. However, even after three years, funds amounting to ₹ 19.66 crore were lying unutilised (*Appendix 2.2*). There was slackness and lack of planning on the part of the University for execution of works and purchase of equipment. It was observed that the intake capacity of courses was increased without providing adequate infrastructure such as equipments, laboratories, etc. Scrutiny of records of test-checked departments revealed that the earmarked funds were diverted as detailed below:

- The Chemistry Department spent ₹ 37.32 lakh on purchases of consumable items like chemicals, filter papers, glassware, etc.
- The Electronic Science Department spent ₹ 7.93 lakh on purchase of a sofa set, chairs for rooms of faculty members, payment of remuneration for teaching, travelling allowance/daily allowance of guest faculty, etc.

The Registrar of the University replied (August 2011) that the process of procurement of equipments, etc. was lengthy, involving calling of tenders/quotations, holding negotiations, arranging for imports, etc. and the Government had been approached to extend the time to utilise the unspent balances. It was further stated that the Chemistry and Electronics Science departments would be advised to incur expenditure on items for which the funds were provided.

2.1.9. Research activities

The Government, national and international agencies sponsor research projects in the University and provide necessary financial support for successful completion of the projects.

2.1.9.1 Government sponsored and UGC sponsored research projects

The details of 32 Government sponsored research projects undertaken, completed and in progress are indicated below in Table 8:

Table 8: Showing the position of research projects

Year	Number of projects undertaken	Project cost (₹ in lakh)	No of projects completed	Cost of projects completed (₹ in lakh)	Cost of pending projects (₹ in lakh)
2006-07	4	44.09	3	32.88	11.21
2007-08	5	45.04	5	45.04	-
2008-09	12	170.58	4	9.10	161.48
2009-10	8	244.36	-	-	244.36
2010-11	3	315.24	-	-	315.24
Total	32	819.31	12	87.02	732.29

Source: Data obtained from various departments.

As may be seen from the above table, out of 32 Government sponsored projects, only 12 were completed. Five of these projects were completed after delays of one to 16 months.

Similarly, 22 UGC sponsored research projects involving an expenditure of ₹ 1.37 crore were undertaken during 2006-11. Out of these, 14 projects were due for completion but only five projects were completed by June 2011. Three of these were completed after a delay of six to 14 months.

The Registrar of the University replied (August 2011) that most of the projects had been completed by the due date but the submission of utilisation certificates was pending, which would be done shortly.

2.1.9.2 Delay in submission of theses

As per the ordinance regarding the Doctorate of Philosophy of the University, the normal duration of a Ph.D is four years for full time research scholars (RS) and five years for part-time scholars. The position of submission of theses in the test-checked departments was as under:

Table 9: Showing the submission of theses

Name of department	Number of RS registered	Number of RS submitted theses within stipulated period	Number of RS submitted theses after stipulated period		Number of RS registration was cancelled	Percentage of RS submitted theses with in stipulated period
			Submitted	Still to be submitted		
Political Science	6	4	2	Nil	Nil	66
Psychology	17	8	9	Nil	Nil	47
Electronic Science	13	7	6	Nil	Nil	54
Commerce	31	Nil	9	21	1	Nil
Management	50	9	21	10	10	18
Total	117	28	47	31	11	23

Source: Data obtained from concerned departments.

Out of 32 Government sponsored research projects, only 12 were completed during 2006-11.

colleges at BPS Mahila Vishwavidyalaya, Khanpur and Guru Jhambheshwar University, Hisar had been established in the State.

2.1.10.5 Imparting of computer training

One of the functions of the University Computer Centre was to impart computer training to the University staff. In two years, the Centre conducted only five training programmes, each of one week duration between September and December 2010 for 96 members. Only 30 members attended the programme and that too, with one to five days' attendance. No action was taken by the University against those who did not attend the training. This indicated that there was a casual approach towards computer training. As a result of this, majority of the staff remained untrained in computer applications. The Registrar of the University stated (August 2011) that the attendance record of the trainees was sent to Establishment Branch for necessary action. Audit observed that due to lack of any Action Plan, the objective of imparting computer training remained unachieved.

Estate management and supporting services

2.1.11.1 Non-maintenance of records of assets

The Estate Wing, headed by the Estate Officer, is responsible for the upkeep/control of the University properties. The University is spread over 400 acres of land and owns 506 acres of agricultural land which is given on lease basis through open auction for agricultural purposes. The University also has 55 shops in the University Market Complex, 10 shops in the Girls Hostel Complex and 14 canteens and tea booths. For effective estate management, the wing was required to maintain a database regarding ownership of land/assets, lease of land, collection of rentals, etc.

Scrutiny of records revealed that the University was not maintaining consolidated asset records. Different branches were dealing with different kinds of assets i.e. the Estate Office Branch was dealing with the agricultural land, the General Branch was dealing with allotment of houses and shops and the Construction Branch was dealing with building records. None of these had knowledge of the actual valuation of the assets. As a result of this, the quantum of fixed assets, current assets, etc. was not ascertainable.

The Registrar of the University replied (August 2011) that appropriate initiatives would be taken to consolidate the record of assets.

2.1.11.2 Inadequacy of infrastructure in Instructional area

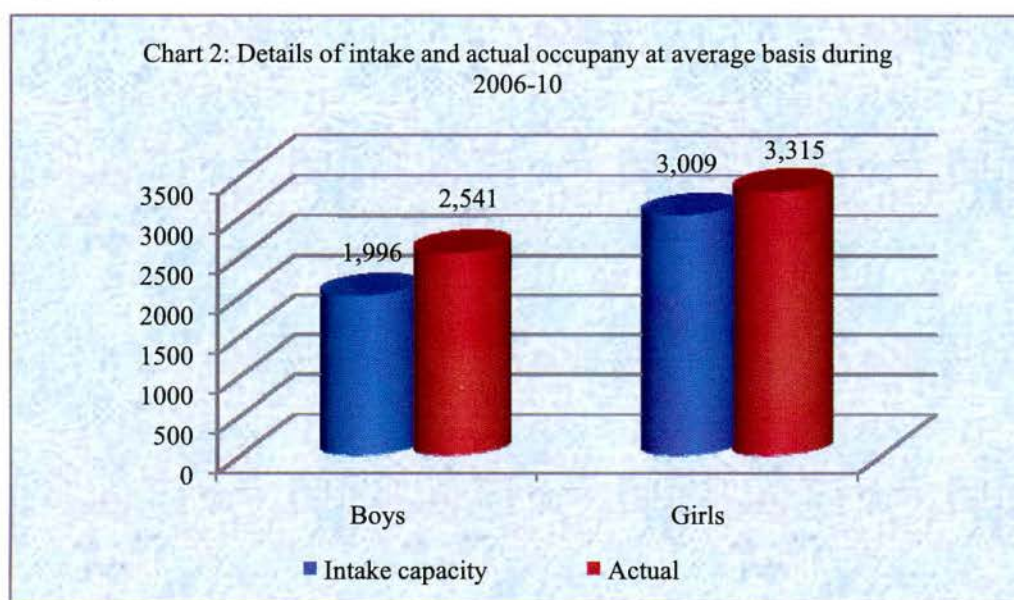
As per AICTE norms, the sizes of instructional areas for classrooms, laboratories/workshops and libraries/reading rooms should be 66, 200 and 400 sq m respectively.

It was observed that in UIET, the actual sizes of classrooms, laboratories and the library/reading room were 57.01, 57.81 and 184.32 sq m respectively. Thus, the students were forced to work in a congested environment.

The Registrar of the University replied (August 2011) that the norms of AICTE came into force in UIET in the year 2010 and the construction of its building had been planned in the year 2003. The reply is not acceptable as the AICTE Act came into force in 1987 and the sizes of classrooms, laboratories/workshops, etc. should have been adhered to the norms of AICTE.

2.1.11.3 Inadequate hostel accommodation

Hostel accommodation was provided to the campus students of the University. Scrutiny showed that there was overcrowding in the hostels from 2006-07 to 2009-10, as the average number of students was far in excess of the intake capacity as detailed below:



It would be seen from the above that against the intake capacity of 5,005 students, the actual occupancy was 5,856. Overcrowding of hostels was not conducive for study and hygienic living. Further, the space for the intake capacity of 97 beds had been used for office work, which also added to the overcrowding.

The Registrar of the University replied (August 2011) that more hostels with capacity of accommodating 1,200 students were under construction and on completion of these, more students could be accommodated.

2.1.11.4 Book Bank

Grants for creation of a Book Bank are provided by UGC for helping needy and poor students. It was, however, noticed that no Book Bank had been established in the libraries of the University. Further, no grant was sought for the purpose from UGC during 2006-11.

The Registrar of the University replied (August 2011) that Book Banks were available in colleges/departmental libraries and that a proposal for obtaining grants for creating a Book Bank in the main library would be submitted to UGC shortly.

2.1.11.5 University Printing Press

The University had its own Printing Press with a strength of 74 working staff. It was observed that the Press was not well-equipped with modern technology. An analysis of the history of its equipment showed that 28 out of 30 pieces of equipment were very old and had been purchased between December 1964 and March 2005. The Press incurred cumulative losses of ₹ 4.44 crore during 2006-10 as shown in Table 13 below:

Table 13: Income and expenditure of Printing Press

(₹ in crore)

Year	Income	Expenditure	Excess expenditure over income
2006-07	1.40	2.14	0.74
2007-08	1.48	2.38	0.90
2008-09	1.51	2.81	1.30
2009-10	1.33	2.83	1.50
2010-11	1.26	1.86	0.60
Total	6.98	12.02	5.04

Source: Income and expenditure statements of the University.

The University had also outsourced some of its printing works on the plea that the Press was not well-equipped. It was further observed that various printing works including printing of answer sheets were got done (2009-11) through private units by incurring an expenditure of ₹ 56.24 lakh. The University had neither analysed the reasons for the losses nor taken any action to make the Press economically viable.

2.1.11.6 Avoidable expenditure on Customs Duty

GOI notified (July 1996) that if an institution registered with the Department of Scientific and Industrial Research (DSIR) produces a certificate to this effect, it can avail of the exemption of customs duty on scientific and technical equipment and instruments. The University was registered with DSIR.

Scrutiny of records of four¹⁵ departments revealed (January and February 2011) that these departments imported scientific and technical equipment and instruments and paid customs duty amounting to ₹ 12.41 lakh. This showed lack of awareness and thus, resulted in avoidable expenditure of ₹ 12.41 lakh. The Registrar of the University replied (August 2011) that refund of customs duty would be sought from the Customs Department after enquiry.

¹⁵ Electronic Science (₹ 8.12 lakh), Chemistry (₹ 2.47 lakh), University Institute of Engineering Technology (₹ 0.84 lakh) and Physics (₹ 0.98 lakh)

2.1.12 Monitoring and evaluation

2.1.12.1 Internal Control

Internal control provides reasonable assurance to the Management about the compliance of applicable rules and regulations. It was noticed that internal control in the University was deficient and not commensurate with the transactions and other activities. The University had not prepared any Balance Sheet since its inception. In the absence of a Balance Sheet, the actual state of affairs of the University could not be ascertained. The bank balances were carried forward without ensuring whether contra-debit and credit entries had been properly afforded by the banks. The mechanism of regular reconciliation of bank balances had not been followed with the result that many transactions involving crores of rupees were lying unaccounted for. There was no proper monitoring over the temporary advances to employees.

The University had partially computerised its accounts in Fox Probase, which was very old. In-house programmes did not have proper validation checks and were started without approval. The audit findings brought out in paragraphs 2.1.7.3, 2.1.7.8, 2.1.7.9 and 2.1.8.3 indicate lack of internal control.

2.1.12.2 Audit by Director, Local Audit

The accounts of the University continued to be audited by the Director, Local Audit, Haryana on a day-to-day basis up to 26 August 2009 and thereafter, on a modified pre-audit system as introduced by the Finance Department. After introducing the pre-audit system, no authority had been designated for conducting the audit as per provision of Section 26 (1)¹⁶ of Kurukshetra University Act, 1986. Resultantly, the pre-audit and the post-audit since then was being conducted by the same authority, which was irregular.

As per the Annual Audit Reports of the Director, Local Audit, Haryana, for the year 2009-10, 489 objections (audit paragraphs, requisitions and minor objections) of various nature like embezzlements of ₹ 5.85 lakh in five¹⁷ cases, irregularities in works accounts, non-completion/defective maintenance of records and many other acts of omission and commission were pending since 1962-63. In 2009-10, only eight paragraphs, three requisitions and five objections were settled. This indicated non-responsiveness of the University for taking remedial action on the objections raised by Director, Local Audit, Haryana. The Registrar of the University stated (August 2011) that strenuous efforts would be made to settle the pending objections and that a meeting with the concerned departments would be convened to assess the latest position.

¹⁶ Section 26(i) indicates that Annual Accounts and Balance Sheets would be audited by the Examiner, Local Fund Accounts (Now, Director, Local Audit).

¹⁷ 2002-03: ₹ 1.76 lakh, 2003-04: ₹ 3.08 lakh, 2004-05: ₹ 0.01 lakh, 2005-06: ₹ 0.58 lakh and 2007-08: ₹ 0.42 lakh.

2.1.12.3 Physical verification

Under the provisions of Rule 15.16 of the Punjab Financial Rules, physical verification of all stores should be made at least once in every year. A certificate of verification with its results should be recorded on the list and inventory register as the case may be where such verification is carried out. The position of physical verification in the test-checked departments was as follows:

Table 14: Non-conducting of physical verification

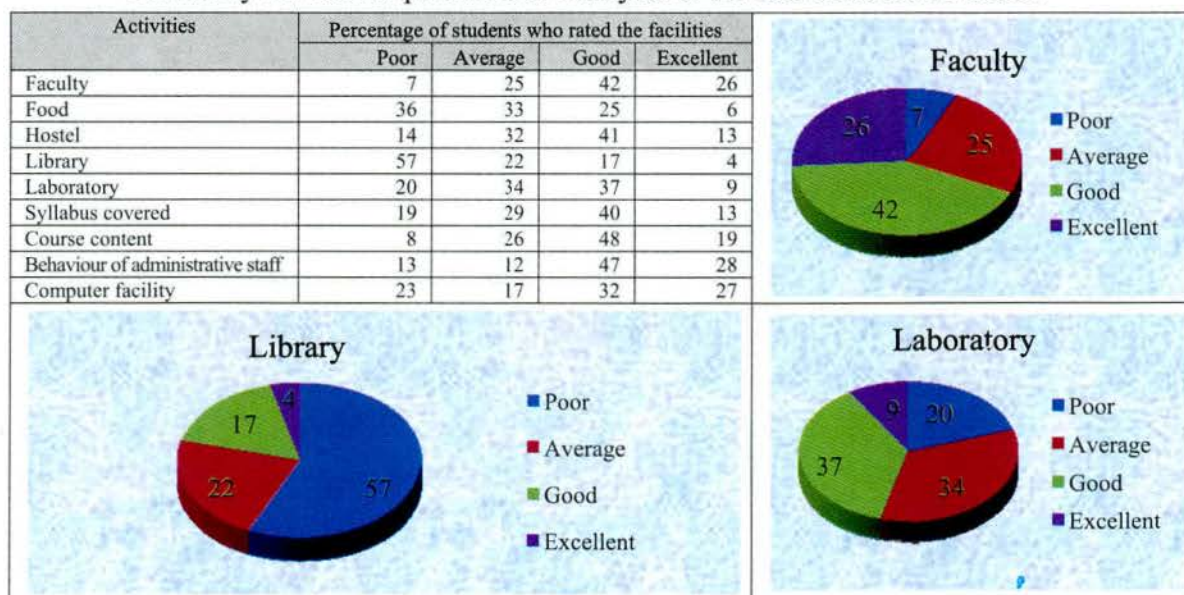
Name of department	Date of last physical verification
University Administration	1996-97
Jawahar Lal Nehru Library (Main Library)	August 1992
library of the Directorate of Distance Education	1996-97
University Institute of Engineering and Technology	2005-06
Pharmaceutical Science and Electronics Science Departments	2006-07
Home Science Department	2006-07

Source: Ascertained from concerned departments.

In the absence of physical verification, the shortage/theft of assets, stores, etc. if any, were not known to the University. This irregularity carried a high risk of loss to the University. The Registrar of the University replied (August 2011) that the system of physical verification would be reviewed shortly to make it more effective.

2.1.12.4 Performance evaluation

A monitoring cell was required to be established in the University for addressing the grievances of the students and collecting feedback to assess the problems being faced by the students. It was, however, noticed that no proper mechanism had been evolved to take feedback from students for the redressal of their grievances in a phased manner. During performance audit, feedback of 153 students of 14 test-checked departments was taken through the questionnaire method in the presence of authorities of University in order to assess their satisfaction level. The sample size of 153 students constituting 83 girls and 70 boys were asked to rate the University on various parameters. Analysis of the data revealed as under:



- Overall 68 *per cent* students were satisfied with the faculty while 32 *per cent* of the interviewed students expressed dissatisfaction. Dissatisfaction was more pronounced in self-financing courses, particularly in UIET (76 *per cent*); computer sciences (64 *per cent*) and MBA (70 *per cent*). It was also observed during audit that there was a shortage of faculty members in these streams which could be one of the factors for dissatisfaction of the students in these streams as discussed in paragraph 2.1.10.2.
- Sixty nine *per cent* of students were not happy with mess facilities and wanted improvement in the quality of food.
- Overall, 59 *per cent* of the students were satisfied with the computer facilities. However, these facilities were rated as deficient by students belonging to Political Science (100 *per cent*); Physics (78 *per cent*); Chemistry (75 *per cent*); Commerce (60 *per cent*) and Psychology (59 *per cent*) streams.
- Thirty four *per cent* of the interviewed students wanted changes in their course content and rated the course content as 'poor' or 'average'. Majority of the students (50 *per cent*) of this category belonged to the science stream.
- Fifty four *per cent* of the students were not satisfied with the infrastructure provided in laboratories.
- Forty six *per cent* students were not satisfied with hostel facilities. It was also observed during audit that there was overcrowding in the hostels as the occupancy was more than the intake capacity as discussed in paragraph 2.1.11.3.
- Girl students expressed dissatisfaction with the security situation prevailing in the campus.

It may also be seen from the above that only 16 *per cent* of the students rated the facilities available in the University as excellent. The Registrar of the University replied (August 2011) that the University administration had considered the observations of the survey and would take appropriate action.

2.1.12.5 Meetings of the Court and Executive Council

As per the provisions of the Kurukshetra University Calendar Vol-III, the Court¹⁸ has to meet thrice or after every four months in a year. The Court reviews the broad policies and programmes of the University and passes resolutions on its Annual Report, Annual Budget and Annual Accounts. It advises the Chancellor in respect of matters referred to it and perform such other functions as may be prescribed by the Statutes. The meetings of the Executive Council have to be held

¹⁸ Court is an authority of the University.

every month except during summer vacations. Details of Court and Executive Council meetings held are given below:

Table 15: Position of Court and Executive Council meetings

Year	Court meetings			Executive Council meetings		
	Target	Actual	Shortfall	Target	Actual	Shortfall
2006	3	1	2	10	8	2
2007	3	1	2	10	8	2
2008	3	1	2	10	4	6
2009	3	2	1	10	5	5
2010	3	2	1	10	3	7
	15	7	8	50	28	22

Source: Data obtained from General Administration department.

The shortfall in Court meetings was 53 *per cent* while for Executive Council meetings, it was 44 *per cent*. The University stated (May 2011) that the shortfalls were due to non-availability of agenda. The reply is not convincing as the meetings should have been convened at prescribed intervals to review the implementation of resolutions of earlier meetings. The Registrar of the University replied (August 2011) that appropriate action would be taken in this regard.

2.1.13. Conclusion

The main objective of the University was to provide for research and instruction in the field of higher education. The performance of the University was not satisfactory as far as the research activities were concerned as out of 54 research projects, only 17 had been completed. Further, there were substantial delays in submission of theses by Ph.D research scholars. There were deficiencies in planning, budget formulation, financial management, maintenance of accounts, etc. There were delays in declaration of results and low rates of success of students in few courses. Further, infrastructure such as classrooms, laboratories, the library in UIET and accommodation both for boys and girls in the University hostels was inadequate. Shortage of teaching staff both for general and courses under SFS also had an adverse impact on the quality of education.

2.1.14. Recommendations

- The University should prepare a long-term Perspective Plan indicating yearly milestones.
- The University should prepare Balance Sheets to ascertain the exact position of its assets and liabilities.
- The cash book should be maintained properly and bank reconciliations should be carried out regularly. A proper system should be evolved to have a check over the outstanding temporary advances.
- The University should review the study courses from time to time, discontinue unpopular courses and introduce new courses.

- The University should gear up its machinery to ensure declaration of results within the prescribed time period and ascertain the reasons for the low success rate of students in certain courses, for taking remedial action.
- The University should review the research projects from time to time so that they are completed within the stipulated period.
- Physical verification of assets should be conducted at prescribed intervals.

These points were demi-officially referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Higher Education Department in June 2011. Reply had not been received (August 2011).

Forest Department

2.2 Working of the Forest Department

Highlights

Forests play a vital role in maintaining ecological balance, environment stability, biodiversity conservation, food security and sustainable development of the country. The National Forest Policy 1988 aims at having forests and tree cover over one-third of the country's geographical area. The State Government, in its forest policy, envisaged bringing 10 per cent of the State's area under forests and tree cover by 2010. Performance audit of the department revealed non-preparation of a long-term Perspective Plan to bring 10 per cent of the State's total geographical area under forest and tree cover as per its policy, non-demarcation of forest land, non-development of forest land for eco-tourism, tardy implementation of forest development schemes, diversion of funds, low survival of plantation and overlapping of areas under different schemes. Apart from this, huge funds realised as compensation for utilisation of forest land for non-forest purposes remained unutilised.

A long term Perspective Plan to cover 10 per cent of the total geographical area of the State under forest and tree cover by 2010 as per the policy of the Government was not prepared.

(Paragraph 2.2.6)

In four divisions, a sum of ₹ 5.56 crore was kept in bank accounts instead of remitting the same to the Compensatory Afforestation Management and Planning Authority (CAMPA).

(Paragraph 2.2.7.5)

Against the due amount of ₹ 4.60 crore, only ₹ 2.61 crore was realized as compensation from forest land users.

(Paragraph 2.2.7.7)

The survival rate of plantations under the Integrated Natural Resource Management and Poverty Reduction Project was very low. No action was initiated against the delinquent officers.

(Paragraph 2.2.8.2)

Proper planning for carrying out compensatory afforestation was not done and as a result, ₹ 109.18 crore realised in 12 test-checked divisions as compensation from land users of forest land for non-forest purposes was not utilised.

(Paragraph 2.2.11)

Contrary to provisions of the Forest (Conservation) Act, 1980 and the Wild Life (Protection) Act, 1972, 11 herbal parks were developed in reserved forest/protected forests/wild life sanctuary.

(Paragraph 2.2.12)

Due to non-completion of projects of eco-tourism within the stipulated period, the department could not avail of Central assistance of ₹ 1.30 crore.

(Paragraph 2.2.13.1)

Inadequate monitoring by the department/Deputy Commissioner, Gurgaon led to illegal mining in Aravalli hills, resulting in damages to forest resources.

(Paragraph 2.2.15.3)

2.2.1 Introductions

Haryana is situated in the Gangetic plains, meeting the Shivalik foothills in the north, Aravallis in the south-west and arid plains in the west. It has a geographical area of 44.2 lakh hectares. As of March 2011, the State's forest area was spread over 1.59 lakh hectares (about 3.60 per cent of the total area of the State) out of which 15.72 per cent was reserved¹⁹, 72.96 per cent was protected²⁰ and 11.32 per cent was unclassified and other notified forests.²¹ Besides this, 1.41 lakh hectares (3.19 per cent of the State's area) area was under tree cover. Thus, the total area under forest and tree cover was about 6.79 per cent of the total area of the State, which was much below the national goal of one-third area under forest and tree cover as envisaged in the National Forest Policy 1988. As 81 per cent of the State's land was under agriculture, achieving the national goal was not possible. The Government of Haryana framed (November 2006) the Haryana State Forest Policy which envisaged bringing 10 per cent area under forest and tree cover by 2010 and ultimately bringing it to 20 per cent in a phased manner. The State has two national parks at Kalesar and Sultanpur, 10 wild life sanctuaries and three mini-zoos i.e. at Pipli, Bhiwani and Rohtak. The Forest Department is responsible for implementation of the State Forest Policy. Activities of the Forest Department include conservation of natural forests and wild life habitats; conservation of soil and water, raising plantations on forest lands, common lands and institutional lands and promotion of agro-forestry

¹⁹ Government lands which are constituted as Reserved Forest under Section 3 of the Indian Forest Act 1927.

²⁰ Government lands which are notified as Protected Forest under Section 29 of the Indian Forest Act 1927.

²¹ Area notified under Section 38 of the Indian Forest Act 1927 and Punjab Land Preservation Act 1900 but not covered under Reserved and Protected Forests.

through distribution of quality seedlings to farmers and institutions. The department carries out its activities within the legal framework of the Indian Forest Act, 1927, the Wild Life Protection Act, 1972, the Forest (Conservation) Act 1980 and the Punjab Land Preservation Act, 1900.

2.2.2 Organisational set-up

The Financial Commissioner and the Principal Secretary to the Government of Haryana (FCPS), Forest Department is the administrative head at the Government level. The Principal Chief Conservator of Forests (PCCF) at Panchkula is responsible for policy-making, budgetary control, issuing directions and overall working of the department. He is assisted by two Additional PCCFs (one for forestry and the other for wild life), six Chief Conservators of Forests and two Chief Project Directors (CPD) at the headquarters. The two CPDs are responsible for planning, implementation and monitoring of two projects, viz the Integrated Natural Resource Management and Poverty Reduction Project and the Community Forestry Project. The State is divided into four Forest Development circles, one Wild Life circle, one Production circle, two Community Forestry circles and one circle each for Monitoring & Evaluation, Research, Training, Social Forestry, Publicity & Extension and Working Plan. The Conservators of Forests head the circles. The above 14 circles are further divided into 37 Forest and four Wild Life divisions. At the divisional level, Divisional Forest Officers (DFOs) and Divisional Wild Life Officers (DWLOs) carry out the activities of the department relating to forest and wild life respectively.

2.2.3 Audit objectives

The main audit objectives were to ascertain whether:

- a long term perspective plan and annual plans were prepared to achieve the goals of the department as per Government policy;
- efficient financial administration with reference to allocated priorities existed in the department;
- effective programme management in terms of delivery of goals of the schemes/programmes existed;
- management of human resources was efficient in terms of recruitment, deployment and training of personnel for skill upgradation and
- adequate supervision and monitoring including an internal control mechanism existed.

2.2.4 Audit criteria

The audit criteria used for benchmarking the audit findings were as under:

- Policy and Plan documents, Acts and Rules pertaining to the Forest Department;
- Provisions of the Punjab Budget Manual and the Punjab Financial Rules/Treasury Rules as adopted by Haryana;
- Government notifications and instructions issued from time to time for the implementation of State and Centrally sponsored schemes;
- Departmental Manual, Rules and Regulations;
- Procedure prescribed for monitoring and evaluation of schemes/programmes; and
- Rulings of the Supreme Court of India and Punjab and Haryana High Court as regards preservation of forests.

2.2.5 Audit scope and methodology

Performance audit of the working of the Forest Department was conducted for the period 2006-11. Records of the PCCF, Additional PCCF (Wild Life) and all the 14 circles were selected for scrutiny. All 21 territorial forest divisions (including one eco-tourism division) were selected for test check. Two²² out of four wild life divisions, two²³ out of four production divisions, and three²⁴ out of five community forestry divisions were selected for test check using the 'Stratified Probability Proportional to Size Random Sampling without Replacement' method.

An entry conference with the FCPS, Forest Department was held in April 2011 to discuss the audit objectives, audit criteria and scope of audit. An exit conference was held on 4th August 2011 with the FCPS to discuss the audit findings. Views of the department were taken into consideration while finalising the performance audit report.

²² Divisional Wild Life Officers, Panchkula and Rohtak.

²³ Divisional Forest Officers (Production), Karnal and Kurukshetra.

²⁴ Divisional Forest Officers (Community Forestry Project), Ambala, Hisar and Kurukshetra.

Audit findings

2.2.6. Forest Policy and Planning

Long-term Perspective Plan to cover 10 per cent of the total geographical area of the State under forests by 2010 was not prepared.

The Government framed its Forest Policy in 2006, after 40 years of the creation of the State of Haryana to promote sustainable development of forest resources. The policy fixed the goal of increasing the area under forest and tree cover in the State from the existing 6.63 per cent to 10 per cent by 2010 and eventually to 20 per cent in a phased manner. The goal was to be achieved by growing large numbers of trees on panchayat, common and institutional land as well as on private land through agro-forestry, farm forestry and urban forestry.

The department also outlined its vision for the XIth Five Year Plan (2007-08 to 2011-12) as under:

- Increase forest and tree cover to 12 per cent;
- Expand agro-forestry and farm forestry;
- Popularize propagation, cultivation and marketing of medicinal plants;
- Promote eco-tourism;
- Check soil erosion through soil and water conservation works;
- Protect forests and wild life; and
- set-up a Wild Life Conservation Education Centre with public-private-partnership.

It was observed that the department had not made any long term plan outlining physical milestones to be achieved each year to ensure coverage of 10 per cent of the total geographical area of the State by 2010. The department implemented various programmes/schemes without specifying as to how the goal of bringing 10 per cent of the area under forest and tree cover would be achieved through these schemes. Further, the department had not prepared a detailed Perspective Plan outlining the areas of the State to be brought under forest and tree cover; the budgetary support required to achieve the goals, division/circle-wise physical and financial targets, etc. In the absence of proper planning, the forest and tree cover area increased to only 6.79 per cent of the total geographical area of the State as detailed below:

Table 1: Status of forest and tree cover in the State

(Area in lakh hectares)

Year	Gross area of the State	Reserved forest	Protected forest	Unclassified forest	Tree cover	Total forest and tree cover
2006	44.20	0.25 (0.57)	1.16 (2.62)	0.15 (0.34)	1.37 (3.10)	2.93 (6.63)
2011	44.20	0.25 (0.57)	1.16 (2.62)	0.18 (0.41)	1.41 (3.19)	3.00 (6.79)

(Note: Figures in brackets indicate percentage of total area of the State)

Thus, the total increase in forest and tree cover was only 0.16 *per cent* of the total geographical area of the State, even after spending ₹ 539.58 crore on the schemes relating to forest and tree cover during 2006-11. Though the goal of the department was not achieved, the department neither reviewed its policy nor formulated any new plan to achieve the goal of bringing 20 *per cent* area of the State under forest and tree cover as envisaged in the State Forest Policy 2006. The PCCF stated (July 2011) that the strategy to achieve this goal was through massive afforestation on farm lands and tree plantation on all waste lands and institution lands in the State and that efforts had been initiated in 2008-09, which would deliver results after 2011-12, as it normally takes four to five years for canopies to develop and areas to be reflected as green cover in satellite imageries. The reply is not convincing as specific targets were not specified as to how the goal of bringing 10 *per cent* of the area under forest and tree cover would be achieved.

The Compensatory Afforestation Management and Planning Authority (CAMPA) was constituted (April 2004) by the Government of India (GOI) to credit all receipts from user agencies on account of diversion of forest land for non-forest purposes. The money received was to be utilised for natural assisted regeneration, forest management and afforestation schemes after getting approval from GOI. It was observed that no specific plan was prepared for carrying out compensatory afforestation despite accumulation of ₹ 274.86 crore as of June 2011 in the fund, as discussed later in paragraph 2.2.7.6.

Thus, lack of planning contributed to the area under forest and tree cover in the State remaining almost stagnant during the period 2006-11.

2.2.7. Financial Management

The Government provides funds to the department through the budget for carrying out activities of the department. The PCCF is responsible for preparation and submission of the budget estimates to the Government. The department implemented 14 Plan schemes (Two Centrally sponsored schemes on sharing basis, one externally aided and 11 State Plan schemes) and 12 Non-Plan schemes (*Appendix 2.3*). In addition to this, a sum of ₹ 5.18 crore was received in 2007-08 from the Ministry of Tourism, GOI through the Haryana Tourism Corporation Limited for development of eco-tourism. The receipts of the forest department were mainly from the sale of forest produce such as trees, grass, bamboo, etc.

2.2.7.1 Budget and expenditure control

The budget is an important tool for ensuring financial discipline. Monitoring the progress of expenditure against well-formulated budget targets is an important management function. Poor budgetary control not only results in inefficient use of scarce financial resources but also hampers the progress in achieving the organisational objectives. As laid down in paragraph 5.3 of the Punjab Budget Manual, as adopted by Haryana, the budget estimates of ordinary expenditure

should be framed as accurately as possible. All items of expenditure that can be foreseen should be provided for and included under the proper sub-heads. The disbursing officers are required to forward the details of proposals in the prescribed form to the controlling officer, who further scrutinises them for preparation of budget estimates.

The budget provisions under Plan, Non-Plan, expenditure incurred thereagainst and actual receipts during 2006-11 were as under:

Table 2: Budget provisions and expenditure

(₹ in crore)

Year	Original Budget allocation			Final Budget allocation			Expenditure			Excess (+)/ saving (-) against the Original Budget	Actual receipts
	Plan	Non Plan	Total	Plan	Non Plan	Total	Plan	Non Plan	Total		
2006-07	99.95	49.37	149.32	91.14	49.51	140.65	124.79	49.45	174.24	(+) 24.92	38.62
2007-08	103.54	35.05	138.59	98.96	34.00	132.96	102.07	34.02	136.09	(-) 2.50	33.79
2008-09	117.15	37.52	154.67	118.25	38.23	156.48	120.87	39.32	160.19	(+) 5.52	40.74
2009-10	101.40	93.75	195.15	95.79	91.49	187.28	94.95	91.87	186.82	(-) 8.33	56.13
2010-11	128.53	66.56	195.09	130.91	75.30	206.21	119.41	86.68	206.09	(+) 11.00	33.56
Total	550.57	282.25	832.82	535.05	288.53	823.58	562.09	301.34	863.43	(+) 30.61	202.84

Source: Detailed Appropriation Accounts of the respective years.

As is evident from the above table, there was excess over the original budget allocations during 2006-07, 2008-09 and 2010-11 and savings during 2007-08 and 2009-10. Wide variations between the original budget estimates and the actual expenditure without any justification indicated faulty budgeting. Out of total excess of ₹ 24.92 crore in 2006-07, ₹ 23.46 crore was in respect of the Haryana Community Forestry Project. The issue was pointed out in paragraph 2.3.8 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2007 (Civil) Government of Haryana. However, recommendations of the Public Accounts Committee were awaited. It was further observed that though the department prepared budget estimates in respect of Non-Plan expenditure by obtaining details from disbursing officers, no such exercise was being carried out in respect of Plan estimates.

The PCCF stated (May 2011) that excesses under the various schemes were due to increase in wage rates and maintenance of buildings while the savings were due to vacant posts and less expenditure on implementation of schemes. The reply indicates that the budgets were not prepared as per the provisions of the Budget Manual as increase in wage rates, maintenance of buildings, vacant posts, etc. were foreseeable and the estimates should have been prepared after taking these items of expenditure into account.

Scrutiny of records revealed the following deficiencies:

- In four²⁵ schemes (*Appendix 2.4*), no expenditure was incurred against allotment of ₹ 1.55 crore during 2006-10 and the amount had to be

²⁵ Information Technology; State Resource Management Livelihood Project; Survey and Utilisation of Forest Resources; Development of Agro-Forestry Clonal and Non-Clonal.

surrendered on the last day of the financial year. The PCCF stated (June 2011) that schemes could not be executed because of inadequate provision of funds provided for these schemes. Thus, the provisions in the budget for these schemes were not made properly.

- According to the Haryana Forest Manual, savings from salaries were not be re-appropriated towards other standard objects of expenditure. Excess expenditure of ₹ 25.13 lakh incurred on two schemes (*Appendix 2.5*) was re-appropriated out of savings from salaries on the last day of the financial year, which was not only contrary to the provisions of the Forest Manual, but also indicated poor budgetary control.

2.2.7.2 *Non-maintenance of Budget Control Register*

According to the Haryana Forest Manual Vol. II (Paragraph 14.35), a Budget Control Register was to be maintained by the PCCF, which was to show all transfers, sanctions, re-appropriation and additional grants, if any, up to date along with the actuals of receipt and expenditure for effective check and control over the finances of the department. It was noticed that though all the Drawing and Disbursing Officers (DDOs) of the department were sending actual expenditure and receipt statements every month to PCCF, the required Budget Control Register indicating DDO-wise budget allocation and expenditure incurred thereagainst was not maintained in the prescribed form. Only DDO-wise expenditure was recorded, which was not sufficient to monitor and control the expenditure with reference to the budget provision. Thus, the department was not enforcing the prescribed expenditure control mechanism, as a result of which, there were variations between the budget provisions and the actual expenditure and various instances of re-appropriations on the last day of the year.

2.2.7.3 *Non-cancellation of paid vouchers*

The State Financial Rules (Rules 2.21 (5) and 8.13) provide that all paid vouchers must be stamped as 'paid and cancelled' so as to avoid their misuse again for presenting fraudulent claims. Further, as per these rules, contingent sub-vouchers for items not exceeding ₹ 1,000 are to be retained in the offices of drawing officers. Scrutiny of the vouchers of the test-checked divisions and circles for the month of March 2010 revealed that paid vouchers for this month had not been marked as 'paid and cancelled' by any of these divisions and circles. This could give rise to the risk of frauds, misappropriations, etc. On this being pointed out (May 2011), the PCCF directed (June 2011) all the Chief Conservators of Forests (CCFs)/Conservator of Forests (CF) and DFOs to ensure that all paid vouchers are stamped as paid and cancelled in future.

User agencies of forest land paid only ₹ 2.61 crore against the due amount of NPV of ₹ 4.60 crore.

In seven²⁹ out of 20 territorial divisions, it was noticed that the user agencies applied (November 2006 – April 2011) for diversion of 26.34 hectares of land for carrying out construction works in 14 cases. GOI accorded approvals in these cases, subject to the condition that an amount of ₹ 4.60 crore would be paid by the user agencies on account of the said compensation. The user agencies had deposited ₹ 2.61 crore but the balance amounting to ₹ 1.99³⁰ crore was not deposited as of March 2011, despite the lapse of one to four years of the grant of in-principle approval of GOI. Though the user agencies had executed the works, the department had taken no action against them to recover the balance amount during the execution of works. The department should not have allowed the user agencies to carry on the work without the deposit of NPV.

2.2.7.8 Non-transfer of funds to CAMPA

The department deposited an amount ₹ 4.06 crore of CAMPA fund under a State Revenue head.

In seven³¹ out of 20 territorial divisions, GOI granted (July 2003 – November 2010) permission for use of forest land for non-forest use in 56 cases. The user agencies deposited a sum of ₹ 25.37 crore with the department for depositing with CAMPA. It was observed that out of these funds, these divisions remitted an amount of ₹ 4.06 crore under the deposit head 8782-Forest Remittances of the State Government contrary to the guidelines of GOI. This affected the accumulations of the Compensatory Afforestation Fund to the extent of ₹ 4.06 crore. Two³² DFOs stated (February 2011) that the funds deposited under the Revenue head pertained to felling charges realised from the user agencies. The reply was not in consonance with the directives of GOI as felling charges were included in the calculation of compensatory afforestation charges and as such, were to be deposited with CAMPA.

2.2.7.9 Haryana Wood-Based Industries Revolving Corpus Fund

The Forest Department notified (March 2006, September 2009) the provision of licence fees for the grant of licences to wood-based industries and framed rules, viz the Haryana Forest Management of Wood-Based Industries Revolving Corpus Fund Rules 2009 for management of funds created through licence fees. The funds collected were to be utilised for acquisition of land, conservation of natural resources viz. soil, water, plants and animals and any other activity approved by the committee to promote forestry. As per Government instructions issued in June 1997, the surplus funds were to be invested in debt instruments floated by Central/State Governments, fixed deposits with nationalised/cooperative banks, etc.

²⁹ Ambala, Fatehabad, Gurgaon, Hisar, Jind, Morni at Pinjore and Sirsa.

³⁰ Bharat Sanchar Nigam Limited: ₹ 0.19 crore, Haryana Urban Development Authority: ₹ 0.13 crore and Public Works Department: ₹ 1.67 crore.

³¹ Ambala, Fatehabad, Jhajjar, Mahendergarh, Morni at Pinjore, Rewari and Rohtak.

³² Fatehabad and Mahendergarh.

Instead of spending funds of ₹ 26.18 crore of Haryana Wood-Based Industries Revolving Corpus Fund on promotion of forestry, the same were kept in a bank account.

A sum of ₹ 26.18 crore was realized by the department on account of licence fees, during the period from March 2007 to June 2010. The entire amount was kept in a saving bank account, instead of utilising it for the objectives set out in the Rules. The department neither spent the amount on promotion of forestry nor invested the amount in fixed deposits at regular intervals though the minimum balances in the saving bank account ranged from ₹ 71.99 lakh to ₹ 16.41 crore during 2007-2011. The department would have earned interest of ₹ 63.31 lakh, had the surplus money been invested in fixed deposits. Further, the purpose of creating of this fund to promote the cause of forestry was not served.

Programme implementation

The department implemented 14 Plan schemes including three projects (two Centrally sponsored on sharing basis, one externally aided and 11 State Plan schemes) and 12 Non-Plan schemes. Audit observations in respect of some major schemes/projects are discussed below:

2.2.8 Integrated Natural Resource Management and Poverty Reduction Project

The Integrated Natural Resource Management and Poverty Reduction Project was an externally aided project funded by the Japan Bank of International Cooperation (JBIC) {now Japan International Cooperation Agency (JICA)}. The project commenced in 2004-05 and was to continue up to 2010-11. The project area comprised 800 villages, spread over in 17 out of the 19 districts of the State, leaving out Gurgaon and Faridabad districts. The main objectives of the project were to rehabilitate forest land in an ecologically sustainable manner; to improve the quality of life of the villagers adjoining forests; to take up development and management of degraded forests and common lands in an integrated manner through reforestation, afforestation, improved soil and water conservation measures, etc.

The estimated cost of the project was ₹ 286 crore, of which JICA's share in the form of soft loan was ₹ 234.33 crore. Against this, an amount of ₹ 279.48³³ crore was spent up to 2010-11. JICA provided soft loans to GOI for implementation of the project at 0.75 *per cent* rate of interest per annum. The said loan was to be paid back in 30 years with a 10-year grace period. GOI transferred this loan to the State Government as per the project guidelines.

The department submitted reimbursement claims amounting to ₹ 235.18 crore during 2004-11 from JICA. JICA, however, reimbursed ₹ 231.31 crore, leaving a balance of ₹ 3.87 crore. It was observed that reimbursement was disallowed due to audit

³³ 2004-05: ₹ 15.04 crore, 2005-06: ₹ 48.50 crore, 2006-07: ₹ 57.79 crore, 2007-08: ₹ 65.50 crore, 2008-09: ₹ 55.84 crore, 2009-10: ₹ 26.77 crore and 2010-11: ₹ 10.04 crore.

observations such as diversion of funds, low survival of plantation, etc.

The following points were noticed in the implementation of the scheme:

2.2.8.1 Physical targets

A target of plantation of 48,800 hectares under different components³⁴ in the project was allocated amongst 17³⁵ divisions. Against this, plantation in 45,685 hectares was carried out during the project period (2004-11), resulting in shortfall in plantation of 3,115 hectares. The target under the farm forestry component remained unachieved by 37 per cent, but the targets under other components were achieved fully. The Project Director, JICA Project stated (June 2011) that the shortfall in plantation was due to low demand for plants by local people and with the improved variety of plants, the demands for plants would increase in future.

2.2.8.2 Low survival of plants

According to the PCCF's orders (January 1992), the minimum survival percentage of plantations was required to be 70. Further, in cases where the percentage of survival in plantation was less than the norm, the cost of the plantations was to be recovered from the officers responsible for low survival of the plants subject to certain exceptions i.e. damages due to floods, fire or diverting of planted land for some other development activities.

There were abnormal failures in survival of plantations under various components in an area of 263.5 hectares and 473.45 row kilometres raised at a cost of ₹ 2.52 crore during 2005-08 in eight³⁶ out of 17 test-checked territorial divisions as pointed out by the Monitoring and Evaluation Wing of the department. The percentage of survival in these cases ranged between zero and 65, which resulted in loss of ₹ 77.45 lakh to the Government. No action was taken against the officers despite a lapse of 21 to 33 months from the date of reporting by the Monitoring and Evaluation Wing. The Project Director, JICA Project, while admitting the facts, stated (June 2011) that action was being initiated against the officers responsible for poor survival of plantations.

2.2.8.3 Community organization for poverty alleviation

• Entry Point Activities

Entry Point Activities (EPA) are an introductory incentive to develop small infrastructures desired by villagers for attracting peoples' attention to forestry development and income generation activities. A small amount is spent for community development works such as providing drinking water, minor irrigation, sanitation facilities, improvement of common places and schools.

No action was initiated against delinquent officers responsible for low percentage of survival of plantations.

³⁴ Strip Forest Plantation, Block Forest Plantation, Community Land Plantation and Farm Forestry.

³⁵ Ambala, Bhiwani, Fatehabad, Hisar, Jhajjar, Jind, Kaithal, Karnal, Kurukshetra, Mahendergarh, Panchkula, Panipat, Rewari, Rohtak, Sirsa, Sonapat and Yamunanagar

³⁶ Hisar, Jhajjar, Jind, Kurukshetra, Mahendergarh, Rewari, Rohtak, and Yamunanagar.

As per the project guidelines, a sum of ₹ one lakh was to be released to each target village having strip, block or community plantations for EPA subject to the condition that the villagers would contribute 10 *per cent* of ₹ one lakh in cash or kind so as to ensure their active participation in the programme.

It was observed that 14³⁷ territorial divisions had not submitted (March 2011) utilisation certificates (UCs) for the expenditure of ₹ 6.11 crore incurred on entry point activities, despite the lapse of two to five years.

As per the project guidelines, EPAs were to be carried out up to the year 2008-09 and thereafter, no expenditure was to be incurred on these activities. But contrary to the project guidelines, funds of ₹ 30 lakh were spent on EPAs during 2009-10 in eight³⁸ territorial test-checked divisions.

• Income Generation Activities

Poor unemployed persons from villages adjoining forest areas were to be identified and provided training in income generation activities or micro-enterprises relevant to the areas. Necessary equipment, credit and marketing was to be arranged through Village Forest Committees (VFCs)/Non-Government Organisations (NGOs). The landless poor, seasonal unemployed and under-employed labourers were to be provided priority in this venture.

Women were to be provided special help through Self Health Groups (SHGs), thereby making themselves self-reliant. Promotion of income generating vocations was desirable not only for economic upliftment of villagers but also for their empowerment.

As per the guidelines, income generation activities³⁹ (IGA) were to be carried out in selected villages by forming SHGs. The VFCs were to be provided seed money of ₹ two lakh for creating revolving funds for giving loans to SHGs. The SHGs were to promote IGA by taking loans from VFCs.

In 15⁴⁰ test-checked territorial divisions, a sum of ₹ 13.35 crore was released to 668 VFCs consisting of 1,732 SHGs during 2005-11 (up to December 2010). These VFCs, however, further released loans amounting to ₹ 6.88 crore to SHGs up to December 2010 and the balance sum of ₹ 6.47 crore remained unspent with the VFCs. Audit observed that the SHGs were not active. Further, against the target of formation of 2,400 SHGs in the State, 2,013 SHGs were formed. No NGOs were involved for carrying out IGAs.

In 15 test-checked territorial divisions, against the release of ₹ 13.35 crore to Village Forest Committees for income generating activities, only ₹ 6.88 crore was paid to Self Help Groups.

³⁷ Ambala, Fatehabad, Hisar, Jind, Kaithal, Karnal, Kurukshetra, Mahendergarh, Panipat, Rewari, Rohtak, Sirsa, Sonapat and Yamunanagar.

³⁸ Karnal, Mahendergarh, Morni at Pinjore, Panipat, Rewari, Rohtak, Sonapat and Yamunanagar.

³⁹ Pisciculture, Apiculture, Cottage industries, Vermi-compost making, Alternative energy sources, Floriculture and Silage making.

⁴⁰ Ambala, Fatehabad, Hisar, Jind, Kaithal, Karnal, Kurukshetra, Mahendergarh, Panipat, Morni at Pinjore, Rewari, Rohtak, Sirsa, Sonapat and Yamunanagar.

2.2.8.4 *Injudicious expenditure on overlapping of areas*

As per the provisions contained in the project, the areas covered under the project were not to overlap with those covered by any other Central/State/ externally aided scheme relating to forests.

An expenditure of ₹92 lakh was incurred on EPA and IGA schemes in areas which were already covered under other schemes.

In six⁴¹ out of 20 territorial test-checked divisions, it was noticed that although it was recorded in the project document that the proposed areas were not covered under any other scheme, 32 villages taken up for EPA and IGA were found to be already covered under other schemes.⁴² An expenditure of ₹ 92 lakh was incurred on the EPA and IGA schemes. Three⁴³ DFOs stated (November 2010 to February 2011) that the project was approved by JBIC through GOI and the proposal had been submitted by the PCCF. The reply is not convincing as these villages were identified by the DFOs while preparing the project.

2.2.8.5 *Diversion of funds*

In violation of the project guidelines, an amount of ₹ 1.01 crore was incurred on raising of nurseries in Ambala district.

As per the project guidelines, plantations on community land were to be carried out in nine⁴⁴ districts of the State. District Ambala was not approved for plantation under this component. However, an expenditure of ₹ 1.01 crore was incurred (2008-09) on raising of a nursery in community land measuring 250 hectares in the district, contrary to the guidelines. On this being pointed out (May 2010) in audit, the department initiated (June 2010) action for fixing responsibility for the irregularity but final action in the matter was awaited (March 2011).

2.2.8.6 *Delay in conducting independent monitoring and evaluation*

The project guidelines provided for an independent external consultant for monitoring and evaluation of its activities. He was to carry out a study to assess the physical and financial achievements, clearly bringing out the changes brought out in the socio-economic parameters, evaluate roles and responsibilities discharged by the village institutions, analyse constraints and limitations faced by the authorities in project implementation and suggest remedial measures.

Due to delay in awarding the work of study of monitoring and evaluation, little time was left for taking corrective action.

The study was allotted (November 2008) to a firm at a cost of ₹ 27.47 lakh with the condition to complete the work within one year from the date of allotment (February 2009). Twenty-five *per cent* payment of the consideration amount was to be made at the time of allotment, 50 *per cent* on submission of the Interim Report and the balance 25 *per cent* on submission of the Final Report.

⁴¹ Ambala, Hisar, Kaithal, Mahendergarh, Morni at Pinjore and Sirsa.

⁴² Community Forestry Project (CFP) and National Afforestation Programme through FDA (12 villages under CFP and 20 Villages under FDA).

⁴³ Ambala, Hisar and Mahendergarh.

⁴⁴ Bhiwani, Hisar, Jhajjar, Kaithal, Karnal, Mahendergarh, Rewari, Rohtak and Sirsa.

It was observed that 25 per cent payment was made at the time of allotment while 50 per cent payment was released in September 2010 by the Project Director without receipt of the Interim Report. The main activities were to be carried out up to the year 2008-09 and the project period was to end in March 2011. The results of the study submitted (November 2010) by the firm were sent for action in December 2010 to field functionaries. The report pointed out non-formation of many VFCs and SHGs, non-involvement of NGOs, non-holding of meetings of SHGs regularly, etc. Since the project period was up to March 2011, very little time was left for taking remedial measures. The delay in awarding the work of the study besides delay in submission of report, defeated the objective of the evaluation report and rendered the expenditure of ₹ 20.60 lakh largely unfruitful.

2.2.9. Social and Farm Forestry

Social and Farm Forestry is continuing as a State Plan Scheme since the Eighth Five-Year Plan. The main emphasis under this scheme is to supply seedlings to farmers, Government institutions, etc. free of cost for plantation with the objective of bringing about an overall increase in tree cover in the State and enhance the income of tree-growing farmers. During 2006-11, 13.39⁴⁵ crore seedlings were distributed in the State by incurring an expenditure of ₹ 44.02⁴⁶ crore.

A test check of 4,193 beneficiaries by the Monitoring and Evaluation Wing of department revealed that 16.78 lakh plants were supplied against the issue of 17 lakh plants from the nurseries of 21 divisions during 2007-10. The survival percentage under the scheme ranged between 13 and 33 as shown below:

Table 3: Statement showing survival of plants

Year	Number of beneficiaries	Seedlings supplied as per nursery records	Actual supply of plants	Plants survived	Percentage of survival
2007-08	490	1,81,548	1,81,030	23,727	13
2008-09	1,989	8,73,985	8,69,675	1,49,396	17
2009-10	1,714	6,44,454	6,27,549	2,05,879	33
Total	4,193	16,99,987	16,78,254	3,79,002	23

The survival of plantations under Social and Farm Forestry was only 23 per cent during 2007-10.

Source: Departmental figures.

As is evident from the above table, the average overall survival of plants was only 23 per cent. No norm for survival of plantations under Social and Farm Forestry was fixed. The PCCF stated (July 2011) that the poor survival of plants under the Social Forestry component was due to absence of control of the department over the local people who were supplied free plants and were responsible for their maintenance and further upkeep. With a view to increase the survival of

⁴⁵ 2006-07: 2.33 crore plants, 2007-08: 2.54 crore plants, 2008-09: 2.75 crore plants, 2009-10: 3 crore plants and 2010-11: 2.77 crore plants.

⁴⁶ 2006-07: ₹ 7.07 crore, 2007-08: ₹ 7.19 crore, 2008-09: ₹ 9.71 crore, 2009-10: ₹ 9.26 crore and 2010-11: ₹ 10.79 crore.

plantations, the department should have evolved a proper mechanism to have control over plantation work under Social Forestry.

2.2.10. Community Forestry Project

The Haryana Community Forestry Project (CFP) was made operational from November 1998 with the objective of building up the capacity of rural communities to improve the natural environment and maintain land fertility through sustainable management of natural resources undertaken in a participatory manner. The project was closed in June 2008.

Audit observations relating to implementation of this project were incorporated in paragraph 3.1 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2008 (Civil) Government of Haryana. The points noticed in test check relating to the follow up of the project are discussed hereunder:

2.2.10.1 Non-handing over of dams to village communities for maintenance

Nineteen water harvesting dams constructed at a cost of ₹ 5.72 crore in Ambala and Yamunanagar districts were not handed over to village communities as envisaged in the scheme.

As per a provision contained in the CFP guidelines, water-harvesting dams were to be constructed in the Shivalik Hills of Ambala and Yamunanagar districts to rehabilitate degraded forests. After construction of dams, these were to be handed over to the village communities for their maintenance, with the condition of ensuring equal distribution of water and protection and management of the catchments by the village committees.

In Ambala and Yamunanagar districts, 19 dams were constructed during the project period (1998-2008) at a cost of ₹ 5.72 crore by the Ambala and Kurukshetra (CFP) Divisions. After the construction and closure of the project, the department did not hand over these dams to the village communities for protection and management. Audit observed that these dams were damaged due to floods and an expenditure of ₹ 31.70 lakh was incurred on their repairs in 2010-11. Thus, due to non-handing over of the dams to village communities, the Government had to incur this avoidable expenditure. On this being pointed out by Audit in December 2010, the Project Director (CFP) stated (June 2011) that the dams had been handed over to village communities after repairs in March 2011.

2.2.10.2 Re-plantation out of sale proceeds of forest produce

As per the project guidelines, woodlots⁴⁷ were to be established in 7400 hectares of Panchayat land, village common land (jointly owned by several villagers), river banks and institutional land. The plantations were to be handed over for further management to the communities after three years. As per tripartite agreements signed between the Village Resource Management Committees (VRMCs), the

⁴⁷ A woodlot is a segment of forest capable of small-scale production of forest products.

Village Panchayats and the department, 30 per cent of the sale proceeds of forest harvesting were to be used on re-plantation. The Forest Department was to monitor whether the sale proceeds were being ploughed back into re-plantation at the time of harvesting.

Scrutiny of records of the DFO (CFP), Kurukshetra (out of three test-checked CFP, divisions) revealed that Village Resource Management Committees (VRMCs) felled 21,330 trees in Kurukshetra and Yamunanagar districts up to September 2010 and sold the same for ₹ 79.95 lakh, but the required percentage of sale proceeds was not utilised on re-plantation. There was no follow up for the last three years. During the exit conference, the FCPS, Forest Department directed the departmental officers to do the needful as per the provisions of the project.

2.2.11. Non-afforestation of areas in lieu of land diverted for non-forest use

Compensatory afforestation was not carried out in 12 divisions, despite realization of compensation of ₹ 109.18 crore.

The Ministry of Environment and Forests granted (July 2003 to March 2010) permission for diversion of a total of 749.37 hectares of forest land for non-forest use in 12⁴⁸ out of 20 test-checked territorial divisions under the provisions of the Forest (Conservation) Act 1980. The permission was granted with the condition that compensatory afforestation would be carried out by the State Government within a year from the date of permission. An amount of ₹ 109.18 crore was realised by the department from land user agencies on account of compensation during July 2003-April 2010, but the desired compensatory afforestation had not been carried out despite the lapse of 12 to 92 months after realisation of compensation. Six⁴⁹ Divisional Forest Officers stated (January-February 2011) that the physical targets and budget provisions for these plantations were not provided to them by the PCCF. No reply was received from other divisions.

2.2.12. Development of Herbal Parks

Contrary to the Forest (Conservation) Act, 1980 and Wild Life (Protection) Act, 1972, 11 herbal parks were developed in reserved forest/protected forest/Wild Life sanctuary without the approval of GOI.

As per provisions contained in Forest (Conservation) Act, 1980 and the Wild Life (Protection) Act, 1972, cultivation of oil-bearing plants, horticultural crops or medicinal plants are non-forestry activities and attracts restrictions as applicable for de-reservation of forests or use of forest land for non-forest purposes. Thus, cultivation of fruit-bearing trees, oil-bearing plants or medicinal plants on forest land and wild life sanctuaries requires approval of the National Board of Wild life and the Supreme Court.

A scheme for development of herbal parks was formulated (April 2005) by the Government to create herbal parks in each district with the objective of

⁴⁸ Ambala, Fatehabad, Gurgaon, Hisar, Kurukshetra, Mahendergarh, Mewat at Nuh, Morni at Pinjore, Rewari, Rohtak, Sirsa, and Sonapat.

⁴⁹ Ambala, Fatehabad, Hisar, Mahendergarh, Mewat at Nuh and Sonapat.

area of wildlife sanctuaries in the State is 106.65 sq.km. There are three zoos in Haryana at Rohtak, Bhiwani and Pipli. The main animals kept in the zoos include tigers, leopards, hippopotamuses, bears, crocodiles, gharials, deers, birds, monkeys, etc.

One Elephant Rehabilitation Centre at Bansantaur (Yamunanagar District) was under construction.

The budget provisions under Plan and Non-Plan and the expenditure incurred thereagainst for wildlife development was as under:

Table 4: Budget provisions and expenditure.

(₹ in crore)

Year	Original Provision	Budget	Final Provision	Budget	Expenditure	Saving (-)/ excess (+) with respect to Original Budget Provision
2006-07		4.98		4.11	4.25	(-) 0.73
2007-08		5.82		4.91	4.94	(-) 0.88
2008-09		7.67		7.20	7.20	(-) 0.47
2009-10		7.92		5.99	6.05	(-) 1.87
2010-11		8.62		10.55	10.55	(+) 1.93
Total		35.01		32.76	32.99	(-) 2.02

Source: Appropriation Accounts figures

As can be seen from the above table, there were savings as compared to the original budget allocation during 2006-08 and 2009-10 and excess during 2010-11.

On this being pointed out (July 2011), the Additional PCCF (Wild Life) stated (August 2011) that the savings during 2006-10 were due to delayed release of assistance by GOI and the excess during 2010-11 was due to payment of arrears on account of revised pay scales.

The points noticed during test check are detailed below:

2.2.14.1 Delay in completion of 'Project Elephant'

The Ministry of Environment and Forests approved (November 2006) construction of an Elephant Rehabilitation Centre viz. 'Project Elephant', Haryana at a cost of ₹ 90.75 lakh at Bansantaur in Yamunanagar district. The aim of the centre was to rehabilitate elephants unauthorisedly kept by *Mahabats*.⁵³ as well as sick elephants. As per the scheme, expenditure was to be incurred on fixing of solar power fences, fixing of GI wires, construction of 10 elephant sheds, excavation of water ponds for elephants, erection of deep tubewells and construction of two feed stores, two class IV quarters, four *mahabat* quarters, two guard huts, a doctor's room, etc. The first instalment amounting to ₹ 50 lakh was released by GOI in 2006-07.

It was noticed that the department spent a sum of ₹ 50 lakh on construction of guard huts, *mahabat* quarters, elephant sheds and boring of tubewells during 2008-09. The balance works were not executed (March 2011) and the project remained incomplete. The Additional PCCF (Wild Life) stated (June 2011) that

Non-completion of the Elephant Rehabilitation Centre resulted in unfruitful expenditure of ₹ 50 lakh.

⁵³ Mahabat is a person who handles elephants.

the Elephant Rehabilitation Centre could not be completed due to non-release of funds by GOI. GOI informed the department that the funds would be released only after removal of eco-huts.⁵⁴ constructed near the centre. On pursuance of the matter, GOI released ₹ one crore in May 2011. The reply indicates that there was lack of coordination between the eco-tourism project and this project, as a result of which, the completion of the project was getting delayed. The FCPS, Forest Department accepted the facts during the exit conference and directed the department to take necessary action immediately.

2.2.14.2 Non-construction of enclosure of animals for Rohtak Zoo

The Central Zoo Authority accorded (October 2005) approval for grant-in-aid for construction of enclosures of animals at a cost of ₹ 1.81.⁵⁵ crore for Rohtak Zoo and released (October 2005) ₹ 50 lakh subject to the condition that the works would be completed within 18 months of release of the grant. In case of any delay in execution of work or deviation in work plan, the financial assistance was to be withdrawn.

Due to delay in construction of enclosures of animals, the Government could not avail of Central assistance of ₹ 1.31 crore.

HFDC completed (June 2009) the construction works assigned (September 2006) to them, viz. the crocodile enclosure and the in-charge room at a cost of ₹ 38.09 lakh, which was ₹ 19.17 lakh more than the approved cost. The work relating to the leopard enclosure was in progress and an expenditure of ₹ 12.94 lakh was incurred on it. Due to slow execution of works, the Central Zoo Authority did not release further grant-in-aid and as a result, the zoo could not be developed to the desired level. The PCCF, while admitting the delay in execution of works, stated (July 2011) that the Central Zoo Authority did not release the funds due to which the enclosures remained incomplete. Thus, due to delay in execution of works, the department was deprived of Central assistance of ₹ 1.31 crore. The FCPS, Forest Department accepted the facts during exit conference and directed the department to take necessary action immediately.

2.2.14.3 Parking of funds outside the Government Account

Funds contributed by the Irrigation Department for wild life preservation were deposited in a bank account instead of Government Account.

The Ministry of Environment and Forests approved (October 2007) construction of a portion of the Bhakra Main Line (Hansi-Butana Branch Multipurpose Link Channel), which passes through the erstwhile Saraswati Wild Life Reserve, with the condition that the Irrigation Department would contribute ₹ one crore for the preservation of wild life. Accordingly, the Irrigation Department deposited (June 2008) the amount (₹ one crore) with the Chief Wild Life Warden for development of wild life sanctuaries and national parks in the State. The department, in turn, deposited (June 2008) the amount in a bank account instead of in the Personal Ledger Account (PLA). The Steering Committee of State CAMPA

⁵⁴ Eco-huts constructed in the forest to tap the tourism potential.

⁵⁵ Construction of Himalaya Black Bear enclosure: ₹ 45 lakh, Construction of Jackal enclosure: ₹ 27.37 lakh, Construction of Wolf enclosure: ₹ 24.95 lakh, Construction of Crocodile enclosure: ₹ 18.92 lakh and Construction of Leopard enclosure: ₹ 65.10 lakh.

under Chairpersonship of Chief Secretary, Haryana approved (June 2010) the purchase of tranquilizing guns, trapping nets and establishment of water ponds with deep tubewells in the Saraswati forests. Out of ₹ one crore, a sum of ₹ 26.65 lakh was released (February-March 2011) for construction of water ponds and installation of deep tubewells in the Saraswati forest. The balance amount of ₹ 73.35 lakh was lying in bank as of July 2011. The irregular retention of money outside the Government Account resulted in loss of interest of ₹ 23.09⁵⁶ lakh to the Government up to March 2011. Besides, the purpose of utilisation of the funds on the development of wild life sanctuaries and national parks in the State was not fully served. The Additional PCCF (WL) stated (July 2011) that the amount was kept in the bank account due to non-receipt of permission from the Government for opening of a PLA and that the case for purchase of 21 tranquilizing guns for ₹ 68 lakh was in process.

2.2.15. Preservation of Forests

One of the functions of the department is to preserve the natural heritage of forests. Forests are an open access resource and are vulnerable to various kinds of dangers like theft, fire, grazing and encroachment. Encroachment on forest land was required to be arrested and effective action taken to prevent its continuance for preservation of forests. The details of forest offence cases such as losses to forests due to fire, illegal felling, unauthorised grazing, etc. for the period 2006-10 were as under:

Table 5: Details of forest offences recorded and decided during 2006-10

Year	Pendency as on 31 March	New cases during the year	Total	Cases decided during the year	Cases undetected	Balance at the close of the year.
2006-07	7,962	7,390	15,352	8,004	7	7,341
2007-08	7,341	10,432	17,773	9,494	31	8,248
2008-09	8,248	11,460	19,708	11,398	111	8,199
2009-10	8,199	10,822	19,021	10,022	51	8,948

As is evident from the above table, the pendency of cases rose from 7,962 to 8,948 during 2006-10. Out of 215 cases of fire recorded during the period 2006-10, reasons for 193 cases of fire could not be ascertained. As per records available with the department, a total of 763.53 hectares forest area was under encroachment in 2,427 cases in six⁵⁷ districts for the last one to 15 years.

2.2.15.1 Demarcation of forest land not done

The Government acquired (1969-1979) 50,807 acres of land in the Morni Hills and declared the area as a protected forest under the provisions of the Indian Forest Act 1927. To declare the protected forest as a reserve forest and to detect encroachments, stop thefts, etc. forest settlement operations were started (1987)

⁵⁶ Calculated at Treasury bill rates by reducing the interest earned on saving bank account.

⁵⁷ Jhajjar, Karnal, Panchkula, Panipat, Rohtak and Sonipat.

under the supervision of the Forest Settlement Officer-cum-Sub Divisional Officer (Civil) Kalka (now Additional Deputy Commissioner, Panchkula). In 1989-90, a Tehsildar, a Naib Tehsildar, two Kanungos, six Patwaris, etc. were deployed for the work. An area of only 522 acres was, however, measured up to October 1995. Thereafter, there was no progress. An expenditure of ₹ 1.64 crore was incurred on pay and allowances of the staff deployed during the period from 1990-91 to 2009-10. Audit observed that although the staff was diverted to the Revenue Department, their pay and allowances continued to be drawn from the Forest Department. It was also noticed from the department's records that an area of 1,376 acres was encroached upon by local inhabitants.

Demarcation of forest land in Morni Hills was not carried out despite spending ₹ 1.64 crore on pay and allowances of the staff deployed for the purpose.

In a meeting held (June 2007) under the Chairmanship of the Revenue Minister, it was decided to engage revenue staff from Himachal Pradesh for speedy completion of the settlement work. A proposal for purchase of seven total station machines⁵⁸ was initiated (May 2008) by the Conservator of Forests (North), Panchkula for approval of the PCCF but no decision had been taken up to March 2011. Non-completion of work by the Forest and Revenue departments rendered the proportionate expenditure of ₹ 1.62 crore incurred on pay and allowances of the staff nugatory.

Similarly, the Government, under Section 29 of the Indian Forest Act 1927 declared Bhutlka Bund in Nuh Sub Division as a protected forest. It was noticed that the area was neither demarcated nor entered as a protected forest in the revenue records, despite a lapse of about 30 years. Due to non-demarcation of the area, the possibility of encroachment of land could not be ruled out.

2.2.15.2 Notifications under Punjab Land Preservation Act

Demarcation and videographing of forest land declared under Sections 4 and 5 of PLPA were not done.

The Government issued notifications under Sections 4 and 5 of the Punjab Land Preservation Act (PLPA) 1900 for the conservation of groundwater and prevention of land erosion for a particular period from time to time. The Act prohibited cutting of trees, collection or removal of grass, quarrying of stones, clearing/breaking up of land, etc. only for the notified period. Since the preservation of forests was for a particular period, the Punjab and Haryana High Court, in order to save the forest land, ordered (May and September 2009) that

- forest land covered by notifications under the Act should be saved from illegal and unscientific mining and these areas should not be used for non-forest purposes.
- the notifications under Sections 4 and 5 should be compiled within one month of the receipt of the Court order and sent to all the Divisional Forest Officers, Revenue Officers and District Mining Officers.

⁵⁸ These machines are used for measurement of land in hilly areas.

2.2.17. Internal controls

To improve the overall quality of work, reduce errors/omissions and irregularities, there should be an internal audit system in all Government departments. It was observed that there was no internal audit system in the department.

After periodical inspections, the Principal Accountant General (Audit) issues Inspection Reports (IRs) to the heads of the offices audited, with copies to the next higher authorities. The executive is expected to promptly rectify the defects and omissions pointed out and report compliance to the Principal Accountant General (Audit) within six weeks. A half-yearly report of the IRs pending for more than six months is also sent to the concerned Administrative Secretary of the department to facilitate, monitoring and finalise audit observations in the pending IRs.

A review of IRs issued up to 31 March 2011 of various offices of the department in the State disclosed that 395 paragraphs of 134 IRs with money value of ₹ 126.16 crore (*Appendix 2.9*) remained outstanding at the end of 31 March 2011. Of these, 43 IRs containing 87 paragraphs with money value of ₹ 10.53 crore were more than five years old. Category-wise details of irregularities pointed out through these IRs which were outstanding as of March 2011 are given in *Appendix 2.10*.

2.2.18. Monitoring and evaluation

Monitoring and evaluation provide the means for managers, planners and decision makers to track the progress of development and remain alert to detect deviations for early corrective action, determine effectiveness and efficiency of development activities and learn lessons for future development planning. The Forest Department constituted Monitoring and Evaluation Divisions at Karnal and Hisar for periodic monitoring and evaluation of works executed by field staff, specially plantations and trees in forest land in the State. It was observed that the department had not evolved any such mechanism for monitoring of other activities such as eco-tourism, herbal parks, wild life activities etc. Further, as discussed earlier, cases of diversion of funds, tardy implementation of schemes, non-utilisation of funds lying with CAMPA, low survival of plantations, etc. indicated that the monitoring was not effective and remedial action was not taken to achieve the goals of the State Forest Policy 2006. Evaluation of State Plan schemes was neither done departmentally nor got done from any external agency to assess the impact of implementation of schemes.

2.2.19. Conclusion

The department could not achieve the goal set under the Forest Policy 2006 of increasing the area under forest and tree cover in the State from the existing 6.63 to 10 per cent by 2010 as the increase in forest and tree cover was only 0.16 per

cent of the total geographical area during this period. As observed during audit, the performance of the department was marred by deficiencies in several areas such as non-preparation of a long-term Perspective Plan, non-demarkation of forest land to prevent use of forest land for non-forest purposes and encroachments, non-development of sites for eco-tourism, illegal mining in Aravalli hills, diversion of funds, tardy implementation of income generating activities, low survival of plants, overlapping of areas under different schemes, etc. Huge amounts were accumulating with CAMPA and in Haryana Wood-Based Industries Revolving Corpus Fund but no proper planning was done for their utilisation in forestry and wild life preservation.

2.2.20. Recommendations

- The department should prepare a long-term Perspective Plan to achieve the goals of the State Forest Policy 2006.
- The department should prepare a proper plan for utilisation of the funds with CAMPA and other similar funds for the development of forestry and wild life conservation.
- The department should take effective measures to enhance the survival rate of plantations to the level of 70 per cent.
- The department should complete projects in hand urgently to derive the benefits of invested funds.
- The department should prepare a plan for demarcation of forest land to prevent use of forest land for non-forest purpose, encroachments and illegal mining.

These points were demi-officially referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Forest Department in May 2011. Reply had not been received (August 2011).

Commissioner, Hisar Division

2.3 District Jind

Highlights

A district-centric audit of Jind district was conducted to assess the status and impact of implementation of various socio-economic development activities. Audit scrutiny revealed that the District Planning Committee had not prepared any Perspective Plan. In the health sector, the district was short of health centres, minimum infrastructure and doctors, as a result of which it was lagging behind in achievement of targets for reducing the infant mortality rate, the birth rate, the death rate and increasing ante-natal care, institutional deliveries, etc. In the education sector, there was lack of monitoring over the execution of repair works and a large number of schools were without science laboratories. Thirteen villages were not provided a minimum of 40 litres per capita per day of drinking water. Out of five towns in the district, Julana town was without any sewerage facility and Safidon town was without a sewerage treatment plant. Solid Waste Treatment Plants were not provided in Jind and Uchana towns.

There were deficiencies in the public distribution system such as non-detection of bogus ration cards, delays in distribution of food items to beneficiaries, lack of supervision, etc. There was shortage of police personnel and a rising trend in crimes in the district.

In Panchayati Raj institutions, there were deficiencies such as leaving of works incomplete, diversion of funds, slow execution, irregular expenditure, non-maintenance of asset registers, lack of supervision, overpayments, etc.

The District Planning Committee had not prepared a Five-Year Perspective Plan or an integrated district plan covering all the activities for overall development of the district.

(Paragraph 2.3.6)

Household and facility surveys to identify gaps in health care facilities in rural areas were not conducted.

(Paragraph 2.3.8.1)

There were shortages of health centres and doctors in health institutions and inadequate infrastructure for providing basic health care services.

(Paragraphs 2.3. 8.2 and 2.3.8.3)

Out of 8,969 samples of drinking water, 851 had bacteriological contamination during 2006-11, indicating that habitants were not being provided safe drinking water.

(Paragraph 2.3.12.4)

Sewerage facility was not available in Julana town while a Sewage Treatment Plant was not provided in Safidon town.

(Paragraph 2.3.13)

In Panchayati Raj institutions, there were deficiencies such as leaving of works incomplete, slow execution, irregular expenditure, diversion of funds, non-maintenance of asset registers, lack of supervision, overpayments, etc.

(Paragraph 2.3.16)

Due to non-availability of any dumping site, 30 tonnes of garbage being produced daily in Jind was being scattered around the city. There were no Solid Waste Treatment Plants for Jind and Uchana towns.

(Paragraph 2.3.17.1)

There were deficiencies in the public distribution system such as non-detection of bogus ration cards, delay in distribution of food items to beneficiaries, lack of supervision, etc.

(Paragraph 2.3.18)

There was shortage of police personnel and a rising trend in crimes in the district.

(Paragraphs 2.3.19.1 and 2.3.19.3)

2.3.1 Introduction

District Jind is bound by Panipat and Sonapat districts in the east, Karnal and Kaithal districts in the north, Rohtak district in the south, Hisar and Fatehabad districts in the west and the Haryana-Punjab border in the north-west. It falls under the Hisar Division. The district accounts for 11.90 lakh (5.62 per cent) of the population of the State (211.45 lakh) with 80 per cent of the people residing in rural areas. About 80 per cent of the population depends on agriculture for livelihood. The district comprises three⁶² Sub-Divisions, four⁶³ Tehsils and three⁶⁴ Sub-Tehsils. For the purpose of rural development, the district has been

⁶² Jind, Narwana and Safidon.

⁶³ Jind, Julana, Narwana and Safidon.

⁶⁴ Alewa, Pillukhera and Uchana.

divided into seven Development Blocks covering 300 Gram Panchayats (GPs). There are two Municipal Councils.⁶⁵ and three Municipal Committees.⁶⁶ in the district. The literacy rate is 62.12 per cent as against 67.91 per cent in the whole State.

2.3.2 Administrative set-up

The District Planning Committee (DPC) is the apex body at the district level for approving the shelf of schemes for development of the district. The Deputy Commissioner (DC) is in charge of the district and is also the Chairman of the District Rural Development Agency (DRDA). He ensures co-ordination between the DRDA, Panchayati Raj Institutions (PRIs) and all other departments of the Government.

The DC is assisted by an Additional Deputy Commissioner (ADC)-cum-Chief Executive Officer (CEO), DRDA and a Chief Planning and Development Officer (CPDO) for preparation and prioritization of schemes and their implementation, monitoring and review. The ADC is assisted by a District Planning Officer (DPO) and a Deputy CEO, Zila Parishad (ZP). Executive Officers (EOs) of Municipal Councils and Secretaries of Municipal Committees work under DC's overall command.

2.3.3 Audit objectives

The objectives of audit were to assess whether:

- the annual planning process for different developmental programmes was effective;
- the financial management of the district was economical and efficient;
- programmes and schemes were implemented efficiently and effectively to achieve the targets and outputs/outcomes; and
- an effective monitoring mechanism and a system of internal control were in place.

2.3.4 Audit criteria

The audit criteria applied for assessing the implementation of various developmental programmes/schemes were as under:

- District Plan and Annual Action Plans.

⁶⁵ Jind and Narwana.

⁶⁶ Julana, Safidon and Uchana.

- Punjab Financial Rules and Punjab Budget Manual as adopted by the Government of Haryana.
- Guidelines of the concerned programmes and schemes.
- Prescribed monitoring mechanism.

2.3.5 Audit scope and methodology

The audit was conducted during January to April 2011 for the period 2006-11. Records of activities relating to health, education, water supply and sanitation, irrigation, roads, police, public distribution system, PRI, e-governance, etc. were covered under test check. The offices of the DC, ADC-cum-CEO, DRDA, CPDO, Zila Parishad, District Development and Panchayat Officer (DDPO) and four⁶⁷ Block Development and Panchayat Officers (BDPOs) along with 39 GPs of these blocks were selected by using the random sampling technique. The Municipal Council, Jind and Municipal Committee, Uchana were also selected by adopting the same method.

An entry conference was held in March 2011 with the DC, Jind wherein audit objectives, audit criteria and scope of audit were discussed. An exit conference was held in September 2011 with the Commissioner, Hisar Division and Deputy Commissioner, Jind, along with other departmental functionaries, wherein the audit findings were discussed. The responses of the officers of various departments have been incorporated at the appropriate places in this report.

2.3.6 Planning

The 74th amendment to the Constitution made in 1992 mandated the establishment of a District Planning Committee (DPC) for consolidating the plans prepared by the Panchayats and Municipalities in the district, covering all activities such as health, education, public health, irrigation, buildings and roads, police, etc. into an Integrated District Plan. All the three tiers of local administration viz. ZP, Block *Samitis* and GPs were to prepare an Annual Action Plan (AAP) at the beginning of each year and no work was to be taken up unless it was part of the AAP.

Audit scrutiny of the records revealed that though the DPC was constituted in November 2007, the Five Year Perspective Plan for overall development of the district was not prepared. The DPC approved the works under the District Plan Scheme only while developmental works to be taken up by the other departments i.e. Health, Education, Public Health, Irrigation, Buildings and Roads, Police, etc. were not included in the District Plan. As such, there was no Integrated District Plan. During 2008-11, the DPC held only three meetings, against the requirement of 12 meetings.

Integrated district plan did not cover activities under medical care, education, roads, police, etc.

⁶⁷ Alewa, Jind, PiluKhera and Uchana Blocks

In the absence of a Perspective Plan, an Integrated District Plan and inputs from blocks and GPs for various activities such as health, education, public health, irrigation, buildings and roads, police, etc., the felt needs of the society and the disparities between various regions and communities within the district remained unidentified and unresolved.

2.3.7 Financial management and accounting framework

Funds are allocated to the district through the State budget for various developmental activities. In addition, funds are directly released to the DRDA and implementing agencies for various socio-economic developmental programmes by the State and Government of India (GOI). The DRDA, CPDO and the DDPO release the funds to blocks and other executing agencies based on the approved allocation for the individual schemes.

The details of funds received and expenditure incurred thereagainst in respect of certain significant schemes/activities for the period 2006-11 in the district are given below:

Table 1: Funds provided and expenditure under certain significant schemes/activities

(₹ in crore)

Name of Scheme	Funds provided	Expenditure incurred	Unspent amount
District Rural Development Agency			
Mahatma Gandhi National Rural Employment Guarantee Act	12.79	11.81	0.98
Sampoorna Gram Rojgar Yojna	12.81	12.07	0.74
Indira Awas Yojna	10.21	9.51	0.70
Total Sanitation Campaign	8.59	8.20	0.39
Member of Parliament Local Area Development Scheme	8.29	6.79	1.50
Swaran Jayanti Gram Swarajgar Yojna	13.00	12.80	0.20
Swaran Jayanti Shahari Rojgar Yojna	2.76	2.42	0.34
Chief Planning and Development Officer			
D-Centralised Plan	2.90	2.74	0.16
District Plan	29.03	16.95	12.08
District Development and Panchayat Officer			
Twelfth Finance Commission	25.68	25.68	-
Haryana Rural Development Fund	59.39	61.73	(+) 2.34 ⁶⁸
Total	185.45	170.70	14.75

Source: Departmental figures

Funds were shown as utilised after releasing the same to the next level without ascertaining their actual utilisation.

As is evident from the above table, against the provision of ₹ 185.45 crore, ₹ 170.70 crore was spent and ₹ 14.75 crore remained unspent with the implementing agencies.

Scrutiny of records of the ADC-cum-CEO, DRDA and the test-checked blocks and GPs revealed that the funds were shown as expended as soon as these were released to the next level i.e. the DRDA, showed utilisation of funds as soon as these were released to the blocks and the blocks, in turn, showed utilisation on release to GPs, without waiting for the actual utilisation of the funds.

⁶⁸ This excess expenditure of ₹ 2.34 crore was spent by diverting funds from some other scheme.

Social services sector

The Social services sector has been receiving priority in funding both by the Central and the State Governments. Under this sector, flagship programmes like the National Rural Health Mission (NRHM), Sarva Shiksha Abhiyan (SSA) and the Accelerated Rural Water Supply Programme (ARWSP) were implemented in the district. Audit findings relating to this sector are enumerated below:

2.3.8 Health

The Civil Surgeon, Jind was responsible for providing health care services to the people through a network of two hospitals, seven community health centres (CHCs), 21 primary health centres (PHCs), 158 sub-centres (SCs) and 27 delivery huts.

The National Rural Health Mission (NRHM) was launched by Government of India in April 2005 with a view to provide accessible, affordable, effective and reliable health care facilities in rural areas, especially to poor and vulnerable section of the population.

2.3.8.1 Planning

As a first step towards provision of accessible, affordable and equitable health care under NRHM, a household and facility survey was required to be carried out to identify the gaps in the health care facilities in rural areas. It was observed that no such survey had been conducted in the district.

The Civil Surgeon, Jind replied (August 2011) that separate instructions had not been received to carry out the household and facility survey from higher authorities. The reply is not acceptable as the survey was required to be carried out to identify the gaps in health care facilities as per the guidelines of NRHM.

As per NRHM guidelines, the District Health Society (DHS) was required to prepare a Perspective Plan for the entire Mission period (2005-12) and Annual Plans for the district with the inputs from the lower tiers of the Government. Audit scrutiny revealed that these plans had been prepared without receipt of household and facility survey reports from lower functionaries. In the absence of this survey, proper planning could not be done to address disparities among various regions and communities in the district.

The Civil Surgeon, Jind replied (August 2011) that inputs for preparing plans from lower functionaries e.g. CHCs, PHCs and SCs were taken from the concerned Senior Medical Officers during meetings. The reply is not acceptable as inputs were to be received from CHCs, PHCs and SCs in documented form for proper planning.

2.3.8.2 Infrastructure

- As per Indian Public Health Standards (IPHS), for every 80,000 to 1,20,000 population, there should be a CHC, for a population of 20,000 to 30,000 there should be a PHC and for every 5,000 people there should be

Household and facility survey was not conducted.

There was shortage of health centres.

one SC. In terms of these norms, there were shortages of CHCs, PHCs and SCs in the district as detailed below:

Table 2: Showing the requirement and availability of CHCs, PHCs and SCs

Block	CHC			PHC			SC		
	Requirement	Available	Shortage	Requirement	Available	Shortage	Requirement	Available	Shortage
Safidon	1	1	-	4	2	2	27	20	7
Ujhana	2	1	1	6	5	1	40	27	13
Julana	2	1	1	4	4	-	26	24	2
Kandela	1	1	-	3	2	1	26	18	8
Uchana	2	1	1	7	5	2	40	29	11
KharkRamji	1	1	-	3	2	1	22	17	5
Total	9	6	3	27	20	7	181	135	46

Source: Data supplied by Civil Surgeon, Jind.

Note: The information relating to Alewa block was not available.

- Further, there was inadequate infrastructure as on 31 January 2011 in CHCs (out of seven) and PHCs (out of 21) in the district as detailed below:

Table 3: Showing the non-availability of infrastructure in CHCs and PHCs

Sr. No.	Particulars	Number of centres where service was not available	
		CHCs	PHCs
1	Waiting Room	1	10
2	Labour Room	-	4
3	Operation Theatre	3	17
4	Clinic Room	-	2
5	Emergency/Casualty Services	2	13
6	Separate Units for Male and Female patients	4	10

Source: Data supplied by concerned CHCs.

In the absence of adequate infrastructure at the health centres, the basic facilities could not be provided to the rural population.

- The basic health care services required to be provided in the health centres were not available in many centres. The details in this regard as on 31 January 2011 in CHCs and PHCs in the district are given below:

Table 4: Non-availability of basic health services in CHCs and PHCs

Particulars	Number of Health Centres where services were not available	
	CHC	PHC
Blood storage	3	Not applicable
New-born care	1	12
24X7 deliveries	Nil	6
Inpatient services	2	6
X-rays	3	18
Ultrasound	4	Not applicable
ECG	4	Not applicable
Obstetric services	2	10
Emergency services (24 Hours)	2	7
Tubectomy and Vasectomy	3	Not applicable
Internal Examination of Gynaecology	2	10
Paediatric Services	3	Not applicable

Source: Data supplied by Civil Surgeon, Jind.

In the absence of the above basic services, the rural population of these areas remained deprived of these services.

The Civil Surgeon, Jind replied (August 2011) that the matter regarding improvement of infrastructure had been taken up with the higher authorities.

2.3.8.3 Manpower management

The quality and efficiency of medical care largely depends upon the availability of manpower resources. Audit scrutiny showed shortage of Medical Officers as on 31 December 2010 as detailed below:

Table 5: Shortage of Medical Officers

Sr. No.	Name of the institution	Sanctioned	Filled	Vacant	Percentage of vacant posts
1	G.H. Jind	29	19	10	34
2	G.H. Narwana	11	7	4	36
3	CHC Safidon	14	6	8	57
4	CHC Kalwa	12	4	8	67
5	CHC Kandela	8	3	5	63
6	CHC Uchana	12	11	1	8
7	CHC Julana	5	3	2	40
8	CHC Ujhana	9	6	3	33
9	CHC Khark Ramji	7	5	2	29
Total		107	64	43	40

The shortage of doctors in the district was 40 per cent.

Source: Data supplied by Civil Surgeon, Jind.

It is evident from the above table that there was overall 40 per cent shortage of doctors.

Further, there were shortages of nurses and Multi Purpose Health Workers (Female) to the extent of 14 and 20 per cent respectively at the end of July 2011 in hospitals and CHCs (Appendix 2.11).

The Civil Surgeon, Jind stated (August 2011) that the matter to fill up the vacant posts of doctors and para-medical staff had been taken up with the higher authorities.

2.3.8.4 Bed occupancy

Bed occupancy in the General Hospital, Jind was good and ranged between 75 and 108 per cent during 2006-10. However, bed occupancy in CHCs was very poor and ranged between 'nil' and 54 per cent during 2006-11 as depicted in the following table:

Table 6: Low bed occupancy

Name of the Hospital/CHS	2006-07	2007-08	2008-09	2009-10	2010-11
General Hospital, Jind	108	79	78	88	75
CHC, Kandela	Data not provided	7	17	29	41
CHC, Julana	10	8	10	16	21
CHC, Ujhana	7	7	7	7	7
CHC, Safidon	Data not provided	14	15	33	54
CHC, Uchana	Data not provided	12	10	11	1
CHC, Khark Ramji	Nil	Nil	Nil	Nil	Nil

Source: Data obtained from concerned health institutions.

It was observed that the low bed occupancy was due to shortage of doctors in CHCs and indicated the unsatisfactory health services available in the district.

2.3.8.5 Cold chain management

To support the immunization programme, cold chain management was to be ensured in all the CHCs and PHCs. Availability of cold chain facilities was a prerequisite to maintain the potency of the vaccines. It was observed (January 2011) that out of 6,432 pieces of cold chain equipment such as Large Ice Line

Out of 6,432 pieces of cold chain equipment 1,722 were out of order.

Refrigerators (ILR), small ILRs, deep freezers, small deep freezers, stabilizers, thermometers, vaccine carriers, cold boxes and ice packs, only 4,710 items were functional and 1,722 items were found to be non-functional in the district as of March 2011.

In reply, the Civil Surgeon, Jind stated (August 2011) that only major equipment e.g. large ILRs, small ILRs, small deep freezers were replaced. The reply of the department indicated that other type of equipment e.g. stabilizers, vaccine carriers, ice packs, etc. were not replaced, which were equally essential to maintain the cold chain.

2.3.8.6 Pre-Natal Detection Test Act

The sex ratio was declining in the district. Against 1,000 male, the ratio of the female population ranged between 861 and 896 during 2006-10 as detailed below:

Table 7: Showing the female sex-ratio in urban and rural areas

Year	Sex ratio		
	Urban	Rural	Average
2006	842	928	891
2007	866	920	896
2008	859	930	895
2009	852	870	861
2010	849	890	868

Female sex-ratio was less in the district.

Source: Data supplied by Civil Surgeon, Jind.

Due to the poor sex ratio in the district, stringent implementation of the Pre-Natal Detection Test (PNDT) Act was a key strategy for meeting the adverse sex ratio. A task force at the district level was to be constituted, consisting of a team of dedicated officers to conduct raids and inspections of ultrasound centres to curb the illegal activities. It was observed that no such task force had been constituted in the district.

There were 50 registered ultrasound centres in the district. Though 271 inspections of these centres were carried out by the department during 2006-10, no case was registered against any ultrasound centre for violation of the provisions of the PNDT Act.

A budget provision of ₹ four lakh was made under NRHM during 2008-11 for activities such as organising workshops and seminars for legal awareness, hiring legal experts, conducting street plays and organising health and PNDT awareness camps, out of which ₹ 1.40 lakh was spent on organising health and PNDT awareness camps. However, no expenditure was incurred on two activities i.e. hiring legal experts and staging street plays.

The Civil Surgeon, Jind stated (August 2011) that a task force consisting of a team of dedicated officers was being constituted for implementation of the PNDT Act, who would inspect the ultrasound centres to take up the regulatory measures against the female foeticide, etc. During the exit conference, the Commissioner, Hisar Division, directed (September 2011) the Civil Surgeon, Jind to inspect the ultrasound centres in an effective manner.

2.3.8.7 National Programme for Control of Blindness

The National Programme for Control of Blindness (NPCB) was launched in 1976-77. As per the Status Reports of NRHM, Haryana (2005-10), the prevalence rate of blindness in Haryana was 1.13 *per cent* against the national rate of 1.49 *per cent*. The salient features of the programme in the district were as under:

Under NPCB, the prevalence rate of blindness was to be brought down to 0.50 *per cent* by 2010 through increased cataract surgeries, eye screening of school children, collection of donated eyes, creation of donation centres and eye banks, strengthening of infrastructure, etc.

During 2006-11, no targets for cataract surgeries and eye screening of school children were fixed. In the district, 24,951 cataract surgeries and eye screening of 1,29,768 school children were done and 6,107 spectacles were provided to the children. The prevalence of blindness in the district in 2009-10 was 1.70 *per cent* in comparison to NPCB targets of 0.50 *per cent*. It was also higher than the State average (1.13 *per cent*) and the national average (1.49 *per cent*).

The Civil Surgeon stated (August 2011) that due to shortage of eye surgeons, targets for cataract surgeries could not be fixed which contributed to the prevalence of the high rate of blindness in the district. He, however, assured that with the posting of five eye surgeons in the district now, adequate targets for cataract surgery would be fixed and achieved.

2.3.8.8 Accredited Social Health Activists

One of the strategies envisaged by NRHM for achievement of the goal of reduction in IMR, MMR and TFR was appointment of accredited female community health workers called Accredited Social Health Activists (ASHA). One ASHA was to be appointed for every thousand people and had to act as an interface between the community and the health care system.

As per information supplied by the department, 960 ASHAs were required to be engaged in the district as per the 2011 population. However, only 880 ASHAs were selected, out of which 25 ASHAs left their job. Thus, there was a shortage of 105 ASHAs. Shortage of ASHAs deprived the community from the information on determinants of health such as nutrition, basic sanitation and hygienic practices apart from counseling to women on birth preparedness, importance of safe delivery, breast-feeding, etc.

The Civil Surgeon stated (August 2011) that ASHAs would be selected very shortly to overcome the shortage so that health services could be provided at doorsteps.

2.3.9 Family welfare

2.3.9.1 Terminal methods and spacing methods

Terminal methods and spacing methods are used to control the total fertility rate and improving the couple protection ratio.

Prevalence of blindness in the district was more than that of State and National level.

A number of initiatives were launched (April 2005) under NRHM to achieve the goal of population stabilisation through reduction in the total fertility rate from 2.3 to 2.05 by December 2010. Targets in respect of total sterilization for the period 2006-10 were never achieved and the achievement ranged between 66.46 and 89.66 per cent

There was increase in birth rate due to shortfall in total sterilization programme.

Use of oral pills, condoms and intra-uterine devices (IUD) are the three prevailing spacing methods of family planning to regulate fertility and increase the couple protection ratio. Although, the percentage of achievement in respect of targets for the above spacing methods for the period 2006-07 to 2009-10 was more than 100, the birth rate increased from 2.3 in 2006-07 to 2.5 by December 2010.

The Civil Surgeon replied (August 2011) that appropriate efforts would be made to decrease the birth rate.

2.3.9.2 Non-availability of medical termination of pregnancy facilities

Enhancing the number and quality of facilities for medical termination of pregnancy (MTP) was an important component of the Reproductive and Child Health Programme. MTP was permitted in certain conditions under the MTP Act 1971. The MTP facility was available at Government hospitals at Jind and Narwana where a total of 4,731 MTPs were performed. Out of the total of seven CHCs in the district, the facility of MTP was available only in CHC, Julana.

The department stated during the exit conference that facilities for MTP could not be made available due to shortage of doctors. The department's reply was not convincing as it was their responsibility to provide proper medical facilities at CHCs.

2.3.9.3 Performance indicators of health services

The position of performance indicators of health services was as under:

Table 8: Showing the performance position of health services

(Data in percentage)				
Sr. No.	Indicator	Base position 2006-07	Target up to December 2010	Achievement up to December 2010
1	Reduction in infant mortality rate	46.7	25	41
2	Reduction in birth rate	22.3	18	23
3	Reduction in total fertility rate	2.3	2.05	2.5
4	Reduction in death rate	6.3	5.2	7
5	Increase in ante-natal care	93	98	68.9
6	Increase in proportion of women getting Iron and Folic Acid tablets	92.33	98	132.5
7	Increase in proportion of women getting two Tetanus Toxoid injections	96.84	99.58	89.75
8	Increase in institutional deliveries	32.55	45	75
9	Increase in institutional deliveries by skilled birth attendants	60	88	59.8
10	Increase in contraceptive prevalence rate	60.5	73	63
11	Increase in complete immunization of children(12-23 month of age)	87	99	103
12	Reduction in prevalence of STI/RTL ⁶⁹	19,471 cases	11,000 cases	1,498 cases

Source: Data supplied by Civil Surgeon, Jind.

⁶⁹ Sexually Transmitted Infection/Reproductive Tract Infection.

Shortfalls in achievement against the performance indicators (as shown in the table above) indicated unsatisfactory implementation of health programmes of the Government in the district. In some cases, especially in cases of (i) reduction of birth rate (ii) reduction in total fertility rate (iii) increase in ante-natal care, the position in December 2010 was even worse than the base position in 2006-07. The shortfall in achievement of above indicators was mainly due to inadequate infrastructure and shortage of doctors and para-medical staff.

2.3.10 Elementary education

Sarva Shiksha Abhiyan (SSA) is a comprehensive and integrated flagship programme of GOI which was started in 2000-01. The main objective of SSA was to attain universalisation of elementary education in the country in a mission mode. SSA aimed to provide useful and relevant education to all children in the age group of six to 14 years. During 2006-11, against the allocation of ₹ 91.99 crore, an amount of ₹ 74.64 crore (81 per cent) was spent on this programme.

2.3.10.1 Status of enrolment of children in schools

Enrolment of children, both in primary and upper primary schools, increased in the district during 2006-11 as detailed below:

Table 9: Enrolment of Children in schools

Year	Primary schools		Upper Primary schools	
	Number of schools	Number of students	Number of schools	Number of students
2006-07	470	95,687	286	47,830
2007-08	470	96,983	306	46,248
2008-09	470	88,202	306	44,783
2009-10	470	88,501	307	44,977
2010-11	470	1,25,487	307	70,910

Source: Data furnished by the department.

With a view to accommodate the increased number of students in schools, the District Project Coordinator (DPC), Jind planned to construct 735 additional classrooms during 2006-11. Out of these, the construction of 652 classrooms was completed, the work of 80 classrooms was in progress while work for three classrooms had not been started (August 2011).

2.3.10.2 Out of school children

The DPC, SSA, Jind neither monitored the dropping out of children from elementary schools nor maintained any data relating to out of school children for the period 2006-11. However, audit scrutiny in 40 test-checked primary and upper

primary schools showed that the number of out of school children ranged between three and seven *per cent* during 2006-11 as detailed below:

Table 10: Showing the position of out of school children

Year	Number of children identified (6-14 years)	Number of children enrolled	Number of children out of school	Percentage of out of school children
2006-07	12,013	11,278	735	6
2007-08	12,110	11,668	442	4
2008-09	11,754	11,450	304	3
2009-10	12,182	11,788	394	3
2010-11	12,594	11,680	914	7

Source: Data supplied by Block Education Officer/Block Resource Coordinator.

The data indicates that very few children in the age group of six to 14 years remained out of school in the 40 test-checked schools. Thus, the goal of SSA of universalisation of elementary education seemed to be drawing near.

2.3.10.3 Repair works

As per GOI instructions, schools having up to three classrooms were eligible for maintenance grant of ₹ 5,000 per year while schools having more than three classrooms were eligible for maintenance grant of ₹ 7,500 per year. During the years 2006-11, DPC, Jind released ₹ 2.50 crore to 470 primary and 307 upper primary schools for repair works. The schools, however, could not produce any records in support of utilisation of these funds. In the absence of any documents, it could not be ascertained whether the repair works were actually carried out by the schools or not. Reporting of expenditure without producing any documentary evidence in support of expenditure having been incurred is fraught with the risk of misappropriation of funds.

2.3.10.4 Kitchen sheds for mid-day meals

Mid-day meals are provided in all primary and upper primary schools in the State. It was observed that out of 777 schools of the district, 399 schools (187 primary and 212 upper primary schools) did not have separate kitchens for preparation of mid-day meals. In the absence of separate kitchens, the meals were being prepared either in the classrooms or in the open, which was not only unhygienic but could also affect the concentration of the students as well as the teachers.

DPC, Jind while admitting the facts, stated (August 2011) that funds of ₹ 2.82 crore had been provided to 224 schools for construction of kitchen sheds during 2010-11 and for the remaining schools, funds would be provided for construction of kitchen sheds after receipt of the same from the Government.

2.3.10.5 In-service teachers' training

As per SSA guidelines, 30 days in-service training to all the teachers was required to be provided in each year. It was observed that in-service training to teachers was not imparted in the district during the years 2008-09 and 2009-10, despite a

provision of ₹ 62.94 lakh and ₹ 44.30 lakh respectively in the budget for the purpose. The DPC, Jind stated (August 2011) that training could not be imparted due to non-receipt of a training schedule from the State Project Director. This showed lack of coordination between the district and State coordinators.

2.3.11 Secondary education

Secondary education is being imparted in the district through a network of 118 Government High Schools (GHSs), 89 Government senior secondary schools (GSSSs), one Navodaya Vidyalaya, 205 recognized private schools and nine aided high and senior secondary schools. The District Education Officer (DEO) is the Controlling Officer of the district for implementation of the schemes for educational development. The position of enrolment of students in various classes was as under:

Table 11: Position of enrolment of students in various classes

Class	2006-07	2007-08	2008-09	2009-10	2010-11
IX	12,773	20,047	19,417	19,849	21,876
X	16,251	18,001	21,136	18,978	21,439
XI	3,065	13,242	12,818	15,331	15,415
XII	2,760	9,990	12,719	11,166	16,052

Source: Data supplied by District Education Officer, Jind.

The data indicates that there was a substantial increase in the number of students for classes IX to XII during 2006-11.

A survey conducted under the Rashtriya Madhyamik Shiksha Abhiyan (RSMA⁷⁰) revealed that out of 207 high/senior secondary schools in the district, 30 schools did not have playgrounds, while 51 schools needed improvement in their existing playgrounds, 45 schools needed repairs of boundary walls and two schools needed to construct boundary walls.

2.3.11.1 Quality of education

Quality education can only be imparted when there is an adequate availability of teachers in schools. It can be judged from Board results of examinations conducted by the Haryana School Education Board.

The category-wise position of vacant posts of teachers in the district as on February 2011 is given in *Appendix 2.12*. An analysis of the data in the appendix showed that 23 per cent of sanctioned posts of teaching staff and 54 per cent of sanctioned posts of Principals and Headmasters were vacant. However, the department deployed guest teaching staff to the extent of 17 per cent of the

⁷⁰ RMSA was launched in 2009 with an aim to achieve universal access and quality secondary education.

sanctioned strength. The shortage of Principals, Headmasters and teachers adversely affected the quality of education. The pass percentage of students was 80 but the percentage of students who secured more than 60 *per cent* marks in class 10 was around 28 (Boys: 27.41; Girls: 28.03).

Scrutiny of records also revealed the following:

Science laboratories were available in only 11 *per cent* schools.

- Out of 207 high/senior secondary schools in the district, only 22 schools (11 *per cent*) had science laboratories.
- All the above mentioned 207 schools had toilets with water connections, but only 40 schools had storage facilities for water for use in the toilet.

2.3.11.2 Inspection of schools

Records of inspection notes of schools were not available.

The DEO or any other officer authorised by him/her has to inspect the schools from time to time. The DEO should take remedial action, if something adverse is noticed during inspection. Scrutiny of records revealed that the DEO had not maintained any records of inspections carried out by him/her or any other officer authorized by him. The details of the number of inspections carried out during 2006-11 are given in the table below:

Table 12: Number of inspections of schools carried out during 2006-11

Year	Middle	High	Senior Secondary School	Total
2006-07	15	25	28	68
2007-08	35	55	45	135
2008-09	53	78	65	196
2009-10	48	63	79	190
2010-11	70	95	72	237

Source: Data furnished by DEO, Jind.

In the absence of inspection notes, follow up of action on deficiencies pointed out during the inspections could not be verified in audit.

2.3.11.3 Scholarship schemes

With a view to reducing the dropout rate amongst students of weaker sections of the society, the Government is providing scholarships to Scheduled Caste, backward class and below poverty line students. Scrutiny of records revealed the following points:

- A total of 4,844 students of the backward class category in the Jind and Narwana blocks, were deprived of stipend amounting to ₹ 20.98 lakh for the year 2008-09 due to non-receipt of budget from the Government.
- A total of 728 students of different categories of 11 test-checked schools were deprived of stipend of ₹ 4.04 lakh for the period 2006-10 due to lack of funds.
- In Government High School, Kharak Bura, stipend amounting to ₹ 2.66 lakh could not be disbursed due to non-opening of bank accounts by the

school and 134 students of different categories were deprived of the benefits as detailed below:

Table 13: Number of students deprived of stipend

Category	Year	No of students
Scheduled Caste	2008-09	16
	2009-10	32
	2010-11	22
Backward Class	2009-10	36
	2010-11	26
Below Poverty Line	2010-11	2
Total		134

Source: Data provided by concerned schools.

The DC stated during the exit conference that the issue regarding opening of bank accounts would be resolved after holding a meeting with bank officers.

2.3.12 Water supply

Provision of adequate and safe drinking water to all citizens has been a priority area for both the Central and State Governments. In Jind district, various Centrally sponsored schemes and State Plan schemes were implemented for providing drinking water through two divisions (Public Health Engineering Divisions, Jind and Narwana). An expenditure of ₹ 186.14 crore was incurred during 2006-11 on water supply schemes in the district.

2.3.12.1 Status of water supply

All the villages in the district were being provided drinking water facilities. However, against the provision of supplying minimum 40 litres per capita per day (LPCD) water as provided in the Accelerated Rural Water Supply Programme (ARWSP), the status of water supply in 13 out of 307 villages in the district ranged between 20 and 35 LPCD. The Government sanctioned (March 2007) augmentation of 28 water supply schemes at an estimated cost of ₹ 25.01 crore to enhance the water supply from 40 to 70 LPCD but 13 villages with water supply of less than 40 LPCD were not included in these augmentation schemes. During the exit conference, the concerned Superintending Engineer stated that all the villages had since been provided 40 LPCD water.

As of March 2011, 25 out of the 28 augmentation schemes were completed, one was in progress and two were dropped but later taken up under another programme.

2.3.12.2 Excess expenditure over estimates

Financial Rules provide that no expenditure should be incurred without technical sanction for estimates. Excess expenditure over estimates should be got approved from the competent authority. Test check of records of Public Health Divisions in

the district revealed that a total amount of ₹ 2.03 crore was spent in excess over estimates in 17 cases, without approval of the competent authorities.

The Executive Engineer (EE), Public Health Engineering Division (PHED), Jind stated (August 2011) that the excess expenditure was due to increase in the cost of material and labour between the period of preparation of the estimates and allotment of work. EE, PHED, Narwana stated (August 2011) that the records would be scrutinised and excess expenditure would be got regularised after preparing revised estimates.

During the exit conference, the SE stated (September 2011) that excess expenditure in eight cases had since been regularised and excess expenditure in the remaining cases would be got regularised from the competent authority. Excess expenditure incurred by the departmental authorities without the approval of the competent authorities was in violation of the financial rules and should not have been allowed to happen as such a tendency on the part of the departmental officers may have serious financial consequences.

2.3.12.3 Non-recovery of water and sewerage charges

The Government prescribed rates of water fees chargeable for supply of water and providing sewerage facilities. Water fees of ₹ 1.42 crore (Jind Division: ₹ 0.77 crore and Narwana Division: ₹ 0.65 crore) were outstanding against residents up to March 2011.

A total of 56,715 connections were given under the Indira Gandhi Drinking Water Scheme to Scheduled Caste households during 2006-11. These cases were not added to consumer ledgers and bills were not raised against them, which resulted in loss of revenue amounting to ₹ 1.47 crore to the State exchequer as detailed below:

Table 14: Outstanding water charges from SC households

Number of connections	Period	Months	Rate per month (in ₹)	Amount (₹ in lakh)
285	April 2007 to June 2011	51	10	1.45
21,555	April 2008 to June 2011	39	10	84.06
13,329	April 2009 to June 2011	27	10	35.99
16,169	April 2010 to June 2011	15	10	24.25
5,377	April 2011 to June 2011	3	10	1.61
			Total	147.36

Source: Amount worked out by Audit.

In addition to the above, neither were the details of water connections provided to general category households in rural areas maintained nor were any bills raised for water supply.

EE, PHED, Jind stated (August 2011) that ledgers were being prepared and after completion of this work, the bills would be raised.

2.3.12.4 Water quality

The provision of clean drinking water has been given priority in the Constitution of India, with Article 47 conferring the duty of providing clean drinking water and improving public health standards to the State. Government fixed norms of 2,400 samples for testing water samples for each laboratory. As per instructions issued (April 2010) by the Department of Drinking Water Supply, GOI, a laboratory can test 300 samples in a month and 3500-4000 in a year. It was also stressed that water from each source should be subjected once in a year to chemical testing and two to four times a year to bacteriological testing. On the basis of this, the Government increased (May 2010) the target of a year to water samples to 3500 per year.

Records of the Public Health laboratory at Jind revealed that against the target of 2400/3500 tests, only 1,455 to 2,117 tests were conducted during 2006-11. It showed that the desired number of tests was not carried out regularly. Results of 851 out of 8,969 samples showed bacteriological contamination. Further, as per information supplied by the Health Department, 40,641 cases of waterborne diseases (Diarrhea: 39,935 and Jaundice/Viral Hepatitis: 706) were noticed in the district during 2006-10.

EE, PHED, Narwana stated (April, 2011) that after using bleaching powder, water samples were again taken and tested and thereafter the quality of water was found to be satisfactory. The reply showed that bleaching powder was not being used regularly to avoid bacterial contamination.

During the exit conference, the DC took the matter of bacteriological contamination seriously and advised the department to avoid such lapses so that the people did not suffer from various waterborne ailments. The DC and the SE concerned also suggested that in future, the panchayats should be made aware about the quality of potable water and be involved in the collection of water samples for testing.

2.3.13 Sanitation and sewerage facilities

Sewerage facilities were provided in four.⁷¹ out of five.⁷² towns in the district. In Julana, sewerage facilities were still to be provided. A sewerage scheme for Julana was approved (May 2010) for ₹ 14.65 crore and work was in progress.

It was noticed that out of 98 colonies in Jind and Safidon towns, sewerage facility was not provided in 19 colonies (Jind: 11 and Safidon: eight). Sewerage works in 11 colonies of Jind town were in progress. However, no plan had been prepared for providing sewerage facilities in the eight colonies in Safidon town as yet (August 2011).

⁷¹ Jind, Narwana, Safidon and Uchana.

⁷² Jind, Julana, Narwana, Safidon and Uchana.

Sewage or excreta and sullage discharged from communities should be properly collected, transported and treated to the required degree and finally disposed of without causing any health or environmental problem. It was noticed that no sewerage treatment plant was provided to Safidon town and sewage was being drained out in open drains causing health hazards to the residents of the area.

The EE, informed during the exit conference that the necessary action plan for providing sewerage facilities was under process.

Economic services

The availability of basic infrastructure is essential for enhancing the growth of the district and bridging the gap between urban and rural areas. It also helps in bringing the remote area closer to the District headquarters for inclusive growth of the economy. Infrastructure includes provision of all weather roads, railway connectivity, air services and irrigation needs.

Jind district is well connected with rail transport. All the blocks except Alewa have been connected with Railway lines.

2.3.14 Road connectivity

2.3.14.1 Status of road connectivity

Haryana has very good road connectivity across the State. The status of road connectivity as well as road lengths in the district was as under:

Table 15: Showing the status of road length

Type of road	Road length (in kilometres)
National Highways	127
State Highways	154
Major district Roads	50
Other Roads (village roads)	905

Source: Data furnished by department.

All the villages except two villages i.e. Baraban and Tegbhadurpur (out of 307 villages) are connected with all-weather roads. On the DC's initiative during the exit conference, the department stated (September 2011) that the work relating to the construction of link roads to the remaining two villages would be undertaken under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

2.3.14.2 Execution of road works

In the district, 47 works of strengthening, widening and construction of new roads were taken up under the Pradhanmantri Gram Sadak Yojna (PMGSY) and Central Road Fund (CRF) schemes as detailed below:

Table 16: Position of road works executed

Year	Number of works taken up		Approved cost (₹ in crore)		Completed		Expenditure (₹ in crore)	
	State	PMGSY	State	PMGSY	State	PMGSY	State	PMGSY
2006	13	2	32.14	9.69	13	2	28.93	9.60
2007	7	2	24.51	13.00	7	2	22.89	13.21
2008	4	2	4.87	7.32	4	2	4.46	7.71
2009	7	7	41.11	46.19	5	7	13.52	39.81
2010	2	1(CRF)	2.17	19.38	-	-	-	-
Total	33	14	104.80	95.58	29	13	69.80	70.33

Source: Compiled from MIS Reports.

It may be seen from the above table that the progress of work relating to road connectivity was satisfactory as 42 out of 47 works had been completed. The remaining five works, however, could not be completed even after the lapse of three to 11 months of their due dates of completion.

Out of above, one new road project prepared for ensuring smooth traffic (a bypass road) from Jind-Hansi road to Jind-Assandh road was approved (October 2008) at an estimated cost of ₹ 17.71 crore. The work was started in March 2009 and was to be completed in 18 months i.e. by September 2010. Test check of records of the Provincial Division, Jind revealed that the work of the bypass road was very slow as only expenditure of ₹ 3.57 crore had been incurred up to March 2011. EE, Provincial Division, Jind stated (August 2011) that the delay in completion of the road was due to non-availability of material as there was a ban on quarries as per the orders of Supreme Court of India dated 1 March 2010. The reply is not convincing as the work should have been got completed from the contractor as the per agreement by arranging the material from the market. Delays in completion of the work could lead to increase in its cost.

2.3.15 Irrigation

Canal water is the major source of irrigation for the dry and parched land of Jind. Of the total net irrigated area, canal irrigation constitutes as much as 85 per cent.

In Jind district, three divisions (Water Services Divisions, Jind, Narwana and Safidon) maintain the canal system. In addition to the canal, these divisions also construct and maintain drains in the district. An expenditure of ₹ 194.39 crore was incurred on construction of new drains, remodelling and maintenance of drains and canals during 2006-11. The observations of Audit are discussed below:

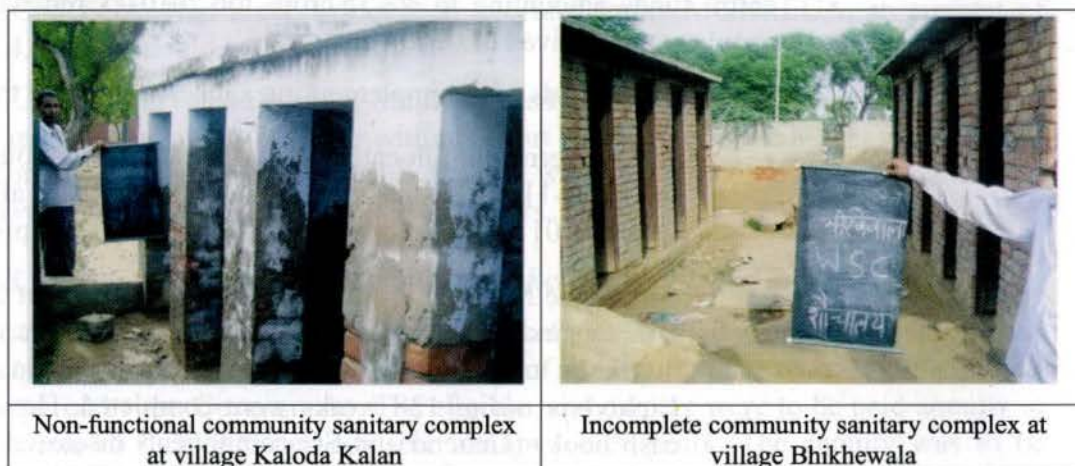
2.3.15.1 Silt clearance of canals and drains not done under Mahatma Gandhi National Rural Employment Guarantee Act

GOI enacted the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to provide employment to rural people. Under this scheme, the

BPL families, 51,075 were constructed. Further, against the target of constructing 82 community sanitary complexes, only 41 were constructed during this period. The shortfall in achievement of targets of construction of community sanitary complexes was attributed to non-receipt of proposals from GPs.

The following deficiencies were noticed in the implementation of this scheme.

- Scrutiny of five Community Sanitary Complexes by Audit disclosed that two complexes at villages Kaloda Kalan and Bhikhewala were not being maintained properly by the concerned GPs as evident from the photographs shown below.



- Out of the funds of the TSC scheme, ₹ 7.50 lakh was paid (2009-10) to three employees of DRDA, Jind, being the arrears of pay on account of the Sixth Pay Commission's Recommendations, on the plea that these employees were working for the said scheme. During scrutiny, it was observed that all these employees were regular and the arrears were payable from the DRDA Administration Scheme. Thus, TSC grant of ₹ 7.50 lakh was diverted.

Diversion of funds.

2.3.16.4 Haryana Rural Development Fund

The Haryana Rural Development Fund (HRDF) Board provides funds to Panchayati Raj Institutions for carrying out various developmental activities in rural areas. Funds amounting to ₹ 59.39 crore were received by the district from the HRDF Board and ₹ 61.72 crore were spent during 2006-11. The excess expenditure of ₹ 2.33 crore was incurred by the EE (Panchayati Raj), Jind by diverting funds from other schemes. Funds were spent for construction and repair of *chaupals*, construction of streets/drains in Mahatma Gandhi Gramin Bastis,⁷³ etc. The following shortcomings were noticed:

⁷³ Under Mahatma Gandhi Gramin Basti Yojna (launched on 2 October 2008), plots of 100 square yards were to be allotted to BPL families.

- Funds amounting to ₹ 16.02 lakh were released (March 2010) by DC, Jind to five GPs of Alewa Block for construction of streets/roads in five.⁷⁴ villages. Only the work at village Gohiyan was completed while works in the other four villages had not been started. An amount of ₹ 12.05 lakh was lying unspent (March 2011). Similarly, funds amounting to ₹ 38 lakh were released (March 2010) to BDPO, Jind for construction of streets/roads in 21 villages but works in 18 villages had not started (December 2010). BDPO, Jind stated (August 2011) that efforts were being made to utilise the unspent funds.

2.3.16.5 Indira Awas Yojna

The Indira Awas Yojna (IAY) is a Centrally sponsored scheme funded on cost sharing basis between GOI and the State Government in the ratio of 75:25. The objective of the scheme is primarily to help construction/upgradation of dwelling units of members of Scheduled Castes/Scheduled Tribes (SC/ST), freed bonded labourers and other non-SC/ST rural households below the poverty line by providing them a lump sum financial assistance. The physical and financial targets and achievements for the district during 2006-11 under the scheme were as under:

Table 17: Physical and financial targets and achievements during 2006-11

Year	Physical targets	Achievements	Funds available	Actual expenditure
	(in numbers)		(₹ in crore)	
2006-07	314	326	1.18	1.18
2007-08	435	438	1.09	1.09
2008-09	435	436	2.24	1.53
2009-10	843	864	3.03	3.02
2010-11	583	597	2.71	2.69
Total	2,610	2,661	10.25	9.51

Source: Data supplied by ADC, Jind.

As is evident from the above table, the department succeeded in achieving physical and financial targets during this period. During test check, the following irregularities were noticed:

- **Irregular payments to male beneficiaries**

As per the guidelines of the scheme, the beneficiaries should be women or the dwelling unit should be in the name of both wife and husband. Test check of records in sampled blocks disclosed that grants of ₹ 29.15 lakh were disbursed during 2008-11 to 77.⁷⁵ male beneficiaries in violation of the scheme guidelines. BDPO, Alewa stated (December 2010) that the amounts were disbursed to the beneficiaries selected by ADC, Jind. During the exit conference, the DC stated (September 2011) that the matter would be investigated and action taken accordingly.

⁷⁴ Chuharpur, Diluwala, Gohiyan, Kuchrana Kalan and Kuchrana Khurd.

⁷⁵ Alewa: 13, Jind: 27, Pillukhera: 21 and Uchana: 16.

- **Submission of false utilisation certificates**

Test check of records of BDPOs, Alewa and Pilu Khera revealed that utilisation certificates for the entire grants of ₹ 26.60 lakh and ₹ 25.90 lakh respectively received during 2009-10 were furnished by them. However, there were closing balances of ₹ 10.63 lakh and ₹ 8.70 lakh respectively as per the bank pass books at the close of March 2010. This indicated that there was misrepresentation of facts in the UCs. BDPO, Alewa, while admitting the facts stated (August 2011) that such irregularities would not be repeated in future.

- **Misreporting of number of houses completed**

As per physical performance progress reports submitted by ADC, Jind to the Government, construction of 2,661 houses against a target of 2,610 was shown as completed by the beneficiaries. However, scrutiny of records of test-checked blocks revealed that in 20 cases, neither had the houses been completed nor were the second installments released. Thus, the ADC, Jind had misreported the physical performance under the scheme to the Government.

2.3.16.6 Common irregularities in Panchayati Raj institutions

The following common irregularities were noticed in the Panchayati Raj institutions:

- As per provisions of Section 26 of the Haryana Panchayati Raj Act, 1994, (the Act), a GP should prepare a map of *abadi deh*.⁷⁶ in the Sabha area showing therein, the boundaries of buildings, public streets and other public open spaces. No such map had been prepared by any of the GPs selected for test check.
- As per provisions contained in Section 12 (iv) of the Act, a GP should maintain a complete register for all developmental works undertaken by it or by any other Government department specifying the costs, date of completion of work, name of assets, etc. No such register was maintained by any of the test-checked GPs.
- As per Rule 12 of the Haryana Panchayati Raj Rules, 1995, every GP was required to maintain works registers, measurement books, receipt book issue registers, muster roll issue registers, register of immovable properties in the prescribed form, etc. to substantiate that works had really been executed. No such records were found to be maintained in any of the test-checked GPs.
- As per the guidelines issued (August 2006) by the Government, all works up to ₹ three lakh were required to be compulsorily inspected by the SDO (Panchayati Raj), and above ₹ three lakh to ₹ 20 lakh by the EE (PR) during execution and after execution of works. Inspection reports were

⁷⁶ The location in the village, where the people reside.



The Secretary, MCJ stated (August 2011) that efforts were being made to acquire land for setting up a Solid Waste Treatment Plant.

2.3.17.2 *Embezzlement of funds*

An amount of ₹ 11,790 was embezzled by MCJ staff during 2009-10 as per details given below:

- An amount of ₹ 11,272 was drawn through self cheque No. 852449 dated 20 April 2009 for disbursement of wages of ₹ 4,272. After disbursement of wages of ₹ 4,272 vide voucher No. 138 dated 21 April 2009, the balance amount of ₹ 7,000 was embezzled.
- The House Tax Branch realized an amount of ₹ 715 vide receipt No. 42/1480 dated 22 March 2010 but only ₹ 115 was accounted for in the cash book and the balance amount of ₹ 600 was embezzled.
- Double payment of ₹ 2,720 was made to the same seven labourers vide voucher Nos. 98 and 99 dated 10 November 2009. Names of these seven labourers were appearing in both the muster rolls on 10 and 11 October 2009.
- Similarly, in another case, one labourer's name appeared in two different muster rolls from 10 to 19 June 2009. Payment of ₹ 1,470 was made twice to this person vide voucher No. 31 dated 27 July 2009 and 35 dated 30 July 2009.

On this being pointed out in January 2011, the Secretary, MCJ while admitting the above audit findings, replied (August 2011) that the entire amount of ₹ 11,790 had been recovered from the concerned officials. The above cases of embezzlements indicated weak financial control.

2.3.18 **Public Distribution System**

The Public Distribution System (PDS) evolved as a system of management of

scarcity and for distribution of foodgrains at affordable prices. Over the years, PDS has become an important part of Government's policy for management of food economy in the country. PDS is supplemental in nature and is not intended to make available the entire requirement of any of the commodities distributed under it to a household or a section of the society. The commodities are rice, wheat, sugar, edible oils, kerosene and other such commodities as notified by the Central Government. The main objective of the PDS is to ensure regular supply of essential commodities at reasonable prices, particularly to the weaker sections of the society/community as well as for enhancing the food security for the poor.

The Government of India (GOI) strengthened PDS by introducing (June 1997), the scheme of Targeted Public Distribution System (TPDS). Under this, special cards were issued to BPL families and foodgrains were provided to them at specially subsidized prices. Scrutiny of records revealed the following:

2.3.18.1 Bogus ration cards in TPDS

On the basis of independent evaluation of TPDS in the States by the Programme Evaluation Organisation of the Planning Commission and ORG-MARG, a nine-point Action Plan was evolved by GOI to weed out bogus ration cards, which was to be implemented by the State Governments from July 2006.

The Directorate of Food and Supplies intimated (October 2008) the District Food and Supply Controller (DFSC), Jind that as per a survey conducted by the DRDA/District Urban Development Agency (DUDA), there were only 2,47,524 families in the district, but the DFSC office had already issued 2,56,465 ration cards to Above Poverty Line (APL), BPL and Antodaya Anna Yojna (AAY) families in the district. Hence, there were 8,941 bogus ration cards in the district. DFSC, Jind was directed (October 2008) to weed out the bogus ration cards. However, not a single bogus ration card was detected as of April 2010.

During the exit conference, the Commissioner, Hisar Division advised that the matter should be seriously taken up by the District Food and Supplies Controller and a proper exercise should be conducted to weed out bogus ration cards.

2.3.18.2 Allocation and lifting of wheat

The table below indicates category-wise allocation and lifting of wheat under TPDS during the last five years.

Table 19: Category-wise allocation and lifting of wheat

(Quantity in Metric Tonnes)

Year	Above Poverty Line			Below Poverty Line			Antodaya Anna Yojna		
	Allocated	Lifted	Percentage	Allocated	Lifted	Percentage	Allocated	Lifted	Percentage
2006-07	-	-	-	10,020	9,519	95.0	9,504	9,124	96.0
2007-08	3,960	-	-	10,080	9,616	95.4	10,152	9,746	96.0
2008-09	3,960	-	-	20,772	19,858	95.6	8,784	8,379	95.4
2009-10	3,960	-	-	19,908	19,310	97.0	8,820	8,520	96.6
Total	11,880	Nil	-	60,780	58,303	95.92	37,260	35,769	96.0

Source: Data obtained from DFSC, Jind.

As is evident from the above table, under the AAY during 2006-10, 35,769 metric tonnes (MTs) of wheat was lifted, against the allocation of 37,260 MT by GOI. This resulted in short distribution of 1,491 MT of wheat, valuing ₹ 1.30 crore.

APL families are also provided with foodgrain through APL Family Identity Cards. The scale of issue of wheat under the APL category has been fixed at 15 kg per family per month at ₹ 6.86 per kg. No wheat was lifted against the allocation of 11,880 MT valuing ₹ 11.21 crore, during 2006-2010. The District Food and Supplies Controller, Jind attributed non-lifting of wheat by APL families to retention of foodgrains during harvesting season for their consumption and cautiousness about quality. It was further stated that the allocation of wheat for this category was not regular. The reply was not convincing as the wheat was not lifted at all by APL families during 2006-10. Thus, the awareness was not created by the department among the beneficiaries about the benefits of the scheme.

2.3.18.3 Other irregularities

- The Government was required to get the lists of BPL and AAY families reviewed every year for the purpose of deletion of ineligible families and inclusion of eligible families. However, the lists of BPL/AAY beneficiaries had not been revised after September 2008. As per the survey conducted (October 2008) by GOI, the number of BPL families including AAY was 0.37 lakh in the district whereas DRDA and DUDA had identified 0.72 lakh BPL families in the district during their survey conducted in September 2008. Since there was a wide variation, a fresh review and checking of the households of beneficiaries was required to be done as this involved a subsidy of ₹ 2.86 crore from September 2008 to March 2010 as detailed below:

Table 19: Financial implication of subsidy under BPL and AAY

Year	Quantity of wheat (in MT)	Provision made in State Budget (₹ in lakh)	Expenditure Incurred (₹ in lakh)
2008-09 (September 2008 to March 2009)	7,380	14.91	14.98
2009-10	13,429	271.22	271.22
Total	20,809	286.13	286.20

Source: Data obtained from DFSC, Jind.

In accordance with the guidelines issued by the Director, Food and Supplies Department, it was to be ensured that foodgrains were made available to the Fair Price Shops (FPSs) by the fifth of the each month. Out of 611 FPSs in six blocks of the district, 40 FPSs of four blocks were selected for test check. The results of the test check of selected FPSs are given below:

- Haryana State Federation of Consumers Cooperative Wholesale Stores Limited (CONFED) is the wholesale nodal agency for lifting of foodgrains. Sixteen complaints were received from FPSs that doorstep delivery of sugar was not made by CONFED.

- All the FPSs received foodgrains and kerosene oil from CONFED between the eighth and 20th of the month, which was not in consonance with instructions,
- The stock boards were not updated daily by 38 *per cent* FPSs (15),

Out of 495 beneficiaries called for interaction with Audit, 417 beneficiaries could be contacted and their comments on PDS in the district were as under:

- Forty *per cent* beneficiaries (174) stated that FPSs did not open regularly.
- Seventy *per cent* beneficiaries (311) stated that PDS items were not provided to them on first visit.
- Sixty six *per cent* beneficiaries (276) stated that availability of stock was not displayed on board.
- The Directorate of Food and Supplied directed (October 2008) the DFSC to constitute required committees at the State, district, block and village levels. It was, however, observed that district and block level committees were not constituted for monitoring PDS and redressal of public grievances as of July 2010.
- As per PDS (Control) Order 2001, the Government was required to ensure monitoring of the functioning of PDS at FPSs level through the computer network of National Informatics Centre (NIC) installed in the districts. For this purpose, computerized codes were also issued to each FPS. It was observed that four computer networking kits at PR-Centres (Safidon, Uchana, Alewa and Pilukhera) costing ₹ 9.25 lakh received in September 2010, were not functional. No steps had been taken to make them functional. As a result of this, the purpose of monitoring the functioning of PDS at FPSs level was not served.

General services

2.3.19 Police services

The Superintendent of Police (SP), Jind is entrusted with the task of preventing and detecting crime and maintenance of law and order in the district. There are 12 police stations including traffic police stations in the district. There were three offices of Deputy Superintendents of Police in the sub-divisions (Jind, Safindon and Narwana).

2.3.19.1 Shortage of staff

The combined working strength of police personnel in various cadres of the district such as Inspectors, Sub-Inspectors, Assistant Sub-Inspectors, Head

Constables, etc. was 1,058 as against the combined sanctioned strength of 1,234. Vacancies varied from 11 *per cent* to 66 *per cent* in various cadres. Details of the vacancy position are depicted in the table below:

Table 20: Vacancy position of police personnel

	Cadre	Sanctioned	Posted	Vacant	Percentage of vacant posts
Male	DSP	4	3	1	25
	Inspector	18	16	2	11
	SI	37	23	14	37
	ASI	108	84	24	22
	Head Constable	176	185	9 excess	
	Constable	798	679	119	15
	Total	1,141	990	151	13.23
Female	DSP	-	-	-	-
	Inspector	Nil	2	2 excess	-
	SI	3	2	1	33
	ASI	6	4	2	33
	Head Constable	9	3	6	66
	Constable	75	57	18	24
	Total	93	68	25	27
	Grand Total	1,234	1,058	176	14.26

Source: Data obtained from SP, Jind.

The police-public ratio in the district was 1:1085 as against the ratio of 1:516 for the State. Due to shortage of police personnel, it becomes very difficult to maintain law and order and reduce response time to reach the crime site.

In reply, SP, Jind stated (August 2011) that the matter regarding filling up of vacant posts had been taken up with the higher authorities.

2.3.19.2 Response time

Increase in mobility for field policing reduces response time for police to reach a site after occurrence of an offence. It was, however, seen that the Government had not fixed any norms for assessing the response time nor did it give any instructions for recording the same.

2.3.19.3 Crime trends

The incidence of crime in an area is an indicator of the performance of the police force posted there. The number of reported crimes as well as the number of pending crime cases during 2006-2010 and 2011 (up to March 2011) was as given in the table below:

Table 21: Showing the crime trend in the district

Year	Number of cases pending at the beginning of the year	Number of cases registered during the year	Cases solved during the year	No of cases pending at the end of the year
	(First Information Report)			
2006	451	3,653	3,128	976
2007	976	2,984	2,804	1156
2008	1156	3,251	2,604	1803
2009	1803	3,612	2,916	2499
2010	2499	3,082	1,811	3770
2011	3770	591	962	3399

Source: Data furnished by SP, Jind.

As may be seen from the above table, there was progress in solving crimes, but there was no improvement in the crime rate. The data also suggests that there was an increase in crime rate and its corresponding increase in pending cases would undermine the confidence of the people as it indicated incapability of the police to solve these cases.

In the district, out of a total of 14,049 cases admitted in the courts during the year 2006-10, criminals in 1,923 (14 per cent) cases remained untraced.

2.3.19.4 *Weaponry*

Modernisation of Police Force Scheme was launched by GOI for modernising the police force to face the emerging challenges to internal security effectively and efficiently. The SP, Jind sent (December 2008), a requisition for weapons to Director General of Police but no additional weapon was provided for in the district up to April 2011. The position of requirement, availability and shortage of various weapons in the district is depicted below:

Table 22: Showing the position of requirement, availability of weapons

Name of the weapon	Requirement	Availability	Shortage	Shortage in percentage
SLR	732	632	100	14
Revolver .38 bore	205	55	150	73
Pistol 9 mm	209	109	100	48
Insas 5.6 mm	100	-	100	100
Carbine 9 mm	200	100	100	50
AK 47	64	14	50	78
Bomb disposal equipment	1	-	1	100

Source: Data furnished by SP, Jind.

As is evident from the above table, there was acute shortage of revolver .38 bore, pistol 9 mm, insas 5.6 mm, carbine 9 mm, AK 47 and bomb disposal equipment. In the absence of modern weapons, it would be difficult for the police force to face the emerging challenges to internal security effectively and efficiently.

2.3.19.5 *Inspection of police stations*

Punjab Police Rules as adopted by Haryana, provide that every police station and post in a district should be thoroughly inspected by a Gazetted Police Officer twice a year. At least one such inspection should be carried out by the Superintendent. Scrutiny of the records revealed that no inspection was carried out in the year 2010.

In reply, the SP, Jind stated that due to shortage of staff, the required inspections could not be carried out. However, he assured that the required number of inspections would be carried out in future.

2.3.20 **e-DISHA project**

e-DISHA is an IT driven electronic interface between the Government and the citizens. The application software for various public services had been developed by NIC-HRSC as a citizen interface on D-NET in collaboration with the

Department of Information Technology. The project is being implemented through the District IT Society. In the first phase, the District Level e-Disha Centre (DleDC) was to provide services relating to renewal and transfer of arms licences; issue of birth and death certificates and driving licences; vehicle registration; processing of passports; receipt of applications for several social welfare schemes; quick redressal of citizens' grievances and touch screen kiosks for revenue records and house tax data queries. It was observed that the e-DISHA centre at Jind was not providing services relating to issue of birth and death certificates, touch screen kiosks for revenue records and receipt of applications for several social welfare schemes.

In reply, Chief Executive Officer, e-DISHA, Jind stated (August 2011) that services relating birth and death services were not provided due to non-completion of backlog data by the Health Department. In respect of touch screen kiosks, it was stated that touch screens would be set up in the second phase. As regards receipt of applications of several social welfare schemes, it was stated that the service was discontinued due to shifting of the office of the District Social Welfare Officer from the Mini-Secretariat building.

2.3.21 Conclusion

The District Planning Committee had not prepared a Five-Year Perspective Plan or an integrated district Plan covering all the activities for overall development of the district. Funds were shown as expended as soon as these were released to the next level without waiting for actual utilisation. The district was short of health centres, minimum infrastructure and doctors, as a result of which, it was lagging behind in achievement of targets for reducing the infant mortality rate, the birth rate, the death rate and increasing ante-natal care, institutional deliveries, etc. About seven *per cent* children in the age group of six to 14 years were out of school in the district. Thirteen villages were not provided a minimum of 40 litres per capita per day of drinking water. Out of five towns in the district, Julana town was without any sewerage facility and Safidon town was without a sewage treatment plant. In Panchayati Raj institutions, there were deficiencies in execution of works such as leaving of works incomplete, diversion of funds, slow execution, irregular expenditure, non-maintenance of asset registers, lack of supervision, overpayments, etc. Solid Waste Treatment Plants were not provided in Jind and Uchana towns. There were deficiencies in the public distribution system such as non-detection of bogus ration cards, delay in distribution of food items to beneficiaries, etc. There was shortage of police personnel and weaponry and a rising trend in crimes in the district.

2.3.22 Recommendations

- The Deputy Commissioner should prepare holistic Perspective and

Integrated Plans for the district covering the activities of all the departments.

- A proper accounting system should be put in place for showing actual utilisation of funds, as distinct from mere release of funds to implementing agencies.
- The Health Department should ascertain the gaps in infrastructure, equipment, manpower as per norms to fill them in a time-bound manner.
- A proper mechanism should be evolved to ensure supply of safe drinking water.
- The mechanism to watch the execution of works by GPs should be strengthened.
- Waste management plans should be finalised by municipalities on a priority basis.

These points were demi-officially referred to the Commissioner, Hisar Division in July 2011. Reply had not been received (August 2011).

CHAPTER 3

AUDIT OF TRANSACTIONS

CHAPTER 3

AUDIT OF TRANSACTIONS

Audit of transactions of the departments of Government, their field formations as well as that of the autonomous bodies brought out several instances of lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs under broad objective heads.

3.1 Non-compliance with the rules

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but helps in maintaining good financial discipline. Some of the audit findings on non-compliance with rules and regulations are as under:

SOCIAL JUSTICE AND EMPOWERMENT DEPARTMENT (DISTRICT RED CROSS SOCIETY)

3.1.1 Embezzlement due to inadequate internal control

Embezzlement of ₹ 3,76,250 occurred in District Red Cross Society, Karnal due to non-observance of the provisions of financial rules regarding receipts and deposit of service charges levied for issue of registration certificates of land deeds.

The Indian Red Cross Society (IRC) was constituted (1920) for administration of the various monies and gifts received from the public for the purpose of medical and other aid to the sick and wounded and other purpose of like nature during the war and also for continuation in peace time.

The Punjab Financial Rules (Rule 2.2) as applicable to the Haryana Government and also to Red Cross Societies require a Drawing and Disbursing Officer (DDO) to satisfy himself that all the monetary transactions are entered in the cash book as soon as they occur and the same are attested by him. In case an employee, who is not in charge of the cash book, receives money on behalf of the Government, he is required to remit the same to the employee having a cash book or deposit the amount into the treasury/bank on the same day or in the morning of the next day. The head of the office is also required to verify all the entries including totals of all the

entries in the cash book or have this done by some responsible official other than the writer of the cash book and initial all entries as correct.

The Government, in contravention of the provisions of the constitution of the IRC, decided (October 2000) to implement the Haryana Registrations Information System (HARIS) through the District Red Cross Societies (DRCS). Accordingly, the work of computerisation of land records and issue of registration certificates of different types of deeds¹ under the system was entrusted to the DRCSs. Service charges² at the rate of ₹ 200, ₹ 150 and ₹ 100 for providing these services, in addition to the fees fixed by the Government for the same services through the Revenue Department, were fixed for issue of registration certificates of different types of deeds. DRCSs were required to collect the service charges and issue receipts in duplicate to the concerned persons. The amounts so collected were required to be deposited with the bank on the same day or the latest by the next day. The DRCSs were required to maintain district as well as tehsil-wise detailed records of service charges collected on daily, monthly and yearly basis.

Scrutiny (December 2010) under Section 20(1) of the Comptroller and Auditor General of India's (Duties, Powers and Conditions of Services) Act, 1971 of the records of DRCS, Karnal revealed that the Registry clerks of tehsils collecting service charges on behalf of the DRCS from the general public were depositing the same with the cashier of the DRCS either themselves or through Data Entry Operators (DEOs). Details of amounts collected during a month were never called for by the DRCS from the tehsils to ensure that amounts of service charges collected from the public tallied with the amounts deposited by the Registry clerks/DEOs. It was also not ensured as to whether the entire money collected by the Registry clerks/DEO was deposited with the cashier or not. Comparison of service charges collected in the test check of two Tehsils (Assandh and Nissing) during the period from 2001-02 to November 2010 revealed that against ₹ 67,44,850 collected from the general public as service charges, only ₹ 63,68,600 was deposited with the DRCS, Karnal. This resulted in short deposit of ₹ 3,76,250 which tantamounted to embezzlement by the Registry clerks/DEOs who collected the service charges. The DEO in Assandh tehsil, had not even rendered accounts in respect of receipt books bearing numbers 94951-95000, 95001 to 95051 and 100951 to 101000.

On this being pointed out, the Secretary, DRCS, Karnal, while admitting these facts, stated (April 2011) that the defaulting officials had deposited

¹ (i) Sale, conveyance, gift, exchange, decrees or order of court, lease, surrender of lease, deed of divorce, deed of power, marriage registration, transfer of lease;
(ii) Mortgage, adoption, authority to adopt general power authority, special power authority, any other document which is incapable of valuation, settlement, release and
(iii) All type of cancellation, will, award, agreement, any other.

² Service charges for items mentioned in footnote I at Sr. No. (i): ₹ 200, Sr. No. (ii): ₹ 150 and Sr. No. (iii): ₹ 100.

₹ 2,23,600 (December 2010 and April 2011) collected during the period 31 August 2005 to 19 September 2006. The balance amount of ₹ 1,52,650 was still to be recovered. He further stated that the District Revenue Officer, Karnal was requested to fix the responsibility of defaulting officials. The final outcome was awaited.

The Secretary, DRCS, being the DDO, was responsible for ensuring that all the receipts on account of service charges were remitted into Government Accounts and were properly accounted for in the cash books. Thus, the embezzlement occurred due to non-compliance with the provisions of rules and inadequate internal control.

On this being pointed out, the Honorary Secretary, Indian Red Cross Society, Haryana State Branch, Chandigarh reiterated (August 2011) instructions regarding receipt and deposit of service charges to all DRCSs to ensure sound internal control over receipts and deposit of service charges and the reconciliation of accounts of service charges with registration of land sale deeds.

The matter was referred to the Financial Commissioner and Principal Secretary, Government of Haryana, Social Justice and Empowerment Department (May 2011). Reply was not received (August 2011).

PUBLIC WORKS DEPARTMENT (IRRIGATION BRANCH)

3.1.2 Excess payment due to adoption of incorrect wholesale price index of steel

Due to adoption of incorrect wholesale price index of steel, excess payment of ₹ 62.25 lakh was made to a contractor. Further, irregular extension of time given to the contractor resulted in a loss of ₹ 5.35 crore.

The Executive Engineer (EE), Construction Division No. 3, Kaithal, allotted (January 2007) the work of "Construction of Syphon Aqueduct at reach distance (RD) 36100/36555 on Bhakra Main Line-Hansi-Butana Branch-Multipurpose Link Channel, crossing Ghaggar river at RD 134600" to M/s Backbone Projects Limited for ₹ 33.16 crore. The work was required to be completed within 12 months, i.e. up to 31 December 2007. The contract prices for increase or decrease in the rates and prices of cement, steel, fuels and lubricants were required to be adjusted as per formulae given in the contract data. Price adjustment was not applicable for work carried out beyond the stipulated time including extensions granted, for reasons attributable to the contractor. For price adjustment of steel, the all-India average wholesale price index for steel (Bars and Rods) for the quarter under consideration as published by the Government of India (GOI), Ministry of Industrial Development (MID), New Delhi was applicable.

Scrutiny of records of the EE, Construction Division No. 3, Kaithal, revealed that after allotment of work to the contractor, the scope of work was increased from ₹ 33.16 crore to ₹ 48 crore due to modifications suggested by the Indian Institute of Technology, Roorkee in design and drawings of the syphon. The contractor could not complete the work up to 31 December 2007 and the EE extended the time limit up to 31 May 2008. The contractor again failed to complete the work and the Superintending Engineer (SE), Construction Circle, Kaithal extended the time limit up to 31 December 2008. The contractor completed the work in December 2008 and was paid ₹ 48 crore in January 2009, which included ₹ 1.38 crore on account of price adjustment for steel.

It was further noticed that while calculating the price adjustment for steel, the wholesale price index for iron and steel was taken into account instead of the all-India average wholesale price index for steel (Bars and Rods) and against the admissible escalation of ₹ 75.89 lakh, escalation amounting to ₹ 1.38 crore was paid. Thus, incorrect adoption of the wholesale price index for steel resulted in excess payment of ₹ 62.25 lakh to the contractor.

On this being pointed out (27 July 2010), the EE, Construction Division No. 3, Kaithal, while admitting the excess payment, intimated (February 2011) that the Engineer-in-Chief, Irrigation Department, Haryana had constituted a committee of two Chief Engineers, a Chief Accounts Officer, and the SE, Construction Circle, Kaithal to investigate the excess payment. The committee held (January 2011) the then EE responsible for excess payment. The committee also held that the extension in time limit granted beyond May 2008 with price escalation by SE was not in order and seemed to be malafide. The committee consolidated the total loss on this work to ₹ 5.97 crore (₹ 4.80 crore due to non-levy of liquidated damages, ₹ 0.55 crore on account of inadmissible price escalation of steel, cement and lubricants and ₹ 0.62 crore pointed out by Audit) for which the SE and EE were held responsible.

The EE further intimated that the excess payment of ₹ 62.25 lakh made to the agency due to adoption of the incorrect price index was placed in the miscellaneous advance of the then EE and the cases for recovery were being processed separately. Further action to recover the excess amount paid was awaited (August 2011).

The matter was referred to the Financial Commissioner and Principal Secretary, Government of Haryana, Public Works Department (Irrigation Branch) (April 2011). Reply was not been received (August 2011).

3.2 Propriety audit/unjustified expenditure

Authorization of expenditure from public funds is to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money and should enforce

financial order and strict economy at every step. Audit has detected instances of impropriety and extra expenditure, some of which are given hereunder:

PUBLIC WORKS DEPARTMENT (IRRIGATION BRANCH)

3.2.1 Wasteful expenditure on construction of recharge borewells

Borewells constructed by spending ₹ 89 lakh to improve groundwater resources remained non-functional, resulting in wasteful expenditure.

The Government sanctioned (November 2002) a project "Excavation of Rangoi Kharif Channel from RD 0 to 278000 outfalling at RD-24500-R Darba Ghaggar Drain in Fatehabad district and linking with river Ghaggar" for ₹ 34.43 crore under NABARD RIDF-VIII³ Part-I. The objective of the project was to provide irrigation facilities during the Kharif season to the surrounding areas of Fatehabad district and to improve the groundwater resources by recharging the same. To improve and maintain the stability of groundwater, provision of 325 bores in the bed of Rangoi Nallah and Rangoi Kharif channel at suitable intervals for recharging of groundwater was made. Accordingly, the Chief Engineer (Construction), Irrigation Department in October 2005 sanctioned four estimates for constructing 168 recharging wells at a cost of ₹ 1.29 crore. The Executive Engineer, Nehrana Water Services Division, Sirsa allotted the work to an agency in January 2006. The agency constructed 116 recharging wells during 2006-07. An expenditure of ₹ 89 lakh was incurred on the work up to March 2007.

Scrutiny of records revealed that after completion of the work of construction of 116 recharging wells, the EE, Nahrana Water Services (NWS) Division, Sirsa transferred (December 2006) the borewells to the EE, Fatehabad Water Services (FWS) Division, Fatehabad in whose jurisdiction the area fell. He, however, refused (May 2007) to take charge of the wells as these were non-functional due to deposit of silt and weeds in the bed of drain over borewells and had not served the desired purpose. The matter remained under correspondence between the two divisions but no action was taken to make these recharging wells functional despite repeated directions from the Engineer-in-Chief as well as the district administration. Thus, the



RD 96000 Rangoi Kharif Channel showing silt/ grass on Recharge Well

³ National Bank of Agriculture and Rural Development; Rural Infrastructural Development Fund.

It was noticed (October 2010) that the road constructed with specifications including cement concrete pavements, WBM, BUSG, LBM, etc. by spending ₹ 2.52 crore was got repaired with simple specifications of providing 20 mm thick premix carpet including B type seal coat without taking any action against the contractor who was liable to repair/reconstruct the road under the defect maintenance liability provision of the agreement. Thus, due to sub-standard execution of work, the expenditure of ₹ 2.52 crore incurred on construction of the damaged portion of road did not serve its desired purpose and proved to be unfruitful. Had the road been got repaired/reconstructed at the risk and cost of the original contractor, the expenditure of ₹ 30 lakh (approximately) incurred on the repairs could have been avoided.

On this being pointed out, the EE intimated (October 2010) that repeated notices were issued to the agency to rectify the defects and to set right the sub-standard work but the agency did not respond. The reply is not acceptable as a penalty clause was required to be invoked to execute the defective work at the risk and cost of the first contractor.

The matter was referred to the Financial Commissioner and Principal Secretary to Haryana Government, Public Works Department (Buildings and Roads Branch), (April 2011). Reply was not received (August 2011).

AGRICULTURE DEPARTMENT (HARYANA STATE AGRICULTURAL MARKETING BOARD)

3.2.5 Unfruitful expenditure on incomplete cold storage work

Starting the construction of cold storages without finalisation of designs and drawings and detailed estimates resulted in unfruitful expenditure of ₹ 1.72 crore.

The Chief Engineer, Haryana State Agricultural Marketing Board (HSAMB), Panchkula, conveyed (December 2006) administrative approval of the Chairman of the Board for upgradation of various vegetable markets and setting up cold storage facilities including pre-coolers, ripening chambers/grading lines in the *mandis* in the State. The approval contained a provision of ₹ 4.40 crore for providing cold storage facilities for mushrooms and other vegetables at Sonipat. The Executive Engineer (EE), HSAMB, Sonipat, without approval of the detailed estimates and technical sanction, allotted (August 2007), the work of 'Construction of pre-engineered building (PEB) and structure for setting up of cold storage and pack house facilities at Sonipat' to an agency for ₹ 0.56 crore with the condition of completing the work within three months. The agency was required to provide design and drawings of foundation and PEB structure. The HSAMB was to execute the civil works.

Scrutiny (March 2010) of records of EE, HSAMB Division, Sonipat revealed that after allotment of work, the Executive Officer, Market Committee was asked (August 2007) to provide land in the new vegetable market for the purpose. He,

however, showed his inability due to non-availability of land in the market. As the land provided (April 2008) at the changed site was in a low-lying area, it was decided to construct a basement. The agency had supplied (September 2007) structural design and drawings approved by the Indian Institute of Technology, Delhi which was common for other cold storages also. As the standard common design and drawings were not suitable for the changed site, the EE was asked to arrange the approval of a layout plan/site plan according to the available land. In the meantime, the agency supplied (July 2008) a pre-engineered building structure and was paid ₹ 0.53 crore in July 2008. The work of construction of the foundation for erecting the pre-engineered building structure was undertaken departmentally (November 2008). The Chief Administrator (CA), HSAMB, supplied the revised layout plan in March 2010 without making any provision for a basement, etc. and the EE, HSAMB, Sonipat (March 2010) accordingly returned the revised plan for including the same. The CA, HSAMB approved the design and drawings in June 2011, but the detailed estimate was not approved by the competent authority. The basement was partially constructed in an area of only 32.90 m out of a total of 53 m by incurring an expenditure of ₹ 1.19 crore up to April 2010. The balance work was held up for want of detailed drawings and estimates. Thus, due to non-preparation of detailed estimates, architectural design and drawings as per the available land, the expenditure of ₹ 1.72 crore (April 2011) incurred on construction of cold storage facilities did not serve the desired purpose and was rendered unfruitful.

While accepting the fact, the CA, HSAMB, Panchkula stated (August 2011) that the project was delayed due to change in design and inclusion of basement facilities. He further stated that efforts were being made to complete the work.

The reply of the department indicated that not only were the beneficiaries deprived of the facilities envisaged, but has also resulted in increase in the cost of the project from ₹ 4.40 crore to ₹ 7.02 crore, imposing extra burden on the exchequer.

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Agriculture Department, Chandigarh (May 2010). Reply was not received (August 2011).

HOME DEPARTMENT

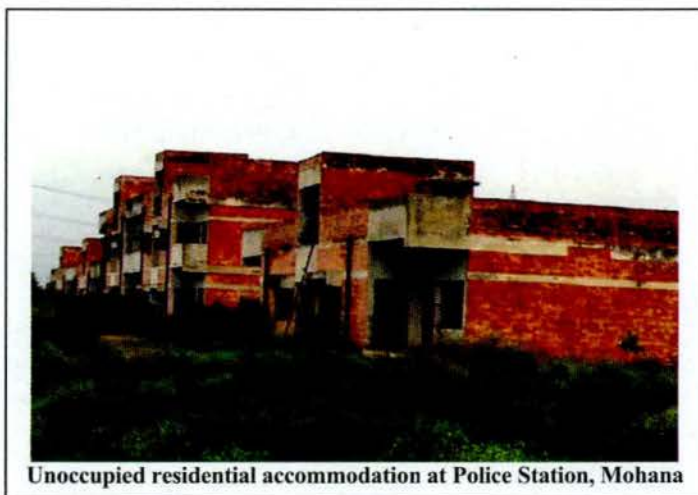
3.2.6 Residential houses constructed at police station, Mohana, lying unoccupied

Houses constructed by spending ₹ 56.26 lakh, without basic amenities were lying unoccupied since January 2006, rendering the expenditure unfruitful.

The Financial Commissioner and Secretary to the Government of Haryana, Home Department, accorded (June 2001) administrative approval for construction of a police station at Mohana in Sonipat district for ₹ 43.93 lakh. The work was got

executed through the Haryana Police Housing Corporation Limited (HPHCL). Against the administrative approval for construction of the police station at Mohana, HPHCL allotted (October 2002) the work of construction of the police station building and 20 houses at Mohana, (for ₹ 83.94 lakh) to a contractor without approval of detailed estimates. As the administrative approval was for construction of a police station, another rough cost estimate for ₹ 54.05 lakh for construction of 16 (two Type V, 12 Type VI and two Type VII) houses to increase the residential and non-residential accommodation for the Police Department as per the decision of the Government was submitted (December 2004) for according administrative approval, which was still to be accorded. Thus, a total cost of ₹ 97.98 lakh was estimated for the construction of the police station and 16 houses.

Scrutiny (January 2009) of the records of the Superintendent of Police (SP), Sonipat, revealed that the work of construction of the police station and 16 houses (14 complete in all respects and two constructed up to the plinth level) was completed (January 2006) by incurring an expenditure of ₹ 93.35 lakh. The possession of the police station and the houses was handed over to the SP, Sonipat on 23 February 2006. Further scrutiny revealed that only the building constructed for the police station was being utilised. The houses constructed for the staff had not been allotted to the employees and were lying unoccupied (June 2011). Thus, the expenditure of ₹ 56.26 lakh, incurred on construction of these staff quarters had not served the desired purpose of providing residential accommodation to the staff near their place of duty.



Unoccupied residential accommodation at Police Station, Mohana

SP, Sonipat, while admitting the facts, stated (April, 2011) that the houses were constructed by HPHCL on its own without ascertaining the requirements from the Police Department. He further stated that the police station, Mohana, situated in a deserted area, had no basic facilities and markets, schools, medical and other domestic requirements were not available. Therefore, no officials were willing to shift to these houses.

Thus, the houses constructed without providing basic amenities, were lying unutilised since January 2006.

The matter was referred to the Financial Commissioner and Principal Secretary to Haryana Government, Home Department (May 2011). Reply was not received (August 2011).

3.3 Failure of oversight/governance

The Government has an obligation to improve the quality of life of the people for which it works towards fulfilment of certain goals in the areas of health, education, development and upgradation of infrastructure, *etc.* However, Audit noticed instances where funds released by the Government for creating public assets for the benefit of the community remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. A few such cases are mentioned below:

PUBLIC WORKS DEPARTMENT (IRRIGATION BRANCH)

3.3.1 Non-functional ditch drain polluting drinking water supply

With the objective of providing pollution-free drinking water, a ditch drain, constructed for carrying treated/untreated effluents at a cost of ₹ 10.28 crore, failed to sustain the discharge and effluents released in the Western Jamuna Canal, which provided drinking water to a large population in the State and Delhi.

Under Section 64 of the Haryana Canal and Drainage Act, 1974, the Government issued an order in July 2003 for the general public that nobody would be allowed to discharge any treated/untreated trade effluent or sewage effluent into canals.

In the twin towns of Yamunanagar and Jagadhari, four major industries⁷ and other small scale domestic industries for which sewerage was not provided, were discharging their effluents along with some domestic waste into the Western Jamuna Canal (WJC) Main Line Lower (MLL) at reach distance (RD 71,000 right side). Besides this, the Public Health Engineering Department (PHED) was also discharging the treated effluents through two Sewage Treatment Plants⁸ into the WJC at RD 71,000 on the right side and at RD 59,000 on the left side, thereby polluting the river water. A large population of Haryana and Delhi was utilising the water of WJC for drinking purposes and therefore, the discharged effluents in the canal were harmful for human health.

With a view to overcome this problem, the Government administratively approved (June 2007) the project 'Construction of a ditch drain for disposal of effluents of Yamunanagar and Jagadhari towns along WJC, MLL outfalling in Dhanaura Escape' for ₹ 13.71 crore. The project provided for construction of an unlined 23 km long ditch drain with 60 cusec capacity from RD 71000 right side of WJC, MLL. The ditch drain was to carry treated/untreated effluents to Dhanaura escape channel. The Dhanaura escape channel ultimately outfalls in

⁷ (i) Ballarpur Industries Limited, Yamunanagar, (ii) Bharat Starch Mill, Yamunanagar, (iii) Sarswati Sugar Mill, Yamunanagar and (iv) Haryana Distillery, Yamunanagar.

⁸ Sewage Treatment Plants: (i) of the capacity of 25 million litres per day (MLD) and (ii) of 10 MLD.

River Yamuna in Karnal district. In this way, the effluents were to traverse a distance of 50 km before falling to the Yamuna river. As a result of this, the contents of the effluents would get diluted extensively due to aeration and other sedimentation effects. The PHED and four major industries discharging effluents were to share the cost of the project proportionately⁹. The Irrigation Department was to construct the ditch drain for which approximately 75 acres land was acquired after paying compensation of ₹ 8.52 crore in July/August 2007.

The Chief Engineer, Yamuna Water Services, sanctioned (July 2007) two estimates for construction of a ditch drain from RD 0 to 37200 and RD 37200 to 69670 for ₹ 96.05 lakh and ₹ 59.95 lakh respectively. The Executive Engineer (EE), Water Services Division (WSD), Dadupur allotted the work to two agencies in September and October 2007 respectively. The work was completed in March 2009, after incurring an expenditure of ₹ 1.76 crore. Thus, a total expenditure of ₹ 10.28 crore (₹ 8.52 crore on land acquisition and ₹ 1.76 crore on construction of drain) was incurred on the project up to April 2011.

During test check (March 2011) of the records in the office of the EE, WSD, Dadupur, it was observed that effluents flowing from the town after treatment were discharged in the ditch drain. However, due to a faulty design, the effluents started flowing in the reverse direction as the ditch drain in 3000 feet length was in the cutting section with 20 feet high *Tibba*¹⁰ consisting of sandy soil. As a result, its embankment near the head got breached and was washed away in September 2009. The ditch drain was lying abandoned since then and no efforts were made to make it functional and treated/untreated effluents were continuously being discharged into the WJC, thereby polluting the water.



Washed away portion of ditch drain polluting water of Western Yamuna Canal

On a query from Audit, the EE, Dadupur, while confirming the breach, stated (August 2011) that the drain was designed for discharge of 60 cusecs of water but during the rainy season, the discharge enhanced manifold, which resulted in the breach. He further stated that these factors were not considered while finalizing the design and that the drain being purely earthen, involving heavy cutting in its head reach, could not be made functional without a lining. The reply is not acceptable as the technical feasibility of the project was required to be looked into

⁹ The cost was to be shared as under:

(i) Ballarpur Industries: ₹ 6.76 crore; (ii) Bharat Starch: ₹ 0.22 crore; (iii) Haryana Distilleries: ₹ 1 crore; (iv) Sarswati Sugar Mills: ₹ 1.54 crore and (v) PHED: ₹ 4.19 crore.

¹⁰ Heap of sandy soil.

before conceiving the project. Thus, the drain constructed to carry treated/untreated effluents failed to serve the desired purpose of providing pollution-free drinking water to a large population of the State and Delhi as it remained non-functional. As such, not only did the expenditure of ₹ 10.28 crore incurred on the construction become infructuous, but the measures taken for public health were also jeopardized.

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Irrigation Department in May 2011. Reply was not received (August 2011).

3.3.2 Irrigation channel lying unutilised since construction

An irrigation channel constructed with high cost borrowing from the National Bank for Agriculture and Rural Development of ₹ 1.15 crore along with interest payment of ₹ 75.90 lakh thereon was lying unutilised since its construction in September 2005.

In order to bring additional area under irrigation and to increase the intensity of the irrigated area by utilising the available water efficiently through improved management of the present water resources, the Irrigation Department, Government of Haryana undertook the work of construction of new minors and raising and extension of minors by taking a loan at 12 *per cent* interest per annum from the National Bank for Agriculture and Rural Development (NABARD). The loan was required to be repaid within seven years from the date of drawal. The Government administratively approved (May 1999) a project to construct Manakawas minor off taking at RD 28650/L Kitlana distributory of Loharu canal system in Bhiwani district which was based on water from the Western Yamuna Canal System at a cost of ₹ 96.64 lakh, later revised (October 2005) to ₹ 1.36 crore. The project was required to be completed on or before 31 March 2002. The scheme envisaged irrigation of 1585 acres of land of four villages (Manakawas, Birhi Khurd, Pandwan and Rasiwas) based on assessment of 7.25 cusecs discharge. Because of uneven terrain, the water was to be carried through a lift of about 36 feet, for which a provision of two pump houses at suitable places was made.

The Chief Engineer, Loharu Canal unit sanctioned (September 2000) the estimate for construction of Manakawas minor for ₹ 47.73 lakh which was revised (February 2005) to ₹ 51.19 lakh. The Executive Engineer (EE), Loharu Water Services (LWS) Division, Charkhi Dadri allotted (July 2003) the earthwork and single layer brick lining of the minor to an agency. The work started in July 2003 and was completed in September 2005. The work of construction of two pump houses and installation of pumping machinery was completed in January 2005. After installation of the pumping machinery, the EE, LWS Mechanical Division Charkhi Dadri deposited ₹ 26.70 lakh (₹ 22 lakh in December 2004 and ₹ 4.70 lakh January 2005) with the Dakshin Haryana Bijli Vitran Nigam

(DHBVN) for providing electric connections to both the pump houses. Electric connections to both the pump houses were provided in 2009. An expenditure of ₹ 1.15 crore was incurred on the work up to March 2007.

It was noticed during audit (July 2010) that there was an inordinate delay in completion of the project. The project, required to be completed by March 2002 was completed in January 2005. Thereafter, the department took four years in getting the electric connections. Meanwhile, the minor silted up and a bridge got



damaged and the minor could not be made functional. Thus, the expenditure of ₹ 1.15 crore incurred on the construction of the minor out of high cost borrowing from NABARD on which interest of ₹ 75.90 lakh at the rate of 12 per cent was paid during the last five and a half years had not served the intended benefits of bringing additional area under irrigation and increasing the intensity of the irrigated area.

On this being pointed out (November 2010) by audit the EE, LWS Mechanical Division, Charkhi Dadri intimated (June 2011) that the electric connection to pump houses could not be provided by the DHBVN because of non-availability of transformers in their stock. But the EE, Operation Division, DHBVN, Charkhi Dadri stated that two transformers were provided for these works in July 2007 but the connection was not provided due to non-completion of work by the Irrigation Department. The EE, LWS Division, Charkhi Dadri attributed (June 2011) the delay in completion of work to late start of work in 2003 because of delayed approval of estimate, etc. and revision of estimate for providing two pump houses against one provided earlier. He further intimated (April 2011) that ₹ 0.50 lakh would be required for clearance of silt and ₹ 1.25 lakh for repairs of the damaged bridge and the channel would be repaired shortly and would run up to the tail. Thus, due to lack of coordination between the Civil and Mechanical wings of the Irrigation Department and delay in completion, the channel remained non-functional for the last six years and the expenditure of ₹ 1.15 crore, on which an interest of ₹ 75.90 lakh was paid to NABARD, remained unfruitful.

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Public Works Department (Irrigation Branch) in April 2011. Reply was not received (August 2011).

in January 2006, which was still to be approved (April 2011). This estimate also contained a provision for acquisition of 9.75 acres of land.

The work "Construction of disposal point, laying of sewer lines and all other works contingent thereto", of the scheme, awarded (February 2009) to an agency at a cost of ₹ 2.17 crore, was to be completed within 12 months i.e. up to February 2010. The agency executed work to the tune of ₹ 1.53 crore up to December 2010 on available reaches and left the work incomplete due to non-availability of land for construction of the disposal point and laying of sewer lines in some portions which were owned by the Forest Department and presence of electric lines that required shifting by the Haryana Bijli Vitran Nigam (HBVN). A total expenditure of ₹ 2.99 crore was incurred on the work up to February 2011.

Scrutiny (August 2010) of the records of the Executive Engineer, Public Health Engineering Division, Tosham revealed that the department allotted the work without acquisition of land for the disposal point and without obtaining clearances for laying sewer lines from the Forest Department and HBVN. Besides, the proposal to construct the STP, submitted (February 2006) to the Engineer-in-Chief, was not approved (March 2011). As a result of this, the sewerage scheme remained incomplete as of March 2011.

On this being pointed out (August 2010), the EE stated (April 2011) that the sewer line had now been laid, except for some portion of the main sewer due to late receipt of clearance from the Forest Department. He further stated that the land for the disposal point had been acquired but the pumping machinery at the disposal point was still to be installed. Action to acquire land for construction of the STP was also still to be taken.

The reply indicated that the work was started without acquisition of land for construction of disposal point and laying of the sewer lines. The department had not approved the construction of the STP for disposal of sewerage waste though disposal in open fields was unhygienic and harmful for crops.

Thus, because of the failure of the department in taking up the work without acquiring complete land for laying sewer lines and constructing the disposal point, the sewerage scheme constructed by incurring an expenditure of ₹ 2.99 crore remained incomplete and the inhabitants of the town remained deprived of sewerage facilities.

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Public Works Department (Public Health Engineering Branch), Chandigarh in May 2011. Reply was not received (August 2011).

**TOWN AND COUNTRY PLANNING DEPARTMENT
(HARYANA URBAN DEVELOPMENT AUTHORITY)**

3.3.5 Integrated Housing and Slum Development Programme - ASHIANA

Due to non-finalisation of the list of eligible applicants, 2,072 dwelling units constructed at Panchkula by spending ₹ 62.01 crore were lying vacant for two years. In Ambala, the construction of 1,640 units could not be completed due to wrong site selection, even after spending ₹ 55.49 crore. Thus, the purpose of rehabilitation of *jhuggi* dwellers and vacating Government land could not be achieved, rendering expenditure of ₹ 117.50 crore unfruitful.

3.3.5.1. Introduction

With a view to provide hygienic living space with basic amenities to slum dwellers, the Haryana Urban Development Authority (HUDA) approved (December 2006) the ASHIANA project under the 'Integrated Housing and Slum Dwellers Programme (IHSDP)' scheme of the 'Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)' of the Government of India (GOI), Ministry of Urban Poverty Alleviation and Housing. Under the scheme, HUDA was to construct low cost dwelling units in various urban estates for allotment of two-room tenements either on payment of monthly instalments to be paid in 20 years with a rate of interest of seven *per cent* per annum or on monthly licence fees based on the eligibility criteria¹² decided by the Government. Preference was to be given to encroachers of Government/ HUDA land who had approached the courts for regularization of long existing *jhuggi/jhopri* colonies and providing of alternative shelter before eviction.

Scrutiny (February 2010 and January 2011) of the records of the Chief Administrator, HUDA, Panchkula and the Executive Engineer, HUDA Division, Ambala revealed the following irregularities:

3.3.5.2. Blocking of funds due to non-allotment of dwelling units

In Panchkula, 13 clusters of slums (unplanned habitations) with 7,114 *jhuggis* were planned to be rehabilitated in three phases. In the first phase, 2,072 *jhuggi* owners were proposed to be rehabilitated in Sectors 20, 26, 28 and Industrial Area Phase-I, Panchkula by providing them with 2,072 multi-storeyed dwelling units.

- ¹² (i) First preference to the petitioners of court cases who were unauthorisedly occupying HUDA land for the last more than five years as on 19 April 1999.
- (ii) Second preference to those inhabitants/occupants, who were unauthorisedly occupying HUDA land for the last more than five years as on 03 April 2008.
- (iii) Third preference to those inhabitants/occupants who were occupying unauthorisedly Government/Government agency land as on 01 April 2003.
- (iv) Thereafter, to unauthorised occupants, who encroached upon HUDA/Government/Government agency land, which affected essential services like roads, water supply, sewerage, bridges, etc.
- (v) The left-out dwelling units were to be allotted to eligible BPL applicants by draw of lots as recommended by the District Urban Development Agencies.

The Chief Administrator, HUDA administratively approved (February 2007) the project for ₹ 45.42 crore (revised to ₹ 64.78 crore in June 2009). The scheme was approved with the stipulation that the entire land occupied by *jhuggis*/unauthorised structures would be made free from all encumbrances.

The works were got executed through five contractors and were completed in June 2009, by incurring an expenditure of ₹ 62.01 crore. Applications for allotment of these dwelling units were called for in January 2009 and again in April 2010 and 3,339 applications were received. A committee under the Chairmanship of the Additional Deputy Commissioner, Panchkula was

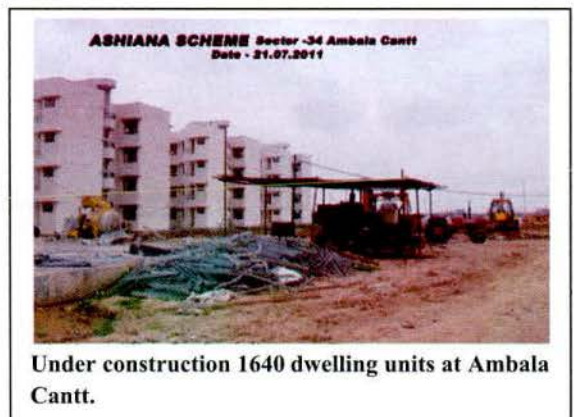


Completed 2072 dwelling units at Panchkula

constituted (April 2010) for scrutiny and assessing the eligibility of applicants. A total of 875 applicants in three colonies were found eligible. The final decision of the committee was, however, not given. The units had not been allotted (August 2011) even after two years of construction because of non-finalisation of the list of eligible beneficiaries. Thus, the purpose of construction of houses to rehabilitate encroachers of Government/HUDA land and to clear Government land from encroachers had not been achieved even after incurring expenditure of ₹ 62.01 crore. In reply, the Estate Officer, HUDA, Panchkula stated (April 2011) that after finalisation of eligible applicants, the dwelling units would be allotted through draw of lots. The final outcome was awaited (August 2011).

3.3.5.3. Inordinate delay in completion of scheme

In Ambala, for construction of 1640 multi-storeyed dwelling units (1,000 in Sector 34 and 640 in Sector 33), the Chief Administrator, HUDA, Panchkula, administratively approved two rough cost estimates in February and November 2008 for ₹ 36.45 crore and ₹ 24.06 crore for Sector 34 and Sector 33 respectively. The works were allotted to an agency in July 2008 and September 2008 for ₹ 36.87 crore and ₹ 23.59 crore respectively with a time limit of 15 months for completion. However, the work could not be completed as the site allotted was a low-lying area



Under construction 1640 dwelling units at Ambala Cantt.

with a pond, trees and electric poles. An expenditure of ₹ 55.49 crore (₹ 34.22 crore in Sector 34 and ₹ 21.27 crore in Sector 33) was incurred but the scheme remained incomplete. The Executive Engineer, HUDA Division, Ambala

while admitting (January 2011) the delay in completion of the dwelling units, stated that the work would be completed very soon. However, the work was still in progress (June 2011). Thus, due to incorrect selection of site for construction of 1,640 dwelling units, the works remained incomplete.

Scrutiny further revealed that the Estate Officer, HUDA, Ambala invited (April 2010) applications for allotment of the above-mentioned 1,640 dwelling units to slum dwellers, against which only 445 applications were received from below poverty line households. But no application from slum dwellers was received. To assess the position, a joint team of the office of the Principal Accountant General (Audit) Haryana, Chandigarh and Additional Deputy Commissioner-cum-Chief Executive Officer, District Urban Development Agency, Ambala conducted (August 2011) a survey of three¹³ *Jhuggi Jhopri* colonies consisting of 1455 *Jhuggi Jhopries* in Ambala. A total of 180 habitants (12 per cent) took part in the survey, which revealed that:

- 89 per cent (160 out of 180 slum dwellers) were not aware of the scheme of 1640 dwelling units constructed for their rehabilitation.
- 99.5 per cent (179 out of 180 slum dwellers) were not interested for allotment as the dwelling units were far away from their work places.
- The cost of the dwelling units (₹ 3.41 lakh) was beyond the paying capacity of 99.5 per cent (179 out of 180 of the slum dwellers).

The survey disclosed that higher costs and the distant locations of the dwelling units resulted in non-responsiveness of the slum dwellers to apply for allotment of the units.

Thus, conceiving of the scheme without assessment of demand, coupled with incorrect selection of sites for dwelling units resulted in unfruitful expenditure of ₹ 55.49 crore, besides non-achievement of the objective of rehabilitating the slum dwellers and vacation of Government land.

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Town and Country Planning Department (May 2011). Reply was not received (August 2011).

¹³ i) Anaj Mandi Sector 8, Ambala City, ii) Under Railway Over Bridge, Ambala City and iii) Amba Market Jhuggi colony, Ambala City.

FOOD AND SUPPLIES DEPARTMENT

3.3.6 Loss of interest due to delay in claiming refund of bonus paid to farmers

Failure of the Food and Supplies Department to claim refund of bonus paid to farmers for the *Kharif* season of 2008 in time and delay in refunds by the Food Corporation of India resulted in loss of ₹ 2.04 crore to the Government on account of interest.

The Food and Supplies Department (FSD), Haryana procures paddy from *mandis* for the Central pool on behalf of the Food Corporation of India (FCI) and after getting it milled, delivers the resultant rice to FCI as per the prescribed schedule. The Government of India (GOI) fixes the minimum support price (MSP), statutory charges and other incidental charges of custom-milled rice. On the basis of these rates, the department, after delivery of rice, claims reimbursement of the cost of the foodgrains and other charges from FCI.

Since a large amount of funds was involved in the stocks delivered to FCI and any delay in realization would affect the ways and means position of the Government adversely, the Government stressed from time to time, that the payment for stocks delivered to FCI should be obtained from them without any delay. The concerned District Food and Supplies Controllers (DFSC) were to ensure that documents/bills for the despatched stocks received by the circle offices (in the evening) every day of despatch/delivery of stock to FCI, were submitted to FCI in their offices the next day and correspondingly, payments were to be received from it within banking hours on the same day. For the purchase of paddy during the *kharif* marketing season 2008-09, the Government sanctioned cash credit of ₹ 215.96 crore, against which the department availed of a cash credit limit of ₹ 200 crore.

GOI (October 2008) declared an incentive bonus of ₹ 50 per quintal on paddy over and above the MSP for the *Kharif* season 2008. The payment of the incentive bonus was subject to the condition that the Government would exempt the bonus from all State taxes and levies including VAT. State agencies were to certify that the amounts of bonus were actually paid to the farmers.

During audit (October/November 2009) of five DFSCs¹⁴ it was noticed that bonus amounting to ₹ 22.06 crore was paid to the farmers against paddy procured during the *Kharif* season, 2008. The claims for reimbursement of bonus paid to farmers, required to be submitted before 31 March 2009 to FCI were submitted in May 2009 but FCI returned (May 2009) the claims because of non-availability of the required documents including proofs of payment of bonus to farmers, etc. The claims were resubmitted with the required documents between October 2009 and March 2010. The reasons for delay in resubmission of claims were not on record. FCI reimbursed the claimed amount of ₹ 22.06 crore between October 2009 and

¹⁴ Ambala, Kaithal, Karnal, Kurukshetra and Sirsa.

April 2010. As the FSD purchased the paddy by availing of cash credit from banks and paid interest at the rate of 12.25 *per cent* and 11.25 *per cent*, the delay in receiving the payment of bonus from FCI ranged between 216 and 373 days from April 2009 to April 2010. This resulted in a loss of ₹ 2.04 crore on account of interest paid to banks due to availing of cash credit limits.

The department, in its reply, stated (March 2011) that the bills were submitted for payment to the Regional Offices (ROs) of FCI in time, but due to ambiguities in the instructions issued by FCI to its ROs, they did not release the payment in time. However, by holding meetings with the officers of FCI on 11 March 2010, these ambiguities were sorted out and accordingly, FCI released the payment.

The reply of the department is not acceptable since the payment of bonus was required to be reimbursed on the certificate of payment by FSD. The delay in submission of claims in contravention of instructions issued by the Director, FSD resulted in a loss of ₹ 2.04 crore to the Government.

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Food and Supplies Department (May 2011). Reply was not received (August 2011).

LABOUR AND EMPLOYMENT DEPARTMENT (HARYANA BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE BOARD)

3.3.7 Non-achievement of objectives due to non-utilisation of cess funds

Due to non-formulation of welfare schemes for the benefit of building and other construction workers, cess of ₹ 376.98 crore collected from Government and public sector undertakings remained unutilised.

Government of India (GOI) enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (EOCW Act) and the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act) with a view to regulate the employment and conditions of service of building and other construction workers. The Ministry of Labour, vide its notification dated 26 September 1996, stipulated levy of cess at the rate of one *per cent* of the total cost of construction on the employer. Accordingly, the Haryana Government framed (March 2005) the Haryana Building and Other Workers (Regulation of employment and Conditions of Service) Rules, 2005 (Rules). Further, the Haryana Government constituted (November 2006) the Haryana Building and Other Construction Workers Welfare Board (HBOCWFB) to carry out welfare schemes for construction workers and imposed (February 2007) cess at the rate of one *per cent* in accordance with the requirements of the Cess Act. As per the Cess Act, the cess was to be deducted at source on building or other construction works of Government or public sector undertakings from the bills paid and the proceeds of the cess collected were to be transferred to the Board after deducting the cost of collection. The cess so collected was required to be spent for the welfare of building and other construction workers on schemes like maternity

benefits, pension, advances for purchase of construction of houses, disability pension, loans for tools, payments of funeral assistance, death benefits, medical assistance, financial assistance for education and marriage of children etc. Construction workers between the age group of 18 and 60 years, who registered themselves and received identity cards, were required to contribute ₹ five per month to become eligible for availing of the benefits under the scheme.

Test check (October 2010) of records of the office of the HBOCW WB, Chandigarh revealed that during the period 2007-11 (up to February 2011) HBOCW WB received an amount of ₹ 383.70 crore directly from Government departments and public sector undertakings as proceeds of cess, out of which only ₹ 5.62 crore was utilised on the welfare schemes during the above period. The balance amount of ₹ 376.98 crore besides interest of ₹ 17.24 crore earned on bank deposits during 2007-10 was lying unutilised in the banks. Thus, the objective of levying cess for regulating the employment and service conditions of building and other construction workers was not achieved.

The implementation of welfare schemes in the offices of the Deputy Directors, Industrial Safety and Health (DDISH), Ambala and Gurgaon-I out of six¹⁵ DDISH in the State was test-checked in August 2011. The scrutiny revealed that in Ambala region consisting of four¹⁶ districts:

- The actual number of building and other construction workers working was not available. The Board had not conducted any survey even after the lapse of a period of four years since the implementation of the scheme.
- Out of 10,761 workers registered during 2007-08 to 2011-12 (July 2011), identity cards were not delivered to 1,360 beneficiaries and 2,696 workers had not renewed their registrations.
- Only 90 workers (less than one *per cent*) were paid a total of ₹ 15.46 lakh under various welfare schemes under the programme during the above period.
- Only two welfare schemes (*Kanyadan* and death benefits) out of 19 were being implemented in the region.

The scrutiny revealed that in Gurgaon-I region:

- Out of 33,646, only 17,552 building and construction workers were registered during 2007-08 to 2011-12 (up to July 2011).
- Only two workers got benefit of ₹ 2.10 lakh under the death and funeral scheme up to July 2011.
- Only four welfare schemes (death and funeral scheme, mobile dispensary vans, crèche and mobile toilets) out of 19 were being implemented.

¹⁵ Ambala, Faridabad, Gurgaon-I, Gurgaon-II, Hisar and Panipat.

¹⁶ Ambala, Kurukshetra, Panchkula and Yamunanagar.

Thus, other welfare schemes were not being implemented even after a period of more than four and half years of establishment of the Board.

On this being pointed out, the Financial Commissioner and Principal Secretary to Government of Haryana, Labour and Employment Department, Chandigarh intimated (August 2011) that in order to give a push to the schemes, non-government organizations were to be engaged to create awareness among workers and get them registered. The Board was organizing seminars/workshops, putting hoardings/banners at important places, besides broadcasting of radio jingles. However, the beneficiaries were not coming forward as most of the workers engaged in construction activities were from other States who usually went back to their native places after completion of projects. He further stated more than 2,500 beneficiaries were given benefit under different welfare schemes.

Thus, the reply indicated that there was no proper mechanism for spending the proceeds on welfare schemes. The Board could not formulate the modalities for implementing the approved welfare schemes during four years, as a result of which, the objectives of carrying out welfare schemes for the workers could not be achieved.

CHAPTER 4

FUNCTIONING OF GOVERNMENT DEPARTMENT

CHAPTER 4

FUNCTIONING OF GOVERNMENT DEPARTMENT

Animal Husbandry and Dairying Department

4.1 Functioning of the Animal Husbandry and Dairying Department

Highlights

The main objectives of the Animal Husbandry and Dairying Department are to provide health care and breeding facilities for livestock to upgrade and conserve indigenous breeds, control quality of animal feed, milk and milk products and provide self-employment through dairying. Audit of functioning of the department revealed that the targets for increasing the production of milk, eggs and wool were fixed in the Eleventh Five Year Plan but no targets were set to increase the number of livestock. The department had performed well so far as achievement of the targets of production of milk and eggs were concerned but there was a decrease in the number of livestock as per the livestock census 2007. There were instances of parking of funds outside the Government Account; non-receipt of utilisation certificates; tardy implementation of poultry, piggery and dairy development programmes and inadequate control over the quality of animal feed, milk and milk products, besides substantial delays in execution of works relating to construction, repairs and renovation of veterinary institutions.

Utilisation certificates of ₹ 35.20 crore were furnished to Government of India without obtaining details of expenditure for ₹ 20.47 crore from executing agencies.

(Paragraphs 4.1.7.4)

Out of 1,128 beneficiaries, 281 beneficiaries could not get livestock insurance claims, due to inadequate scrutiny of the terms and conditions of the insurance policy by the department.

(Paragraph 4.1.7.6)

Incentive money amounting to ₹ 2.73 crore was paid in excess to beneficiaries under the Murrah Development Scheme.

(Paragraph 4.1.8.2)

Artificial insemination services were outsourced at a cost of ₹ 14.35 crore without following the prescribed procedure in order to have competitive rates.

(Paragraph 4.1.8.3)

Against the target of establishing 1,100 dairy units, only 445 units were set up under the Hi-tech Commercial Dairy Scheme.

(Paragraph 4.1.8.8)

No system was evolved to watch renewal of licences of manufacturers/dealers of compound cattle feed and to draw samples of milk and milk products of milk plants to check their quality.

(Paragraph 4.1.8.9)

Three major works were entrusted to the Haryana Police Housing Corporation instead of the Public Works Department, resulting in extra expenditure of ₹ 1.19 crore.

(Paragraph 4.1.9.1)

Monitoring by the department was not effective and there was no internal audit system in place.

(Paragraph 4.1.11)

4.1.1 Introduction

The Animal Husbandry and Dairying Department is responsible for providing health care and breeding facilities for the precious livestock of the State. The department implements the policies/programmes of the Government relating to animal husbandry and is responsible for enforcement of the provisions of Acts and Rules of the State Government and Government of India (*Appendix 4.1*).

The main objectives of the department are to:

- provide veterinary health care and diagnostic facilities;
- provide quality breeding services to enhance productivity;
- upgrade and conserve indigenous breeds;
- control the quality of animal feed, milk and milk products;
- extend veterinary education and training and
- promote dairying for self-employment.

The Government set up the Haryana Livestock Development Board (HLDB) in January 2000 for boosting livestock breeding programmes which mainly included development of cattle and buffalos; production and distribution of semen straws for artificial insemination (AI) in cows/buffalos; production and sale of feed, fodder, seeds, etc.

The department implemented 31 schemes, out of which 17 were State Plan, 10 Centrally sponsored and four Central Plan (sharing basis) schemes (*Appendix 4.2*).

4.1.2 Organisational set-up

The Financial Commissioner and Principal Secretary to the Government of Haryana (FCPS), Animal Husbandry and Dairying Department is the administrative head at the Government level and is responsible for implementation of Government policies, programmes/schemes relating to animal husbandry and dairying. The Director General (DG) is the head of the department and the Chief Controlling Officer. He is assisted by five Joint Directors (JDs), five Deputy Directors (DDs) and a Gaushala Development Officer at the Headquarters located at Panchkula. In the field, there are 21 Deputy Directors at the district level and 47 Sub-Divisional Officers (SDOs). The department runs two farms for piggery and poultry located at Ambala and Hisar and two sheep development units located at Bhiwani and Hisar, a veterinary vaccine production centre and the Haryana Veterinary Training Institute.

At the time of creation of the State of Haryana in 1966, the number of veterinary institutions was only 314, which increased to 2,789¹ institutions in April 2008. No new institution was opened thereafter up to March 2011.

4.1.3 Audit objectives

The main audit objectives were to assess whether:

- perspective and annual plans were prepared for livestock development;
- the financial management was effective and efficient;
- implementation of the various schemes by the department was effective;
- manpower management was adequate and effective; and
- the internal controls were adequate and monitoring, internal audit and vigilance arrangements were effective.

4.1.4 Audit criteria

The audit criteria were as under:

- Five Year Plan document and Annual Action Plans;

¹ Civil Veterinary Hospitals: 364, Hospital-cum-Breeding Centres: 509; Regional Artificial Insemination Centre: 60; Civil Veterinary Dispensaries: 1,040; Stockmen Centre: 744; Semen Bank: 13 and others: 59.

- Government notifications and instructions issued from time to time for the implementation of State as well as Centrally sponsored schemes;
- Acts, Rules and Regulations of the Government and departmental Manuals;
- Provisions of the Punjab Budget Manual and the Punjab Financial Rules/Treasury Rules as adopted by Haryana; and
- Procedures prescribed for monitoring, internal audit and vigilance at various levels.

4.1.5 Audit scope and methodology

Records relating to the functioning of the department for the years 2008-11 were test-checked in the office of the DG at Panchkula and 26 (*Appendix 4.3*) out of 101 field offices.

An entry conference was held with FCPS, Animal Husbandry and Dairying Department and DG in April 2011 wherein the audit objectives, audit criteria and scope of audit were discussed. An exit conference was held in August 2011 with FCPS and DG Animal Husbandry and Dairying Department wherein the audit findings were discussed. Views of officers of the department were kept in view while finalising the performance audit report.

Audit observations

4.1.6 Planning

4.1.6.1 Five-Year Plan and Annual Plans

The department planned its activities (*Appendix 4.4*) with reference to the Eleventh Five-Year Plan (2007-12) for achievement of its goals and objectives. Annual programmes were prepared wherein targets for various activities were fixed and budget estimates for achieving these targets were prepared. It was observed that no survey to assess the existing veterinary infrastructure in the field was conducted. Further, the Annual Plans were not based on feedback from district offices. DG stated (June 2011) that neither was the comprehensive data base in respect of requirement of manpower, material and existing veterinary infrastructure available nor was the survey conducted to assess the requirements.

A scrutiny of the Eleventh Five-Year Plan revealed that the department fixed physical targets in respect of production of milk, eggs and wool but did not fix targets for increasing the number of livestock. It was observed that there was decrease in the number of buffalos, sheep, camels, etc. as per the latest livestock

Targets for increasing the number of livestock were not fixed.

census of 2007. However, the number of poultry and other animals doubled as detailed below:

Table: 1 Status of livestock, poultry and other animals

Sr. No.	Category	As per 17 th Livestock Census 2003 (in thousands)	As per 18 th Livestock Census 2007 (in thousands)	Increase (+)/ decrease (-) (in thousands)
Livestock				
1	Cattle	1,540	1,552	(+) 12
2	Buffalos	6,035	5,953	(-) 82
3	Sheep	633	601	(-) 32
4	Goat	460	538	(+) 78
5	Pigs	120	134	(+) 14
6	Camels	50	39	(-) 11
7	Others (Horses, Ponies, Mules, Donkeys and Dogs)	605	233	(-) 372
Total livestock		9,443	9,050	(-) 393
8.	Poultry and other animals	13,619	28,785	(+) 15,166

Source: Departmental figures.

The department should have set targets for increasing the number of livestock in the State. Latest data regarding the numbers of livestock available with the department was of 2007 only. The DG stated (August 2011) that the thrust of the department was on improvement of the quality of livestock and not on increasing the number. It was also stated during the exit conference that despite the decrease in the number of livestock, the per capita availability of animal products had increased. It is, however, felt that increase in the production of milk, wool, etc. would not be possible in the long run without increasing the number of livestock.

4.1.7 Financial management and budgetary control

Budgets set the annual financial agenda for each department and are the most important tools for ensuring financial discipline. It is, therefore, imperative that budget preparation is marked by due care and diligence. Monitoring the progress of expenditure against well formulated budget targets is an important management oversight function. Poor budgetary control not only results in inefficient use of scarce financial resources but also hampers achievement of organisational objectives.

4.1.7.1 Budget provision and expenditure

As laid down in para 5.3 of the Punjab Budget Manual as adopted by Haryana, the budget estimates of ordinary expenditure should be framed as accurately as possible. All items of expenditure that can be foreseen should be provided for and included under the proper sub-heads. The department had been receiving Plan and Non-Plan funds under Head 2403-Animal Husbandry and 2404-Dairy Development. Funds were also provided under the Head 2401-Crop Husbandry by the Government of India (GOI) for implementation of the Rashtriya Krishi

Vikas Yojna (RKVY). Details of budget provisions and expenditure under these heads of account during 2008-11 were as under:

Table 2: Budget provisions and expenditure

(₹ in crore)

	2008-09		2009-10		2010-11		Total	
	Final grant/ Appropriation	Expenditure	Final grant/ Appropriation	Expenditure	Final grant/ Appropriation	Expenditure	Final grant/ Appropriation	Expenditure
2403								
State Plan	50.21	52.25	44.94	48.32	50.32	49.59	145.47	150.16
State Non-Plan	191.18	185.83	232.48	240.55	247.24	248.96	670.90	675.34
Central Plan	1.97	1.96	0.98	0.97	0.93	0.94	3.88	3.87
Central Plan sharing basis	4.34	4.66	3.09	3.06	1.84	1.84	9.27	9.56
2404								
State Plan	2.12	2.18	2.01	2.19	2.05	2.05	6.18	6.42
State Non-Plan	1.16	1.16	1.36	1.36	1.33	1.23	3.85	3.75
2401								
RKVY (GIA)	10.52	10.52	23.12	22.51	34.20	34.20	67.84	67.23
Total	261.50	258.56	307.98	318.96	337.91	338.81	907.39	916.33

Source: Appropriation Account.

The DG intimated (August 2011) that excess expenditure during 2009-10 was mainly due to payment of arrears of pay to employees on the recommendations of the Sixth Pay Commission for which appropriate provision was not made in the budget. During 2010-11, the savings were mainly under the Integrated Murrah Development Programme for which the funds were received from GOI. Similarly, under another Centrally Assisted scheme, ASCAD², funds of ₹ 3.37 crore could not be utilised as the supply of the vaccine was made by GOI free of cost. Further, saving of ₹ 30 lakh under Sheep and Wool Development Scheme was due to non-release of funds by GOI.

4.1.7.2 Parking of funds outside the Government Account

Funds were parked in bank accounts outside the Government Account.

Paragraph 2.10 (b)(5) of the Punjab Financial Rules, as applicable to Haryana provides that no money should be withdrawn from the treasury unless it is required for immediate disbursement. Further, the Finance Department had banned (March 2009) drawing of money from the Consolidated Fund and keeping the same outside the Government Account in any shape. It was observed that 18 drawing and disbursing officers (DDOs) had drawn funds relating to various schemes from the treasury in advance of requirement and kept the same in bank accounts. Funds amounting to ₹ 4.15 crore remained outside the Government account in the bank accounts (between April 2010 and January 2011) of these DDOs (Appendix 4.5). Interest amounting to ₹ 13.68 lakh accrued thereon was lying in the bank accounts. Drawal of funds in advance of requirement and parking the same in bank accounts was in violation of the financial rules.

² Assistance to States for Control of Animal Diseases.

4.1.7.3 *Non-adjustment of advances*

The DG had drawn (March 2009-March 2010) an amount ₹ 4.76³ crore under RKVY. The amount was advanced to HLDB and Deputy Director, Animal Husbandry, Fatehabad for supply of bulls to Panchayats, organizing study tours, strengthening of Fodder Seed Farm, Hisar, etc. The DG was required to obtain details of expenditure from the concerned officers along with refund of unspent amounts, if any. It was observed during test check of records that despite a lapse of one to two years of drawal of funds, the unspent amounts had neither been refunded nor had the details of expenditure been obtained from HLDB/Deputy Director, Animal Husbandry, Fatehabad as detailed below:

- An amount of ₹ 2.40 crore drawn in March 2009 was paid to HLDB in adjustment of the amount taken for payment of incentive money to farmers under Murrah Development Scheme. However, as per HLDB records, the amount of advance received from HLDB was only ₹ 2.10 crore. As such, there was excess refund of ₹ 0.30 crore to the Board.
- An amount of ₹ one crore drawn in March 2009 was paid to HLDB for supply of 400 quality *Murrah* bulls to Panchayats. However, the details of Panchayats to whom the bulls were supplied, were neither available with the department nor with HLDB.
- An amount of ₹ 13 lakh was advanced (March 2009) to HLDB for organising livestock shows (₹ six lakh) and organising study tours under RKVY (₹ seven lakh). It was observed that an amount of ₹ 8.79 lakh was spent on study tours and the remaining amount of ₹ 4.21 lakh was lying unspent with HLDB.
- An amount of ₹ 13.77 lakh was advanced (March 2010) to the Deputy Director, Animal Husbandry and Dairying, Fatehabad for organising study tours. However, the adjustment account for this amount had not been submitted by the concerned officer (August 2011).
- An amount of ₹ 1.09 crore was drawn (March 2010) for strengthening of a fodder seed farm at Hisar. Out of this, a sum of ₹ 92.80 lakh was deposited with Haryana Police Housing Corporation (HPHC) for construction of a boundary wall and the remaining amount of ₹ 16.20 lakh was advanced to the Haryana Agro Industries Corporation for supply of instruments. However, details of expenditure/utilisation certificates were not furnished by them as of August 2011.

4.1.7.4 *Receipt of funds from other sources*

The department also received funds from the Haryana Rural Development Fund (HRDF), GOI through PWD (B&R) on the recommendation of the Twelfth

³ March 2009: ₹ 3.63 crore and March 2010: ₹ 1.13 crore.

Finance Commission (TFC) for repairs and renovation of veterinary institutions in the State and from the Revenue Department (Head : 2245-Relief on account of natural calamities) for purchase of preventive veterinary medicines for medical care of cattle wealth against any epidemics and curative treatment of diseases, which occurred due to floods/heavy rains. The details are given below:

Table 3: Funds from other sources

		(₹ in crore)			
		Revenue Department	HRDF	GOI	Total
Prior to 2008-09	Allocation	--	29.52	20.00	49.52
	Expenditure	--	29.52	20.00	49.52
2008-09	Allocation	0.30	--	10.00	10.30
	Expenditure	0.30	--	10.00	10.30
2009-10	Allocation	--	--	5.00	5.00
	Expenditure	--	--	5.00	5.00
2010-11	Allocation	1.00	2.00	4.00	7.00
	Expenditure	1.00	2.00	4.00	7.00
Total	Allocation	1.30	31.52	39.00	71.82
	Expenditure	1.30	31.52	39.00	71.82

Source: Departmental figures.

Scrutiny of the records of financial management of the above funds revealed the following deficiencies:

• **Funds received from the Haryana Rural Development Fund**

HRDF Board provided (July 2007 to May 2010) funds of ₹ 31.52⁴ crore to the department for reconstruction of 159 unsafe and irreparable buildings. Unspent amounts along with interest were required to be refunded to the Managing Director, HRDF Board.

Scrutiny of records of the DG revealed that the whole amount of ₹ 31.52 crore was kept in bank accounts and earned interest of ₹ 89.91 lakh up to July 2010. The amounts along with interest were further disbursed to Additional Deputy Commissioners (ADC) of the respective districts for execution of works after a gap of two to eight months of the receipt of funds. The ADCs of the concerned districts released funds to the Executive Engineers, Panchayati Raj after gaps of one to three months and also earned interest by keeping funds in bank accounts. None of the ADCs refunded the interest earned except for ADC Panipat as separate bank accounts were not opened by them. Six Executive Engineers, Panchayati Raj of the test-checked districts also earned interest of ₹ 63.32⁵ lakh which was lying in their bank accounts.

Neither did the department nor the HRDF Board ask the agencies to refund the amount of interest earned. Even the executing agencies did not refund the same themselves. This was irregular and interest should have been refunded to the HRDF Board.

⁴ July 2007: ₹ 29.52 crore and May 2010: ₹ Two crore.

⁵ Ambala: ₹ 7.17 lakh, Bhiwani: ₹ 5.39 lakh, Hisar: ₹ 13.64 lakh (₹ 6.15 lakh refunded to ADC Hisar), Kaithal: ₹ 16.35 lakh, Karnal: ₹ 16.17 lakh and Kurukshetra: ₹ 4.60 lakh

• **Government of India grants on the recommendation of Twelfth Finance Commission**

As per the recommendations of the Twelfth Finance Commission (TFC), the department received a sum of ₹ 39 crore from GOI for improvement of 1,311 buildings during 2006-11. The funds were placed at the disposal of HLDB and were further released to the executing agencies through the ADCs of the concerned districts.

Scrutiny of the records of the DG of the department revealed that utilisation certificates (UCs) were sent to GOI through the Finance Department before the close of each financial year on the basis of release of grants to the executing agencies without ascertaining the actual utilisation of funds. The UCs should have been issued to GOI on the basis of details of expenditure furnished by executing agencies.

It was further observed that details of expenditure were not received in a large number of cases out of funds released during 2006-10 as per details given below:

Table 4: Showing details of expenditure pending

(₹ in crore)

Year	Funds released	Work completed		Unspent Amount	Outstanding amount in Court cases	Total pending details of expenditure
		Details of expenditure received	Details of expenditure not received			
Prior to 2008-09	20.08	13.18	6.80	0.09	0.01	6.90
2008-09	10.05	1.25	8.80	-	-	8.80
2009-10	5.07	0.30	4.77	-	-	4.77
Total	35.20	14.73	20.37	0.09	0.01	20.47

Details of expenditure for ₹ 20.47 crore were not submitted by executing agencies.

Source: Data supplied by Director General

It is evident from the above that the details of expenditure worth ₹ 20.47 crore were pending against the executing agencies. Thus, the UCs furnished by the department to GOI were false and misrepresented the facts.

4.1.7.5 Failure in recovering milk cess

Milk cess amounting to ₹ 61.31 crore remained to be recovered despite Punjab and Haryana High Court's decision in May 2010 in favour of the Board.

The Government levied (September 2001) a cess at 10 paise per litre per day on milk plants under Section 6 of the Haryana Murrah Buffalo and other Milk Animal Breed (Preservation and Development of Animal Husbandry and Dairy Development Sector) Act 2001. The cess was required to be recovered quarterly on the basis of licensing capacity of the plants. Penalty at two per cent was leviable for non-deposit of cess in time. Scrutiny of records of HLDB revealed that 27 milk plants deposited cess amounting to ₹ 21.98 crore during 2002-11 against the due amount of ₹ 83.29 crore. Thus, a sum of ₹ 61.31 crore remained to be recovered from the milk plants.

HLDB intimated (February 2011) that the amount could not be recovered as the milk plant owners had moved the Court, the decision of which was pronounced by the Punjab and Haryana High Court only in May 2010 in favour of the Board and that efforts were being made to recover the cess amount. The amount has not been

recovered (March 2011) in spite of decision of the Court in May 2010. DG intimated (August 2011) that FCPS had written demi-officials letters to all Deputy Commissioners to extend help in recovering the cess from defaulting milk plants owners under the Land Revenue Act.

4.1.7.6 Livestock insurance

A livestock insurance scheme was launched by GOI with the objective of safeguarding livestock owners from any loss due to death of their livestock. The scheme was initially approved (2006-07) by GOI for five⁶ districts of the State on pilot basis and was further extended to 10⁷ more districts of the State. The scheme was to be implemented on sharing basis (Central share: 50 per cent, State share: 25 per cent and beneficiary share: 25 per cent). Further, the expenditure on payment of honorarium to veterinary practitioners for issue of medical certificates and on publicity was to be borne by GOI. HLDB was designated as the nodal agency by the department to implement the scheme. HLDB received a sum of ₹ 10.32 crore from GOI towards the scheme during the years 2006-11 (prior to 2008-09: ₹ 5.32 crore, 2008-09: ₹ one crore, 2009-10: ₹ three crore and 2010-11: ₹ one crore). The Government was to contribute ₹ 4.91 crore during this period. As part of their contribution, the Government released only ₹ 1.50 crore (2008-09: ₹ 0.50 crore, 2009-10: ₹ one crore). Thus, the Government released less share amounting to ₹ 3.41 crore.

The amount was released as advance to the insurance companies⁸ through the concerned Deputy Directors of the districts. Information regarding the actual expenditure incurred was not available with the department/HLDB. HLDB submitted UCs to the extent of ₹ 10.19 crore to GOI without obtaining actual expenditure from field offices, thereby misrepresenting the facts.

Another scheme on the same pattern titled Special Livestock Insurance Scheme launched by the Government in 2007-08 was formulated for the benefits of Scheduled Caste families engaged in rearing livestock in the State. According to the scheme, the livestock was to be insured by the insurance company and in cases of death, the claims were to be paid by the company.

Scrutiny of records revealed that private sector insurance companies (Reliance and ICICI Lombard) rejected 281⁹ out of 1,128⁹ claims (25 per cent) in four districts on grounds such as calving related diseases, intimation not being given in time, sick animals, mismanagement, etc. It was observed that while submitting tenders, these insurance companies did not include any such clause for non-coverage of insured animals on these grounds. The conditions were included on the insurance cover note by these companies which should have been objected to by the department/HLDB. Thus, due to failure of the department on this aspect,

Insurance companies rejected 281 claims, on grounds not mentioned in the tenders.

⁶ Bhiwani, Hisar, Jhajjar, Jind and Rohtak.

⁷ Faridabad, Fatehabad, Kaithal, Karnal, Kurukshetra, Mewat, Mohindergarh, Panipat, Sirsa and Sonapat.

⁸ United Insurance Company, Oriental Insurance Company, National Insurance Company, ICICI Lombard General Insurance and Reliance General Insurance.

⁹ Ambala : 44 out of 157, Hisar : 68 out of 305, Kaithal : 65 out of 240, Karnal : 104 out of 426.

beneficiaries were deprived of the benefit of the insurance cover provided by the Government despite their 25 per cent contribution for insurance premia.

4.1.7.7 Non-achievement of revenue targets

The department was earning revenue by sale of piglets, eggs, wool and other products from the farms. Revenue estimates projected under animal husbandry activities were not achieved during 2010-11 as detailed below:

Table 5: Targets and achievement of revenue receipts

(₹ in lakh)

Receipt Head	2008-09		2009-10		2010-11*		Total	
	Targets	Actual Receipts	Targets	Actual Receipts	Targets	Actual Receipts	Targets	Actual Receipts
Animal Husbandry	262.00	255.92	300.00	445.27	415.00	131.69	977.00	832.88
Dairy Development	Not fixed	2.22	Not fixed	4.08	Not fixed	1.95	Not fixed	8.25
Total		258.14		449.35		133.64		841.13

* Departmental figures subject to reconciliation

The DG stated (August 2011) that the shortfall of 68 per cent in realisation of revenue during 2010-11 under Animal Husbandry was on account of less receipts from piggery and poultry farms due to less allocation of funds for running these farms. As a result of this, parent stock of birds/pigs had to be reduced. It is felt that the department should have got adequate allocation of funds from the Government for smooth running of piggery and poultry farms.

There was shortfall of receipts under Animal Husbandry by 68 per cent during 2010-11.

4.1.8 Programme implementation

As per the Eleventh Five Year Plan, the department fixed targets to bring the production level at 61.20 lakh from 54.05 lakh tonnes of milk, 25,722 lakh from 14,198 lakh eggs and 13.60 lakh kg from 23.52 lakh kg wool by 2012. The achievements against these targets up to March 2011 was as under:

Table 6: Production of milk, eggs and wool

Item	Target	2008-09	2009-10	2010-11
		Achievement	Achievement	Achievement
Milk (in lakh tonnes)	61.20	57.45	60.06	62.50
Eggs (in lakh)	25,722	38,131.97	38,522.86	41,500
Wool (in lakh kgs)	13.60	12	12.49	12.80

Source: Data supplied by Director General

As is evident from the above table, the production targets set in the Eleventh Five Year Plan were achieved, except in the case of wool production. No targets were fixed for production of piglets in the Eleventh Five Year Plan.

The department implemented 31 schemes, out of which 17 were State Plan, 10 Centrally sponsored and four Central Plan (sharing basis) schemes.

Targets of production of milk and eggs set in Eleventh Five Year Plan were achieved.

4.1.8.1 State livestock breeding policy

Data to ascertain the level of exotic breed was not maintained.

The State livestock breeding policy for cattle and buffalos notified in January 2010 envisaged that indigenous and exotic breed levels should be maintained at equal level. The policy also envisaged genetic upgradation of indigenous cattle and buffalos and increase in the quantity of milk and other livestock produce. It was also envisaged that indiscriminate breeding and propagation of poor germplasm would be avoided and the entire livestock population would be brought under organized breeding through artificial insemination (AI) or natural insemination (NI). To achieve the objectives, all the area veterinary surgeons and supervisory officers of districts were required to ensure use of only quality bulls in the breeding programme.

It was observed that data regarding exotic breeds of cattle and buffalos was not collected while conducting the livestock census in 2007. In the absence of data, it could not be ensured whether the level of exotic breeds was up to the level of 50 per cent. DG stated (August 2011) that data to ascertain the level of exotic breeds could not be collected phenotypically¹⁰ during the livestock census and that the level of 50 per cent exotic breeds was maintained by suitably designing the breeding methods and back-crossing of crossbreed animals with indigenous bulls in the State. The reply is not convincing as the data of exotic breed could have been collected with the help of owners of animals while conducting the livestock census to ascertain the level of exotic breeds.

Data of natural insemination was not maintained.

It was further observed that the department was not maintaining data of NIs. The DG stated (August 2011) that NIs were carried out through stray bulls or by the quality bulls supplied by the department to Gram Panchayats but no record of NIs was maintained. Thus, the department had not supervised NIs as per the requirement of the State Livestock Breeding Policy.

Services of artificial insemination at doorsteps were negligible.

As per information supplied by the department, against the target of 60 lakh AIs, 62.23¹¹ lakh AIs were carried out in the State during the years 2008-11. The department provided AI services at its institutions and at doorsteps to the farmers at a very low rate of ₹ 20 (at institution) and ₹ 70 (at doorsteps). It also fixed targets for AI at institutions and doorsteps. Scrutiny of the data regarding AIs at doorsteps revealed that against the target of providing doorstep services for 10.89 lakh AIs, services were provided for 0.65 lakh AIs during 2008-11, which was only six per cent of the target. In Jind and Panchkula districts, the achievement was zero per cent. The DG intimated (May 2011) that the densely established network of veterinary institutions in the State had lowered the number of AI at doorsteps. As the overall achievement of AIs was higher than targets and the shortfall was only in respect of AIs at doorsteps, the possibility of carrying out the AI at doorsteps and showing the same as having been carried out at institutions for misappropriation of the difference of rate of ₹ 50 per AI cannot be ruled out. The FCPS, Animal Husbandry and Dairying Department, while admitting the possibility of misappropriation, assured during the exit conference

¹⁰ The observable physical or biochemical characteristics of an organism.

¹¹ 2008-09:19,48,400, 2009-10:20,37,600 and 2010-11:22,37,100

that the procedure would be streamlined and strict action would be taken against erring officials.

4.1.8.2 *Murrah Development Scheme*

Murrah buffalos have been recognised to be the animal of the 21st century and the State was proud to be the home-tract of this best buffalo breed of the world. There was a great demand of this high-yielding breed not only from within India but outside the country as well. Most of the States procured breeding stock from Haryana for upgradation of their low producing buffalos. In order to encourage farmers to adopt this high milk-yielding variety of buffalos viz Murrah, the department was providing incentives since 2006-07 for such buffalos under the Murrah Development Scheme.

Payment of incentive amount at higher rates resulted in excess payment of ₹ 2.73 crore.

In 2007-08, owners of buffalos which gave more than 11 kg of milk were provided incentives (₹ 3,000 for buffalos producing milk between 11 and 15 kg; ₹ 6,000 for those producing between 15 and 20 kg and ₹ 10,000 for those producing above 20 kg). On the basis of the Chief Minister's announcement in a rally held in September 2008, a proposal to increase the rates of incentives was submitted to the Government, which was approved in May 2009, subject to the condition that the owners of buffalos giving milk above 13 kg would be provided incentives of ₹ 5,000 for 13-16 kg, ₹ 10,000 for 16-19 kg and ₹ 15,000 for above 19 kg. Audit observed that the enhanced rates¹² of incentives were paid in March 2009 by the department on the basis of the Chief Minister's announcement in September 2008, without waiting for the formal orders of the Government. This irregular action resulted in excess payment of ₹ 2.73¹³ crore. The DG stated (August 2011) that the case of ex-post-facto sanction of enhanced rates of incentives was under consideration of the Government.

It was further noticed that funds for payment of incentives under the scheme were drawn at the end of the financial year and were kept in bank accounts outside the Government Account. In seven test-checked districts, a total amount of ₹ 4.72¹⁴ crore was drawn in March 2010 which was disbursed by the Chief Minister in a public function at Sonipat in March 2011 i.e. after one year of the drawal of funds. Thus, the funds were kept outside the Government account for one year awaiting the Chief Minister's function.

¹² ₹ 5,000 for 11 to 15 kg; ₹ 10,000 for 15 to 20 kg and ₹ 15,000 for above 20 kg.

¹³ Bhiwani: ₹ 99.35 lakh. Fatehabad: ₹ 7.98 lakh, Hisar: ₹ 73.78 lakh, Jhajjar: ₹ 71.22 lakh, Kaithal: ₹ 4.11 lakh, Karnal: ₹ 5.51 lakh, Kurukshetra: ₹ 2.83 lakh and Rewari: ₹ 7.95 lakh.

¹⁴ Bhiwani: ₹ 174.55 lakh. Fatehabad: ₹ 16.40 lakh, Hisar: ₹ 133 lakh, Jhajjar: ₹ 100 lakh, Karnal: ₹ 23.35 lakh, Kurukshetra: ₹ 13.35 lakh and Rewari: ₹ 11.70 lakh.

4.1.8.3 Outsourcing of Artificial Insemination Services

AI services were outsourced at a cost of ₹ 14.35 crore without following the procedure to have competitive rates.

M/s J K Trust, Thane made a presentation of their project for providing AI services in rural areas to the Chief Minister in a meeting held in June 2006, wherein the Chief Minister desired that outsourcing of AI services should be done in the Mewat and Shivalik area as a pilot project. Thereafter, the department sent (October 2006) a proposal to the Government for outsourcing AI services, stating that the staff posted in the Mewat and Shivalik areas get themselves transferred and the institutions remain without staff. FCPS, Animal Husbandry and Dairying Department desired (February 2007) that the department should call expressions of interest for outsourcing AI services. Thereafter, expressions of interest were called for in November 2007 and three NGOs (Gram Swarajya Sansthan Hisar, BAIF Development Research Foundation, New Delhi and M/s J.K Trust, Thane) expressed their interest in taking up the project. Applications of NGOs except for M/s J. K. Trust were rejected on the grounds that the information/certificate/document in regard to the experience/capability/ dependability/technical know how/ accomplishment of such work was not furnished. Scrutiny of records, however, revealed that these documents had been furnished by them. It was also observed from the expression of interest of BAIF Development Research Foundation, New Delhi that the NGOs has been working in AI field since 1970 and their projects were running in 12 States. The proposals of the two NGOs were, therefore, rejected wrongly. Another reason for rejection of expression of interest was that the NGOs had not attached the demand draft for consideration of their expressions of interest. This minor issue could have been settled by the Government with the NGO for a project involving such a huge amount in order to ensure fair competitive bidding. Even project proposals were not called for from them. The department entered into an agreement with the M/s J.K.Trust in August 2008 for setting up 145 centres for AI services in the Mewat and Shivalik areas (Mewat: 115, Shivalik 30). Thereafter, the project was got approved (September 2008) from the State Level Sanctioning Committee (SLSC) of RKVY. However, the SLSC approved the project with the condition that proper procedure for outsourcing should be adopted and detailed guideline should be framed after consultation with Directors, Central Institute of Research on Buffalos and the National Dairy Research Institute. However, no such exercise was carried out as the department had already entered into an agreement with M/s J K Trust in August 2008. A sum of ₹ 2.84 crore was given as advance to the trust in March 2009 for setting up of centres within one year.

Achievement of targets of birth of calves was only five per cent.

As per the targets, 11,600 calves were expected in the first year up to March 2011 and 87,000 calves in five years (up to March 2015), against which the achievement was only 541 calves in the first year. Thus, the achievement of targets by the Trust was only five per cent.

During the exit conference, the DG stated that a minimum of 10 months were required for calving after insemination and the shortfall in calving was due to late setting up of AI centres. Scrutiny of records revealed that the progress report submitted by M/s J.K.Trust was of March 2011 which was of 18 to 22 months after setting up of 93 AI centres, as the centres were established between May 2009 and

August 2009. As such, the progress of AI centres was not up to the mark.

Despite the fact that the performance of the Trust was poor, the department signed (December 2010) another MOU with the Trust for establishing 2,000 centres in the State without calling for expressions of interest and following the same procedure i.e. presentation to the Chief Minister in October 2010 and thereafter getting approval from the State Level Sanctioning Committee of RKVY. As of March 2011, the department had given an advance of ₹ 11.51 crore to the Trust. The DG stated (August 2011) that the work was entrusted to the Trust on the basis of past experience. The reply is not acceptable as performance of the Trust was very poor at the time of entering new agreement in December 2010 and the prescribed procedure of calling fresh expression of interest to have competitive rates, should have been followed by the department.

Thus, the work of setting up of AI centres was entrusted to J.K Trust by violating the procedures and keeping aside the norms of financial propriety, showing undue favour to the Trust.

4.1.8.4 Poultry Development Programme

Hatchery work at the Poultry Farm at Ambala was stopped in 2007 due to high maintenance cost of outdated machinery.

Poultry and hatchery farms were set up at Ambala and Hisar to provide quality chicks at reasonable prices to farmers for setting up their own poultry farms. It was observed that hatching machines of both the farms, installed in 1979, were old and outdated. The hatchery work at Ambala was stopped in 2007, as the maintenance cost of the hatching machinery was very high. As the production of chicks was stopped, the eggs were sold in the market. The hatchery at Hisar was working but the running cost was very high and it was incurring losses.

Funds of ₹ 72.30 lakh (Ambala: ₹ 40 lakh and Hisar: ₹ 32.30 lakh) were released by the Government under the Centrally Sponsored scheme- 'Assistance to State Poultry Farms' in the year 2006-07. As per the sanction, both the field offices were to create revolving funds of ₹ 15 lakh for purchase of parent stock, feed, medicine, vaccine and marketing. Sale proceeds of the eggs and chicks etc were also required to be credited to this account.

The remaining funds were to be spent towards strengthening of infrastructure, repairs, renovation of sheds, training, strengthening of laboratories and marketing of birds and backyard poultry, etc.

The Assistant Poultry Development Officer, Ambala spent the entire amount of ₹ 25 lakh on infrastructure development through the Executive Engineer, Panchayati Raj, training, marketing, etc. but no efforts were made to replace the outdated machinery. The revolving fund of ₹ 15 lakh had come down to ₹ 9.15 lakh due to uneconomic operation of the farm.

In Hisar, funds of ₹ 16.80 lakh were lying in bank accounts as the proposal sent by the Hisar Farm in June 2007 for purchase of machinery worth ₹ six lakh (approximately) was not approved by the DG despite their pursuance. Only an amount of ₹ 0.50 lakh was spent on marketing of birds and backyard poultry.

The hatching work at Ambala was not carried out and the farm at Hisar continued

to incur losses and the entire amount of ₹ 15 lakh provided to run the hatchery was exhausted (March 2011).

The DG stated (August 2011) that the proposals for purchase of machinery were not approved and no funds were provided by GOI for the purpose. The reply is not convincing as funds were provided for strengthening of infrastructure which include machinery. Further, the department should have made adequate provision for the purchase of hatchery machinery to make the farms functional.

4.1.8.5 Poultry Disease Investigation and Feed Analytical Laboratory

No system was evolved by the department to have a check over the quality of poultry feed.

The Poultry Disease Investigation and Feed Analytical Laboratory at Ambala had been set up to test poultry feed samples and diagnose diseases of livestock and poultry and to provide guidance to the farmers. The laboratory officers, after testing samples, were required to provide technical guidance and recommend treatment of sick animals and birds free of cost to farmers. The laboratory analysed 34,401¹⁵ samples against the target of 34,805¹⁶ during 2008-11.

It was observed that the department was not drawing samples of poultry feed from the market to ensure availability of good quality feed for the birds. The Poultry Disease Investigation Officer, Ambala City stated (July 2011) that the targets were met by visiting the site as and when there was outbreak of diseases among the poultry birds. He also stated that there was no Act which empowered the department to collect poultry feed samples from the market. Thus, there was a need to make some rules to empower the department to take samples from the market to have a check over the quality of poultry feed.

4.1.8.6 Piggery Development Programme

There was a decreasing trend in breeding of piglets at Piggery Farms at Ambala and Hisar.

Pig breeding plays an important role in improving the socio-economic status of people belonging to weaker sections of the society. Two State level piggery farms at Ambala and Hisar are engaged in the breeding of piglets of superior exotic breed (large white Yorkshire), which are sold to breeders for breeding.

The position of pig breeding in these farms during the last three years was as under:

Table 7: Details of birth and sale of piglets

Year	Farm	Opening balance	New birth	Total	Died	Sold	Closing balance
2008-09	Ambala	122	481	603	18	412	173
	Hisar	144	453	597	45	368	184
2009-10	Ambala	173	294	467	9	336	122
	Hisar	184	444	628	15	420	193
2010-11	Ambala	122	286	408	7	334	67
	Hisar	193	338	531	18	360	153

Source: Data supplied by the department.

¹⁵ 2008-09: 12,884, 2009-10: 12,759 and 2010-11: 8,758 (up to November 2010).

¹⁶ 2008-09: 11,595, 2009-10: 11,615 and 2010-11: 11,595.

As is evident from the above table, the breeding of piglets decreased during 2008-11. The DG stated (May 2011) that breeding of piglets had to be reduced due to less demand from breeders. The reply is not convincing as scrutiny of records disclosed that the parent stock of pigs was reduced due to inadequate budget provision for their feed in 2009-10.

In the Eleventh Five Year Plan, a provision of ₹ 50 lakh was made to ensure supply of feed to the animals housed in the existing Pig Breeding Farms at Ambala and Hisar and to set up new *baras*¹⁷ in these farms to meet the constant increasing demand of the pig farmers as well as keeping in view the requirement of beneficiaries for setting up the piggery units. It was observed that this was not implemented, as a result of which, the parent stock of pigs had to be reduced in the existing pig farms. The DG stated (June 2011) that since the Scheduled Caste beneficiaries were provided benefits under other schemes of the department meant for them, the scheme was not implemented. The reply is not convincing as implementation of other schemes for SC beneficiaries had no link with this scheme because this scheme was for strengthening piggery farms to provide piglets to breeders.

4.1.8.7 *Hi-Tech Dairy Shed Scheme*

Under the Centrally sponsored RKVY, the department was providing subsidy of ₹ 1.50 lakh to educated unemployed youth of the age of 18 years and above desirous of constructing modern dairy sheds of a minimum of 20 milch animals adopting all scientific practices. The scheme launched in 2009-10 provided subsidy of only ₹ 1.50 lakh out of the total estimated cost of ₹ six lakh for dairy sheds and ₹ 4.50 lakh was to be arranged by the beneficiaries themselves. The subsidy was to be disbursed to the beneficiaries (i) who followed approved design/drawings and specifications of the shed (ii) who had got training from the department/Haryana Agriculture University, Hisar or any other such institutions. During the period 2009-11, against the receipt of 612¹⁸ applications, 353¹⁹ applicants were provided subsidy. The DG stated (August 2011) that the remaining applicants could not be provided subsidy due to shortage of funds.

In Jhajjar district, subsidy of ₹ 37.50 lakh was disbursed to 25 beneficiaries during 2009-11 on the basis of completion certificates of Veterinary Surgeons supported with the photographs of sheds. Scrutiny of records revealed that none of these sheds were constructed according to approved drawings and specifications.

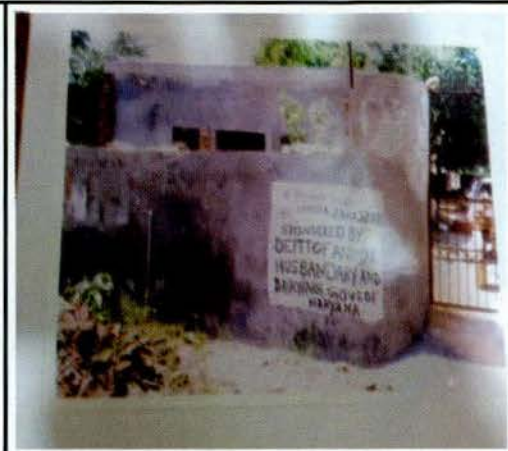
¹⁷ Surrounded area for keeping pigs.

¹⁸ 2009-10: 324 and 2010-11: 288.

¹⁹ 2009-10: 194 and 2010-11: 159.



High Tech Dairy Shed at Sherpur, District Ambala constructed as per specifications and design.



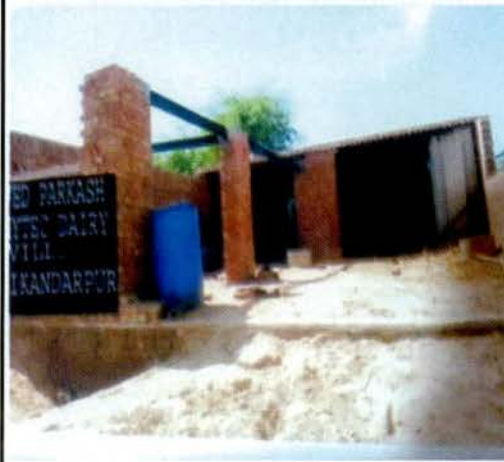
High Tech Dairy Shed at Nangla, District Jhajjar not as per design



High Tech Dairy Shed at Khungai, District Jhajjar



High Tech Dairy Shed at Jahangirpur, District Jhajjar



High Tech Dairy Shed at Sikandarpur, District Jhajjar



High Tech Dairy Shed at Silani, District Jhajjar

Further, only six out of 25 beneficiaries were trained in dairy from approved institutions.

During the exit conference, the FCPS, Animal Husbandry and Dairying Department viewed the matter seriously and stated that it would be investigated and appropriate action taken against the defaulters.

4.1.8.8 *Hi-Tech Commercial Dairy*

The scheme of Hi-Tech Commercial Dairy as a new State Plan scheme was introduced in 2008-09. The scheme aimed at generating self-employment in the dairy sector by establishing new hi-tech commercial dairy units of 20 or more milch animals and extension of the existing dairy units. Under the scheme, the beneficiaries were to be provided loans by the banks and subsidy by the Government.

The department was to sponsor loan applications to banks and was to provide 15 per cent subsidy in respect of the term loans, subject to a maximum of ₹ 1.50 lakh. The subsidy was to be released in advance on sanction of loans to the financing banks. The farmers were required to set up their units within a period of three months. In case, the loanees did not set up units, the banks were to refund the subsidy amounts to the department.

Against the target of establishing 1,100²⁰ units during 2008-11, only 445²¹ units were set up. A total of 1,423 applications were received by the department during 2008-11, out of which 866 applications were found in order and the same were sponsored to the banks. However, the banks sanctioned loans in 445 cases and subsidy was released in all these cases. The department attributed (August 2011) the shortfall to the fussy approach of bankers in sanctioning loans. It was observed that neither did the department ask for the reasons for non-sanction of loans from banks nor did the banks intimate the same. This shows that the department had not made proper liaison with banks to implement the scheme, as a result of which the objective of employment generation could not be achieved to the expected level.

Against the target of establishing 1,100 dairy units, only 445 units were set up.

4.1.8.9 *Quality control of feed, milk and milk products*

- The Government passed the Regulations of Compound Cattle Feed, Concentrate and Mineral Mixture in 1999 to ensure that the quality of cattle feed, concentrate and mineral mixtures was as per the specifications of the Bureau of Indian Standards (BIS). Under this, manufacturers/dealers/sellers were to get themselves registered with the department and obtain licences by paying the prescribed fees²²

²⁰ 2008-09: 500, 2009-10: 400 and 2010-11: 200.

²¹ 2008-09: 138, 2009-10: 141 and 2010-11: 166.

²² Manufacturer: ₹ 1,000 license fee and renewal ₹ 500 after every three years; Dealer ₹ 500 license fee and renewal ₹ 250 every three years.

No system was evolved to watch the renewal of licences of manufacturers/dealers of compound cattle feed.

Scrutiny of records revealed that after issue of licences, the department did not ensure that manufactures and dealers had renewed their licences after the expiry of the prescribed period of three years. This resulted in a loss of revenue of ₹ 5.32²³ lakh to the Government in eight test-checked districts. Besides, the department could not ensure that the feed manufactured/sold was as per BIS specifications as quality control officers were not entitled to draw samples from the market. In the absence of proper quality checks, the animals were exposed to the risk of consuming sub-standard feed.

The DG stated (August 2011) that interested persons who want to continue their business get their licences renewed while others stop dealing in the business. The reply is not acceptable as the department had not carried out any exercise to ascertain whether non-renewal of licences was due to closure of businesses or not.

System to draw samples of milk and milk products to check quality was not evolved.

- Quality control of milk and milk products is covered under the Milk and Milk Products Orders (MMPO), 1992, which is administered by the department of Animal Husbandry and Dairying under the Ministry of Agriculture, GOI. MMPO prescribes registration of plants processing milk of more than 10,000 litres per day. GOI has designated the DG to register those milk plants of the private sector as well as the Co-operative sector which are handling milk up to two lakh litres per day. As of March 2011, 47 milk plants were registered with the department and were carrying on business in the State. The department should have ensured the quality of milk and milk products by surprise checks and obtaining samples from these units. However, this was not done, though a dairy laboratory of the department was functioning at Rohtak since 1978-79 to analyse the presence of fat, bacteria, etc. in milk. The laboratory was analysing samples brought by consumers only. Thus, adequate steps to ensure supply of good quality of milk and milk products by these registered milk plants were not taken by the department.

4.1.8.10 Production of veterinary vaccines

Haryana Veterinary Vaccine Institute, Hisar had been established to manufacture vaccines for the State. The position of the vaccines manufactured by the institute

²³ Ambala: ₹ 0.48 lakh, Bhiwani: ₹ 0.24 lakh, Fatehabad: ₹ 0.97 lakh, Hisar: ₹ 0.76 lakh, Kaithal: ₹ 0.28 lakh, Karnal: ₹ 1.03 lakh, Kurukshetra: ₹ 0.69 lakh and Rewari: ₹ 0.87 lakh.

during the last three years was as under:

Table 8: Showing the production of vaccines

(Doses in lakh)

Name of the vaccine	2008-09		2009-10		2010-11	
	Target	Achievement	Target	Achievement	Target	Achievement
Haemorrhagic Septicemia vaccines	100.00	101.33	100.00	65.42	100.00	84.42
Enterotoxaemia vaccine	1.00	1.40	1.00	Nil	Nil	Nil
Black quarter vaccine	6.00	6.62	6.00	4.50	6.00	4.23
Sheep pox vaccines	6.00	6.80	6.00	6.00	6.00	6.88
Peste de Petits Ruminants vaccine	6.00	7.50	6.00	6.00	6.00	3.00
Swine fever vaccine	0.70	0.71	0.70	0.70	0.90	Nil
Total	119.70	124.36	119.70	82.62	118.90	98.53

Source: Data supplied by the department.

As is evident from the above, there was decrease in production of vaccines to the extent of 33.56 *per cent* in 2009-10 and 21 *per cent* in 2010-11 in comparison to the year 2008-09. Targets were also not achieved in 2009-10 and 2010-11. The Director of the Institute stated (April 2011) that the targets of the bacterial vaccines production could not be achieved due to unavailability of the bottles as a case for purchase of bottles through Director, Supplies and Disposals, Haryana could not be prepared. Secondly, the old lyophilizer²⁴ was out of order and purchase of a new one could not be made as the same was pending with the Director, Supplies and Disposals, Haryana. Thus, improper planning for purchase of these important items led to shortfall in production of vaccines.

Haryana Veterinary Vaccine Institute was manufacturing veterinary vaccines without renewing its licence from the Drug Controller.

It was noticed that the institute had been manufacturing vaccines without a proper licence from the Drug Controller since 2005. As the department did not fulfil the international standards, the licensing authority banned (December 2010) the manufacturing of vaccines and the institute stopped manufacturing of vaccines from February 2011. The Institute's Director stated (May 2011) that some modifications in the building had been suggested by the Joint Inspection Committee and compliance of the same was under process. The DG stated during the exit conference that manufacturing in the plant had been re-started from July 2011. However, the licence was still to be obtained.

4.1.8.11 Scheme for setting up of a Veterinary Council in the State

In order to control and regulate the practices of the veterinary profession and its conduct apart from educating veterinary professionals, the Haryana Veterinary Council was established in 1989-90 as a statutory body under the Indian Veterinary Council Act, 1984. Under the Central Plan Scheme, 'Setting up of Veterinary Councils in States' on sharing basis (50:50), grants-in-aid were provided to run the council. The council was required to submit UCs along with audited accounts to GOI every year. It was observed that audited accounts were not submitted by the council. The scrutiny of its expenditure statements for the years 2008-09 and

²⁴ Lyophilizer is a machine used for manufacturing drugs.

2009-10 revealed that there were savings of ₹ 5.21 lakh and ₹ 5.37 lakh respectively from grants-in-aid. The unutilised grants-in-aid were required to be refunded to the Government or were to be adjusted in future demands. The unspent amount was neither refunded to GOI nor adjusted in future demands.

4.1.8.12 Opening of new veterinary dispensaries

Under the Eleventh Five Year Plan, 200 new civil veterinary dispensaries (CVD) were targeted to be opened. It was observed that despite spending ₹ 24.02 crore out of ₹ 24.50 crore provided under the Five Year Plan, only 145 CVDs were opened during 2007-11. The DG attributed (June 2011) the shortfall to imposition of a ban on creation/upgradation of new posts. Thus, the veterinary institutions were not opened as planned under the Eleventh Five Year Plan.

4.1.9 Construction, Repair and Renovation works

4.1.9.1 Avoidable payment of departmental charges

As the Public Works Department (PWD) was doing the work of departments without levying departmental charges from August 2005, the execution of all the works of construction and maintenance for Government departments was to be entrusted to the PWD. Prior approval of the Government was required to entrust any civil work to any other agency. Further, in order to effect economy in expenditure, before entrusting work to any other agency, the department was to ensure that the departmental charges would not be levied by the executing agency.

It was noticed that the department, in contravention of the above, entrusted the following works to the Haryana Police Housing Corporation (HPHC) and agreed to pay departmental charges of ₹ 1.19 crore as detailed below:

(₹ in crore)

Sr. No.	Name of work	Cost of the work	Departmental charges
1.	Pet Clinic, Panchkula	7.97	0.72
2.	Construction of Veterinary Polyclinic at Rohtak	3.24	0.29
3.	Strengthening of Fodder Seed Farm, Hisar	2.15	0.18
Total			1.19

The department would incur extra expenditure of ₹ 1.19 crore on execution of three works on account of departmental charges, by entrusting the works to HPHC instead of PWD.

This would entail an extra expenditure of ₹ 1.19 crore. The DG stated (August 2011) that the FCPS, Home Department in a meeting held in June 2011 agreed that HPHC would charge six *per cent* departmental charges and that PWD was also levying five *per cent* departmental charges. The reply is not convincing as the PWD had not been levying departmental charges from August 2005.

4.1.9.2 Construction of Veterinary Polyclinics

As per a policy decision (2003) of the Government, one veterinary polyclinic was to be established in each district in the State in a phased manner.

The National Bank for Agriculture and Rural Development (NABARD) sanctioned (August 2004) a loan of ₹ 2.84 crore to the department for setting up veterinary polyclinics at Bhiwani and Sonipat. The Government was to contribute ₹ 15 lakh. Thus, the total cost of the work was ₹ 2.99 crore. The project was to be completed by 31 March 2007.

Extra expenditure of ₹ one crore had to be incurred due to delay in construction of Veterinary Polyclinics at Bhiwani and Sonipat.

Test check of records with the DG revealed that administrative approval for both the works was accorded (June 2005) by the Government for ₹ 3.29 crore (Bhiwani: ₹ 1.45 crore and Sonipat: ₹ 1.84 crore) which was revised in February 2008 to ₹ 4.01 crore (Bhiwani: ₹ 1.95 crore and Sonipat: ₹ 2.06 crore). The project was completed in December 2008 at a cost of ₹ 3.99 crore. Thus, due to delay in completion of the project, the Government had to bear an extra expenditure of ₹ one crore from its own resources. The DG stated (May 2011) that the delay was procedural. The reply is not convincing because as per the agreement with NABARD, the State Government was to assure completion of the project within the time schedule by providing additional manpower and resources but this was not done.

Further, as per an inspection report of the Chief Architect, Haryana (March 2011), the quality of the work of Bhiwani Polyclinic was very poor and was neither executed by skilled manpower nor supervised by any Engineer and did not conform to drawing, design and specifications. The work of the Sonipat Polyclinic was also found to be poor and not in accordance with the drawing, design and specifications. No action had been taken by the department against the executing agency for carrying out the poor work. The DG stated (August 2011) that comments of the concerned executing agency on the observations of the Architecture Department had been sought and appropriate action would be taken on receipt of the same.

4.1.9.3 Construction of Pet Clinic at Panchkula

The department decided (December 2005) to entrust the work of construction of the building of a pet animal clinic at Panchkula to Chaudhry Charan Singh Haryana Agriculture University (HAU), Hisar.

An extra expenditure of ₹ 3.94 crore had to be incurred on construction of a pet clinic at Panchkula due to change of the executing agency.

Against the estimate of ₹ 4.03 crore (including 10 per cent departmental charges), funds of ₹ two crore (₹ one crore each in March 2006 and March 2007) were released to the HAU. Though HAU offered (11 September 2007) not to charge departmental charges, the work was withdrawn (27 September 2007) from HAU because of non-starting of the construction work. The work was entrusted to HPHC which submitted (November 2008) a rough cost estimate for ₹ 6.38 crore (including 10 per cent departmental charges). The increase in the estimated cost was due to cost escalation. Finally, the work was completed (August 2009) at a

cost of ₹ 7.97 crore (including departmental charges). The department had so far released ₹ 7.92 crore to HPHC.

Thus, the execution of work was delayed due to change of the executing agency which resulted in escalation of cost of ₹ 3.94 crore. Had the work been entrusted to HAU initially, cost overrun including departmental charges would have been avoided.

DG stated (August 2011) that the delay in completion of the building was not due to change of the construction agency but due to circumstances beyond their control. It was further stated that HAU had never offered exemption from payment of departmental charges and HPHC had not been paid any departmental charges. The reply is not correct as the FCPS, Agriculture Department had intimated (April 2007) to the FCPS, Animal Husbandry and Dairying Department that HAU would not levy departmental charges on the works of their department. Further, the delay occurred due to starting of the construction procedure i.e. preparation of estimates, calling of tenders, etc. afresh by HPHC. As regards payment of departmental charges, the department released ₹ 7.92 crore to HPHC against expenditure of ₹ 7.97 crore including departmental charges. The balance amount had also been adjusted by HPHC out of funds deposited by the department for other works.

4.1.9.4 Lack of monitoring of execution of works

As stated earlier, the HRDF Board provided (July 2007 to May 2010) funds of ₹ 31.52²⁵ crore to the department for reconstruction of 159²⁶ unsafe and irreparable buildings. The funds were required to be utilised within six months of the release of funds.

Scrutiny of records revealed that initially the whole amount of ₹ 31.52 crore was kept in bank accounts by DG. The amounts along with interest of ₹ 89.91 lakh were further disbursed to the Additional Deputy Commissioners (ADC) of the respective districts for execution of works after a gap of two to eight months of the receipt of funds. The ADCs of the concerned districts released funds to the Executive Engineers (EE), Panchayati Raj after gaps of one to three months. Thus, there were substantial delays in reaching the funds to the executing agencies. As per information supplied by the department, only 12 works (Hisar Division) were completed and remaining 147 works were incomplete as of March 2011. The department also did not have the details of actual expenditure incurred by the executing agencies. The department should have obtained monthly statements of expenditure from the ADCs and the status of work in order to monitor the execution of works. However, the department did not have details of expenditure, which indicates lack of monitoring at the DG level for the execution of work.

²⁵ July 2007: ₹ 29.52 crore and May 2010: ₹ Two crore.

²⁶ Ambala Division: 36, Gurgaon Division: 33, Hisar Division: 55 and Rohtak Division: 35.

Out of 159 works, only 12 works were completed out of the funds of HRDF Board.

The DG stated (August 2011) that the EEs, Panchayati Raj were under the control of the district administration and the department had no direct control over them. The reply is not convincing as the department should have monitored the execution of works by pursuing the matter with the district administration.

Similarly, a sum of ₹ 97.24 lakh was drawn (January 2010) by the department under the scheme 'Construction/Renovation/Repair of Veterinary Institution for the year 2009-10'. The funds were disbursed to six²⁷ Deputy Directors of Animal Husbandry through demand drafts for onward transmission to the concerned executing agencies²⁸. As per practice, the DG was required to obtain acknowledgements of the receipt of the drafts issued to the Deputy Directors. It was observed that the department had not obtained the acknowledgment of drafts and did not know the status of execution of works despite the lapse of one and half years.

On this being pointed out (April 2010) by Audit and taking up of the matter by the DG with the concerned Deputy Directors, it came to notice (November 2010 and May 2011) that two drafts amounting to ₹ 45.24²⁹ lakh were not traceable. No action was taken to trace the lost drafts or get duplicate drafts. This shows that the department had not evolved a proper mechanism to ensure execution of works.

4.1.9.5 *Lack of supervision over TFC works*

As per a decision taken (January 2006) at a meeting with FCPS, Finance Department regarding budget allocation for maintenance of Government buildings on the recommendations of TFC, works up to ₹ three lakh were to be got executed through Panchayati Raj Institutions (Block *Samitis*) under the control and supervision of a committee comprising the Sub-Divisional Officer (Civil), the Sub-Divisional Officer (AH), the Veterinary Surgeon (VS) in charge of the area and a representative of the concerned Gram Panchayat. Similarly, works above ₹ three lakh were to be executed through the EE, Panchayati Raj under the control and supervision of a committee comprising the Deputy Commissioner, Deputy Director (AH), VS and Gram Panchayat of the area.

As stated earlier, the department received ₹ 39 crore from GOI on the recommendations of TFC for improvement of 1,311 buildings of veterinary hospitals, dispensaries and stockman centres³⁰. The funds were placed at the disposal of HLDB and were released (₹ 35.20³¹ crore up to 2009-10 and ₹ four crore in 2010-11) to Panchayati Raj institutions through ADCs of the districts.

²⁷ Bhiwani: ₹ 7.13 lakh, Jhajjar: ₹ 37.16 lakh, Karnal: ₹ 11.10 lakh, Narnaul: ₹ 6.38 lakh, Palwal: ₹ 8.08 lakh and Sonapat: ₹ 27.39 lakh.

²⁸ Executive Engineer, Provincial Divisions, Public Works Department (Buildings and Roads) and Executive Engineer, *Panchayati Raj*.

²⁹ Jhajjar: ₹ 37.16 lakh and Palwal: ₹ 8.08 lakh.

³⁰ Stockman centres are small veterinary dispensaries.

³¹ ₹ 20 lakh were released out of the interest earned.

It was observed during test check that such committees did not exercise supervision and control over the execution of works though 899 works with the value of each work being less than ₹ three lakh and 412 works with the value of each work being above ₹ three lakh were to be executed. Thus, there was lack of administrative control over the execution of works.

4.1.10 Human Resource Development

4.1.10.1 Shortage of staff

As of March 2011, there were 11,291 sanctioned posts, against which 8,014 posts were filled up and the remaining 3,277 posts (29 per cent) were vacant as tabulated below:

Table 9: Vacancy position of the department

There was 29 per cent shortage of staff in the department.

Category	Sanctioned posts	Filled in	Vacant	Percentage of shortage of staff
Class I	117	79	38	32
Class II including Veterinary Surgeons	1,022	818	204	20
Class III	3,775	3,290	485	13
Class IV	6,377	3,827	2,550	40
Total	11,291	8,014	3,277	29

Source: Data supplied by department.

It is evident from the above table that there were shortages of staff ranging between 13 and 40 per cent under various cadres.

Shortage of manpower in all the cadres affected the implementation of various programmes as well as veterinary services being provided by the department had to outsource these AI services. Many of the Veterinary Surgeons/Veterinary Livestock Development Assistants were having charge of more than one hospital/dispensary located at different places which also affected their working.

The DG, while admitting the fact that veterinary services were affected due to shortage of staff, stated (August 2011) that the department had already sent demands to the Haryana Public Service Commission, Haryana Staff Selection Commission and the Haryana Group D Selection Committee to fill up the vacant posts.

4.1.10.2 Irregular adjustment of staff

The Chief Secretary to the Government of Haryana imposed (December 1996) a total ban on change of headquarters of employees on three-four months basis as this was considered as another kind of transfer.

One hundred sixty three officials were deployed at stations other than their places of posting in violation of the Chief Secretary's order.

In the units test-checked, the salaries of 163 officials were drawn by the offices under the orders of the DG though they were working at places other than their places of regular posting (*Appendix 4.6*). This adjustment without proper transfer orders of the Government was irregular and against the orders of the Chief Secretary. Further, the work suffered at places where the staff was actually posted and being paid. The DG stated (August 2011) that adjustments were made for smooth functioning of institutions and proper utilisation of human resources. The reply is not convincing as such adjustments should have been done by regular transfer orders after rationalisation of manpower.

4.1.11 Monitoring and evaluation

4.1.11.1 Internal Controls

Internal control provides reasonable assurance to the Management about the compliance of applicable rules and regulations. The internal control system in the department was inadequate for implementation of schemes, monitoring of execution of works, etc. as discussed in the foregoing paragraphs.

4.1.11.2 Complaint Cases

A Complaint Cell had been established in the office of DG to attend to the complaints of the public as well as of departmental officers/officials. As per records submitted by the DG, nine complaints received prior to 2008-09 were outstanding with the department and 269 new complaints were received during 2009-11. Out of a total of 278 complaints, only 108 complaints were disposed off by the department and the remaining 170 (61 *per cent*) complaints were under process (March 2011). Such a large number of outstanding complaints indicated lack of monitoring of complaint cases. The DG stated (August 2011) that out of 171, only 20 complaints had been disposed off and the remaining complaints would also be disposed off soon.

4.1.11.3 Non-disposal of condemned stores/vehicles

Financial Rules require that physical verification of stores should be conducted once in a year and unserviceable disposable articles should be got condemned from the competent authority. These unserviceable articles, machinery or vehicles should be disposed off by following departmental procedures and the revenue realized should be credited to the Government so that these funds could be utilised by the Government for future plans. In the test-checked units, it was observed that condemned stores/machinery/vehicles valuing ₹ 25.20 lakh (*Appendix 4.7*) were lying with them. The DG stated (August 2011) that the department had already taken steps to dispose off the condemned stores/vehicles.

4.1.11.4 Internal Audit System

No internal audit system was in place in the department.

With a view to improve the overall quality of work and reduce errors/ irregularities, there should be an internal audit system in all Government departments. Audit observed that there was no internal audit system in place in the department. One post of Accounts Officer was sanctioned for conducting internal audit but the officer was carrying out the duties of the Drawing and Disbursing Officer at the Directorate. The DG, while admitting the facts, stated (August 2011) that a proposal to strengthen the Internal Audit Cell was under process.

4.1.11.5 Management information system and monitoring meetings

The DG, as head of the department, was responsible for monitoring and evaluation of the implementation of programmes, schemes and other activities of the department. Monthly progress reports of each scheme/programme were submitted to the Directorate by the DDOs at the district level which were merely compiled but the data was not utilised as a management tool. The FCPS of the department as well as the DG held meetings with the field staff to review and monitor the schemes/ programmes from time to time. However, there was no centralized database of schemes and programmes for monitoring. As a result, the monitoring at DG level was on an ad-hoc basis.

4.1.12 Conclusion

The department had not set targets of increasing livestock in the Eleventh Five Year Plan. The financial management of the department was not efficient as there were instances of parking of funds outside the Government Account, non-adjustment of advances, failure in recovering huge amount of milk cess, etc. The objectives of the department of providing artificial insemination facilities and increasing production of milk and eggs were achieved to a large extent but there was negligible increase in the number of livestock. Further, the functioning of the department was inadequate as there were instances of tardy implementation of poultry, piggery and dairy development programmes. There was inadequate control over the quality of animal feed, milk and milk products, etc. Inadequate scrutiny of terms and conditions of a livestock insurance policy resulted in losses to the beneficiaries. Instances of lack of monitoring over the execution of works, avoidable expenditure on payment of departmental charges and sub-standard execution of works were also observed. Besides, there was no internal audit system in place in the department.

4.1.13 Recommendations

- The department should set targets for increasing the number of livestock.

- The schemes for development of poultry, piggery and dairy need to be implemented properly and effectively.
- Proper agreements should be made with insurance companies to ensure that all the beneficiaries receive the benefits of livestock insurance.
- The department should evolve a proper system to enforce control over the quality of animal feed, milk and milk products.
- The department should evolve a proper system to monitor the execution of works.
- Works should normally be executed through the Public Works Department to avoid payment of departmental charges.
- The internal audit system should be strengthened.

These points were demi-officially referred to the FCPS, Animal Husbandry and Dairying Department in May 2011. Reply had not been received (August 2011).



Chandigarh

Dated: 09 दिसम्बर 2011
DEC

(Onkar Nath)
Principal Accountant General (Audit),
Haryana

Countersigned



New Delhi

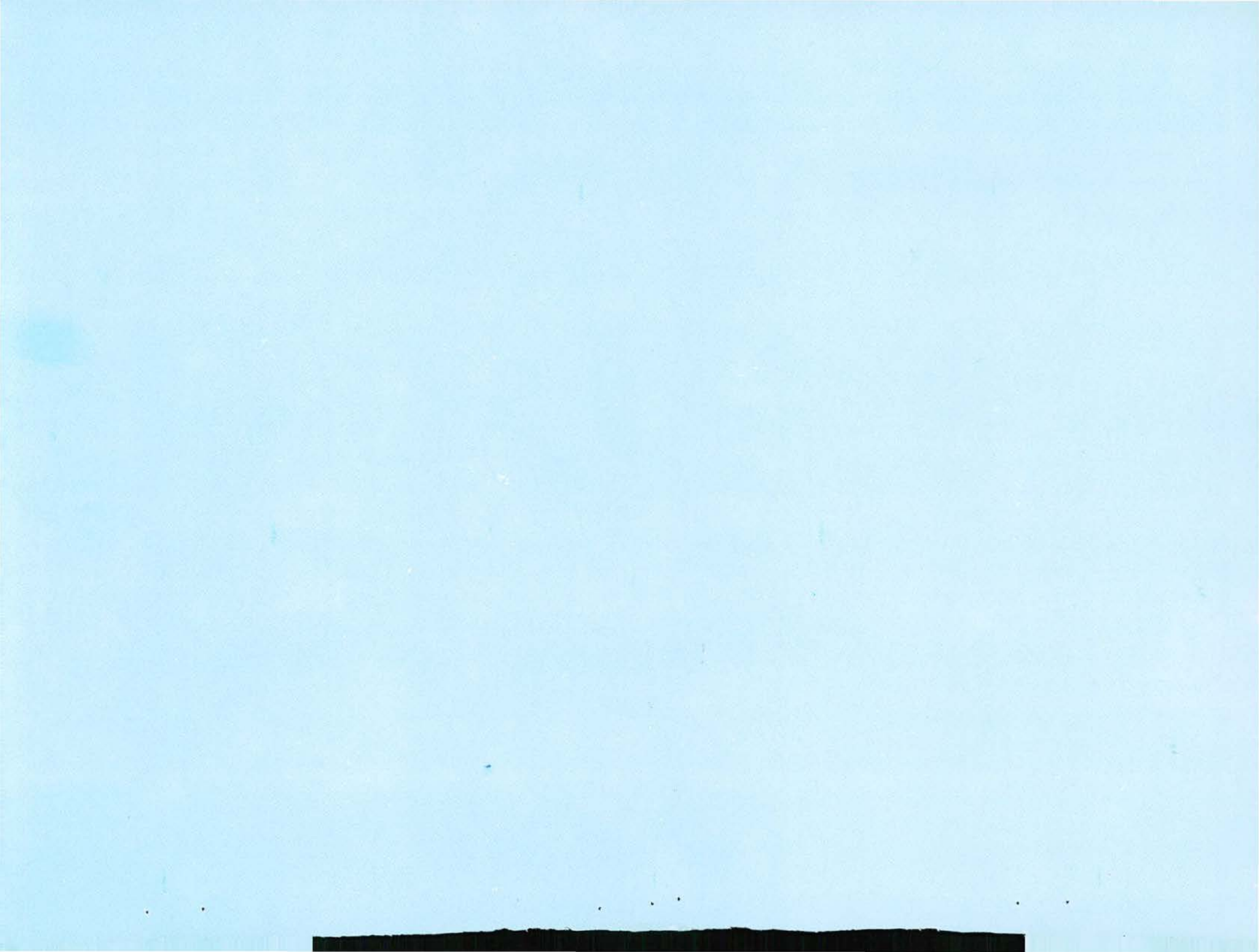
Dated: 19 दिसम्बर 2011
DEC

(Vinod Rai)
Comptroller and Auditor General of India

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APPENDICES



Appendix 1.1

(Reference: Paragraph 1.6.1; Page 8)

Statement showing year-wise break-up of outstanding Inspection Reports and paragraphs

Sr. No.	Years	Inspection Reports	Paragraphs	Amount (₹ in lakh)
1	2003-04	219	429	1,444.36
2	2004-05	281	445	2,091.84
3	2005-06	305	707	2,743.53
4	2006-07	292	1,393	4,847.54
5	2007-08	185	429	1,325.41
6	2008-09	244	666	5,238.72
7	2009-10	280	632	3,662.88
8	2010-11	461	1,488	6536.75
	Total	2,267	6,189	₹ 27,891.03

Say ₹ 278.91 crore

Appendix 1.2

(Reference: Paragraph 1.6.1; Page 8)

Statement showing category-wise details of serious irregularities pointed out through Inspection Reports

Sr. No.	Category/Nature of irregularities	No. of paras	Amount (₹ in lakh)	Period
1	Non-obtaining/non-production of Utilisation certificate/wanting APRs ¹	309	9,387.01	April 2003 to March 2011
2	Non-recovery/short recovery and outstanding charges	5	0.09	-do-
3	Excess /irregular expenditure on pay and allowances	948	3,033.60	-do-
4	Irregular/wasteful/unfruitful expenditure/ diversion of funds	284	1,507.63	-do-
5	Non-production/ non-maintenance of records	719	1,906.90	-do-
6	Non-disposal of condemned vehicles/articles etc	752	183.37	-do-
7	Irregular retention/misutilisation\ non-utilisation of government money/funds/ loans/blockade of government funds excess expenditure over budget.	942	5,213.15	-do-
8	Non-adjustment of advance payments/advances	31	66.56	-do-
9	Miscellaneous irregularities/cash book	2,199	6,592.72	-do-
Total		6,189	27,891.03	

Say ₹ 278.91 crore

¹ Actual Payee Receipts.

Appendix 1.3
(Reference: Paragraph 1.6.3; Page 9)

Details of Audit Report paragraphs for which replies are awaited for the years 2006-07, 2007-08 2008-09 and 2009-10 (Civil Reports)

Sr. No.	Name of Department	Period	Total paras	Para No.
1.	Agriculture	2006-07	2	4.3.2, 4.3.4
		2009-10	1	1.1
2.	Education	2006-07	2	3.4, 4.3.3
		2008-09	2	2.1.3, 2.1.4
		2009-10	1	2.4.1
3.	Environment	2006-07	2	3.3, 4.2.3
4.	Excise and Taxation	2006-07	1	4.3.6
5.	Finance	2006-07	2	4.5.7, 4.6.2
		2008-09	1	2.6.1
		2009-10	1	2.6.1
6.	General Administration	2006-07	2	4.4.2, 4.5.6
7.	Home (Police and Jail)	2006-07	1	4.5.2
		2008-09	2	1.2, 2.1.2
		2009-10	1	2.2.6
8.	Industries and Commerce	2006-07	1	5.1
		2008-09	1	2.4.1
9.	Irrigation	2006-07	3	4.2.1, 4.2.2, 4.5.5
		2008-09	2	2.1.5, 2.3.8
		2009-10	3	2.2.2, 2.2.3, 2.3.4
10.	Medical and Health	2006-07	2	4.5.3, 4.6.1
		2008-09	3	1.1, 2.1.1, 2.2.2
11.	Public Works Department(B&R)	2006-07	2	4.3.1, 4.5.4
		2008-09	4	2.3.2, 2.3.3, 2.3.4, 2.3.7
		2009-10	2	2.2.1, 2.4.2
12.	Public Works Department(P&H)	2006-07	1	3.2, (4.2.1)
		2008-09	1	2.3.6
		2009-10	3	1.3, 2.2.5, 2.4.3, 2.4.4
13.	Revenue	2006-07	1	4.5.1
		2008-09	1	2.5.1
14.	Rural Development	2008-09	1	1.3
		2009-10	1	2.5.2

Sr. No.	Name of Department	Period	Total paras	Para No.
15.	Town and Country Planning (Haryana Urban Development Authority)	2006-07	1	4.4.3
		2008-09	1	2.3.1
		2009-10	2	1.4,2.3.1
16.	Transport	2008-09	1	1.4
		2009-10	1	2.3.2
17.	Administration of Justice	2008-09	1	2.2.1
18.	Supplies and Disposals	2008-09	1	2.3.5
19.	Women and Child Development	2009-10	1	1.2
20.	Social Justice and Empowerment	2009-10	2	2.1.1,2.5.1
21.	Fisheries	2009-10	1	3.1
22.	Public Relations	2007-08	1	4.3.7
23.	Co-operation	2007-08	1	5.5.1
Total			67	

Appendix 1.4

(Reference: Paragraph 1.6.3; page 9)

List of paragraphs where recoveries had been pointed out but no action has been taken by the administrative departments

Sr. No.	Name of Administrative Department	Year of Audit Report	Paragraph Number	Amount (₹ in lakh)
1.	Agriculture	2000-01	6.3	40.45
			6.6	30.60
2.	Animal Husbandry	2000-01	3.4	21.96
		2001-02	6.3	747.00
3.	Finance	2001-02	3.3	5.62
4.	Food and Supplies	2002-03	4.6.8	23.89
5.	Rural Development (DRDA)	2001-02	6.1.11	0.54
		2003-04	4.5.1	273.00
6.	Town and Country Planning (HUDA)	2000-01	3.16	15,529.00
		2001-02	6.10	4,055.00
Total			10	20,727.06

Say ₹ 207.27 crore

Appendix 1.5
(Reference: Paragraph 1.6.3; page 9)

Statement showing outstanding recommendations of the Public Accounts Committee on which the Government is yet to take final decisions

Sr. No.	PAC Report	Total number of outstanding recommendations
1.	7 th	1
2.	9 th	1
3.	14 th	1
4.	16 th	1
5.	18 th	1
6.	19 th	1
7.	21 st	1
8.	22 nd	2
9.	23 rd	1
10.	25 th	3
11.	26 th	2
12.	28 th	1
13.	29 th	3
14.	32 nd	7
15.	34 th	5
16.	36 th	9
17.	38 th	8
18.	40 th	9
19.	42 nd	10
20.	44 th	12
21.	46 th	7
22.	48 th	3
23.	50 th	36
24.	52 nd	20
25.	54 th	13
26.	56 th	16
27.	58 th	40
28.	60 th	39
29.	61 st	15
30.	62 nd	25
31.	63 rd	28
32.	64 th	09
33.	65 th	23
Total		354

Appendix 2.1

(Reference: Paragraph 2.1.8.4; Page 25)

Detail of students appeared and passed during 2006-2011

Sr. No.	Name of classes	2005-06		2006-07		2007-08		2008-09		2009-10	
		Appeared	Passed	Appeared	Passed	Appeared	Passed	Appeared	Passed	Appeared	Passed
1	M.Sc Stat	18	4	25	9	30	16	23	15	21	5
2	M.Sc Indus Chemistry	57	26	50	30	29	25	29	25	36	28
3	M.Sc Math	712	135	770	191	780	216	385	100	528	70
4	B.Com III	6160	4874	6890	5452	7204	5663	7530	6260	9173	6152
5	BCA	441	354	763	201	788	226	703	513	1079	1048
6	M.Sc Computer Science	2444	736	2595	821	2730	1081	1637	635	2465	710
7	MA History	1665	519	1595	773	1550	761	1708	924	1753	941
8	MA Political Science	1491	514	1223	343	1205	435	937	458	1021	255
9	MA Sanskrit	1170	277	773	180	630	160	682	129	55	41
10	MA Mass Communication	403	214	396	175	418	383	395	282	210	170
11	Parbhakar	2415	1108	2301	1139	1200	453	908	652	1029	878
12	Post Graduate Diploma in Computer Application	5657	953	NA	NA	5149	861	5352	922	3422	942
13	LLB IIIrd	461	256	279	196	268	175	301	195	279	168
14	M.Com	2126	965	2178	1050	2178	850	1332	1212	496	297
15	MBA Vth Semester	620	369	729	435	865	502	1335	1040	3525	2092
16	MA Punjabi	561	242	830	243	630	140	552	356	449	315
	Total	26401	11546	21397	11038	25654	11947	23809	13718	25541	14112

Appendix 2.2
(Reference: Paragraph 2.1.8.7; Page 26)
Statement showing unutilised grants

(₹ in lakh)

Sr. No	Name of the Department	Funds allocated	Funds utilised	Balance amount
1	Botany	32.02	31.38	0.64
2	Bio-technology	14.00	13.96	0.04
3	University Institute of Engineering and Technology	120.00	114.05	5.95
4	Geophysics	76.00	71.13	4.87
5	Computer Science and Application	47.57	25.90	21.67
6	Home Science	25.60	25.56	0.04
7	Geology	59.00	42.72	16.28
8	Micro-biology	91.41	63.49	27.92
9	Geography	26.70	16.20	10.50
10	Psychology	21.50	1.81	19.69
11	Chemistry	124.75	40.97	83.78
12	Economics	15.73	11.04	4.69
13	Electronics Science	600.00	256.93	343.07
14	Zoology	942.80	156.56	786.24
15	Mathematics	10.00	9.99	0.01
16	Bio-chemistry	20.00	10.75	9.25
17	Physics	153.00	86.32	66.68
18	Statistics	53.50	9.41	44.09
19	Commerce	4.35	3.93	0.42
20	School of Management	42.80	33.20	9.60
21	Mass Communication and Media Technology	161.66	8.36	153.30
22	Mini-library	200.00	-	200.00
23	WI-FI system	102.00	-	102.00
24	Accounts branch	55.61	-	55.61
Total		3,000.00	1,033.66	1,966.34

Appendix 2.3

(Reference: Paragraph 2.2.7 Page 43)

Details of schemes of Forest Department executed during 2006-11

(A) Schemes for Forest Development

Sr. No.	Name of scheme
Centrally sponsored schemes	
1.	Integrated Forest Protection (Sharing)
Externally aided schemes	
1.	Integrated Natural Resource Development and Poverty Reduction Project
State Plan schemes	
1.	Soil Conservation
	Soil conservation on water shed basis for training, afforestation of special sites
	Afforestation of special sites for Desert Control
2.	Forestry- Direction and Administration
	Information Technology
3	Education and Training
	Forest Publicity, Public Relation and Extension
	Training of Personnel
4.	Communication and Buildings
	Buildings
	Forest communication
5.	Forest Conservation Development and Regeneration
	Protection of forests
	Rehabilitation of degraded forest
6.	Social and Farm Forestry
	Herbal Nature Park
	Integrated Forest Protection (sharing)
	Strip plantation on Government lands
	Revitalization of institutions in Aravalli Hills
	Social and Farm Forestry Scheme (State Plan)
	Compensatory Afforestation
	Community Forestry Project
	State forest research institute (overleaf)
	Survey Demarcation and settlement of forest area
	Development of Agro-Forestry Clonal and Non-Clonal
	Green Belts in urban areas
7.	Survey and utilization of forest resources (working plan)
8.	Special Component Plan for Scheduled Castes
	Social and Farm forestry scheme for scheduled castes
	Integrated Resources Development and Poverty Reduction Project for scheduled castes
	Forestry activities in scheduled castes villages
State Non-Plan schemes	
1.	Direction and Administration
	Circle / Divisional staff

Appendix 2.6

(Reference: Paragraph 2.2.7.6 Page 47)

Statement showing the works approved by the Steering Committee of the State Compensatory Afforestation Fund Management and Planning Authority, Haryana

(₹ in crore)

Sr. No	Item	Amount approved	Amount released	Balance
A	Compensatory Afforestation	7.10	4.96	2.14
B	Proposal of works under Net Present Value			
i	Conservation, protection and management of wildlife and its habitat.	1.61	1.55	0.06
ii	Establishment of Breeding Conservation Centre for Peacock and Chinkara at Jhabua.	1.00	-	1.00
iii	Aided Natural Regeneration in natural forests to improve density of forests 200 plants per hectare	0.42	0.31	0.11
iv	Forest protection including maintenance of fire lines.	0.20	0.20	-
v	Plantation of tall plants in linear forest 250 plants per RKM including brush wood round	1.47	1.31	0.16
vi	Plantation on ridges in depression area in linear forests. 500 plants per RKM	1.35	1.16	0.19
vii	Land reclamation by plantation on farm lands (Environmental service) 200 plants per hectare	0.72	0.57	0.15
viii	Plantation of Tree Groves in public lands like village ponds, schools, community lands other common places.	1.12	1.12	-
ix	Establishment of Mist Chambers & allied works.	0.56	0.30	0.26
x	Vehicle for Monitoring and Evaluation wing.	0.15	-	0.15
xi	Construction of Boundary Wall of Compensatory Afforestation land in Gurgaon at three	0.30	0.15	0.15
xii	Building for new forest division at Palwal and Mewat-Nuh.	-	-	-
xiii	Construction of office complex, Rohtak.	-	-	-
xiv	Water storing bodies in Shiwaliks and Aravallis and Soil Conservations works.	1.80	0.64	1.16
xv	Construction of Quarters of class III and IV staff at Forest Training Centre	0.64	0.35	0.29
xvi	Refresher training to front line staff for one week of six days at the rate of ₹ 500 per trainee per day.	0.09	0.09	-
xvii	Research and Seed Development Activities.	0.18	0.18	-
xviii	Provision for the eco-societies in village around Kaleasr National Park, Kalesar Wildlife Sanctuary, Khol Hai Raittan and Bir Shikargah Sanctuaries.	0.02	0.02	-
	Total	18.73	12.91	5.82
xix	Contingency at the rate of 3 per cent	0.37	-	0.37
	Total	19.10	12.91	6.19
xx	Refund to Suzlon	0.01	-	0.01
xxi	Grand Total	19.11	12.91	6.20
xxii	Released Amount to be Approved by Steering Committee		0.61	
	Total (xxi+xxii)		13.52	
	Net Balance			5.59

Appendix 2.7

(Reference: Paragraph 2.2.13.1 Page 57)

Status of the Project of Eco-Tourism in Morni- Pinjore Hills, Sultanpur National Park and Kalesar

Name of Scheme / Sub Scheme	Total Works	Project Cost (₹ in lakh)	Works Completed & Expenditure		Works incomplete			Works not started	
			No. of works	Expenditure (₹ in lakh)	No. of works	Project Cost (₹ in lakh)	Expenditure (₹ in lakh)	No. of works	Project Cost (₹ in lakh)
(A) Eco-Tourism in Morni (Pinjore) and Sultanpur									
Development of Eco Tourism facilities in Morni Fort	08	57.68	05	48.12	Nil	Nil	Nil	03	4.94
Lal Munia Forest Rest House	06	31.04	01	1.56	02	25.06	24.05	03	3.17
Tikkar & Bara Tal	09	44.45	02	5.18	06	38.06	30.45	01	Nil
Watch Towers	06	12.50	01	2.11	01	2.50	1.75	04	7.50
Nature walking Path	01	3.96	01	3.17	Nil	Nil	Nil	Nil	Nil
Thapli Nature Camp	19	133.31	07	43.61	06	78.97	62.26	06	2.56
Water Body	01	38.70	01	37.93	Nil	Nil	Nil	Nil	Nil
Sultanpur National Park	03	7.55	02	7.00	Nil	Nil	Nil	01	Nil
Sub Total	53	329.19	20	148.68	15	144.59	118.51	18	18.17
(B) Eco-Tourism in Kalesar and Bansantaur									
Kalesar Nature Camp	12	17.51	02	6.47	01	8.00	6.43	09	2.71
Nature Trails	01	3.50	Nil	Nil	Nil	Nil	Nil	01	3.50
Chuharpur Herbal Park	10	105.92	06	75.35	02	23.71	14.98	02	2.62
Construction of water Bodies	01	100.00	01	99.22	Nil	Nil	Nil	Nil	Nil
Bansantor Nature Camp	12	82.80	02	9.27	04	53.51	20.87	06	17.96
Nature Trails	01	3.50	01	3.49	Nil	Nil	Nil	Nil	Nil
Sub Total	37	313.23	12	193.80	7	85.22	42.28	18	26.79
Grand Total	90	642.42	32	342.48	22	229.81	160.79	36	44.96

Appendix 2.8
(Reference: Paragraph 2.2.16.1 Page 63)
Statement showing shortage of staff

Sr. No.	Designation	Sanctioned	Persons in position	Shortage	Percentage
1.	Indian Forest Service	69	60	9	13
2.	Haryana Forest Service	54	45	9	17
3.	Section Officer	1	1	-	-
4.	Forest Map Officer	1	1	-	-
5.	Tehsildar	1	0	1	100
6.	Naib Tehsildar	2	0	2	100
7.	Forest Ranger	106	87	19	18
8.	Deputy Ranger	123	110	13	11
9.	Forester	527	509	18	03
10.	Forest Guard	1547	1332	215	14
11.	Tubewell Mechanic	2	0	2	100
12.	Circle Head Draftsman	5	4	1	20
13.	Head Draftsman	1	1	-	-
14.	Draftsman	11	7	4	36
15.	Kanoongo	7	3	4	57
16.	Patwari	15	1	14	93
17.	Demarcation Supervisor	1	1	-	-
18.	Technical Assistant	1	1	-	-
19.	Surveyor	3	3	-	-
20.	Draftsman -cum-Surveyor	1	1	-	-
21.	Artist	1	1	-	-
22.	Photographer	1	1	-	-
23.	Statistical Assistant	4	4	-	-
24.	Computer Programmer	2	0	2	100
25.	Computer Data Operator, (Project Director, Community Forestry)	13	0	13	100
26.	Canner	1	1	-	-
27.	Additional District Attorney	5	5	-	-
28.	Establishment Officer	2	2	-	-
29.	Superintendent	14	14	-	-
30.	Chief Publicity Officer	1	0	1	100
31.	Dy. Superintendent	48	48	-	-
32.	Assistant	113	122	(+) 9	-
33.	Accountants	0	0	-	-
34.	Clerk / Typist	236	214	22	09
35.	Stenographer	43	21	22	51
36.	Steno Typist	23	10	13	57
37.	Personal Assitant	1	1	-	-
38.	Jamadar Peon	6	2	4	67
39.	Daftri	2	0	2	100
40.	Peon/Chowkidar/Mali	667	600	67	10
41.	Head Mali	2	0	2	100

Sr. No.	Designation	Sanctioned	Persons in position	Shortage	Percentage
42.	Restorer	1	0	1	100
43.	Car/Jeep/Tractor Driver	135	130	5	04
44.	Tubewell Operator	1	1	-	-
45.	Full/Part Time Sweeper	2	2	-	-
46.	Computer	1	1	-	-
47.	Tractor Cleaner	5	0	5	100
48.	Mobafiz Tree	2	1	1	50
49.	Research Investigator	1	1	-	-
50.	DPO	2	3	(+) 1	-
51.	Supervisor-cum-Driver	1	0	1	100
52.	Sweeper-cum-Chowkidar	4	4	-	-
53.	Group D (Shramik)	753	384	369	49
54.	Additional Principal Chief Conservator of Forest (Wildlife)-cum-Chief Wild Life	0	0	-	-
55.	Conservator of Forest (Wildlife)	0	0	-	-
56.	Divisional Wildlife Officer	4	1	3	75
57.	Inspector Wildlife	19	16	3	16
58.	Sub Inspector Wildlife	16	15	1	06
59.	Wildlife Guards	72	49	23	32
60.	Draftsman	1	1	-	-
61.	Cinema Assistant	1	1	-	-
62.	Tubewell Operator	1	1	-	-
63.	Superintendent	1	1	-	-
64.	Assistant District Attorney	1	1	-	-
65.	Deputy Superintendent	2	2	-	-
66.	Assistant	6	6	-	-
67.	Clerks	8	6	2	25
68.	Senior Scale Stenographer	1	0	1	100
69.	Driver	4	3	1	25
70.	Peon	7	6	1	14
71.	Peon-cum-Chowkidar	5	2	3	60
72.	Attendant-cum-Chowkidar	1	1	-	-
73.	Mali-cum-Chowkidar	4	4	-	-
74.	Keeper	4	4	-	-
75.	Chowkidar	1	1	-	-
76.	Group-D (Shramik)	42	42	-	-
	Total	4,772	3903	869	

Appendix 2.9

(Reference: Paragraph 2.2.17 Page 64)

Statement showing year-wise breakup of outstanding Inspection Reports and paragraphs

Year	Inspection Reports	Paragraphs	Amount (₹ in lakh)
1990-91	1	1	0.25
1991-92	1	1	0.77
1994-95	1	2	1.20
1996-97	1	1	0.80
1997-98	1	1	26.14
1998-99	2	2	4.44
1999-00	1	1	0.40
2000-01	1	1	3.52
2001-02	9	12	129.57
2002-03	7	14	70.51
2003-04	8	16	169.60
2004-05	10	35	645.45
2005-06	15	35	930.27
2006-07	14	30	808.18
2007-08	14	34	391.14
2008-09	21	58	746.04
2009-10	27	151	8,687.91
Total	134	395	12616.19

₹ 126.16 crore

Appendix: 2.10

(Reference: Paragraph 2.2.17 Page 64)

Statement showing category-wise details of irregularities in outstanding Inspection Reports

Sr. No.	Nature of Irregularities	Number of Paras	Amount (₹in Lakh)
1	Irregular/ wasteful/ unfruitful expenditure	72	1885.99
2	Failure of plantations	19	146.20
3	Irregular retention/misutilisation/ non-utilization of Government money/ funds/ loan/ blockade of Government funds and excess expenditure over budget	31	1341.18
4	Outstanding recoveries from staff/ agencies/ contractors etc.	50	1014.11
5	Non-recovery of back wages payment to staff from the officers responsible for this/ irregular payment to daily wagers.	32	429.59
6	Miscellaneous irregularities	191	7799.12
Total		395	12616.19

₹ 126.16 crore

Appendix 2.11

(Reference: Paragraph 2.3.8.3; Page 73)

Details of staff position of Nurses and Muti-Purpose Health Workers (Female)

Nurses

Sr. No.	Name of the institution	Sanctioned	Filled	Vacant	Percentage of vacant posts
1	G.H. Jind	30	30	0	0
2	G.H. Narwana	27	17	10	37
3	CHC Safidon	12	11	1	8
4	CHC Uchana	5	5	0	0
5	CHC Ujhana	5	5	0	0
6	CHC Kandela	5	5	0	0
7	CHC Kalwa	2	1	1	50
8	CHC Kharakramji	2	1	1	50
9	CHC Julana	5	5	0	0
Total		93	80	13	14

Muti-Purpose Health Workers (Female)

Sr. No.	Name of the institution	Sanctioned	Filled	Vacant	Percentage of vacant posts
1	G.H. Jind	2	2	0	0
2	G.H. Narwana	2	2	0	0
3	CHC Safidon	20	16	4	20
4	CHC Uchana	29	22	7	24
5	CHC Ujhana	27	13	14	52
6	CHC Kandela	18	15	3	17
7	CHC Kalwa	24	21	3	13
8	CHC Kharakramji	17	14	3	18
9	CHC Julana	24	24	0	0
Total		163	129	34	21

Appendix 2.12

(Reference: Paragraph 2.3.11.1; Page 79)

Details of staff position

Sl. No.	Designation	Subject Name	Total sanctioned	Filled up	Vacant	Guest teachers deployed
1	Principal	Non-teaching	93	75	18	0
2	Lecturer	Biology	14	12	2	2
		Chemistry	19	12	7	13
		Commerce	15	12	3	11
		Economics	66	38	28	12
		English	118	86	32	29
		Fine Arts	1	1	0	0
		Geography	17	11	6	3
		Hindi	116	78	38	33
		History	98	59	39	28
		Home Science	6	3	3	2
		Mathematics	32	17	15	10
		Music	1	0	1	0
		Physical Education	1	1	0	0
		Physics	19	7	12	14
		Political Science	99	76	23	17
		Psychology	1	0	1	0
		Punjabi	5	1	4	1
		Sanskrit	52	43	9	10
		Sociology	12	10	2	1
Total			692	467	225	186
3	Master	Home science	18	18	0	1
		Mathematics	347	253	94	80
		Music	9	9	0	0
		DPE	87	54	33	0
		Science	348	212	136	100
		Social Studies	686	483	203	174
Total			1495	1029	466	355
4	C&V	Hindi	326	295	31	26
		Punjabi	28	29	-1	0
		Sanskrit	329	300	29	16
		Cutting and tailoring	4	5	-1	0
		Drawing	294	280	14	11
		PTI	321	278	43	0
Total			1302	1187	115	53
5	Head master	Non-teaching	195	58	137	0
Total			195	58	137	0

Appendix 4.1

(Reference: Paragraph 4.1.1; Page 130)

Statement showing Acts/Rules and orders enforced in the Animal Husbandry and Dairying Department

Central Acts and orders	
1.	Prevention of Cruelty to Animal Act, 1960
2.	The Veterinary Council Act, 1984.
3.	Prevention of Animal's Infection Disease Act, 2009
4.	The Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009
5.	The Milk and Milk Products Order, 1992
State Acts, Rules and orders	
1.	Haryana Murrah Buffalo and other Milch Animal Breed (Preservation and Development of Animal Husbandry and Dairy Development Sector) Act 2001
2.	Punjab Livestock and Birds Diseases Act, 1948.
3.	Punjab Live Stock Improvement Act, 1953.
4.	Cattle Trespass Act, 1871
5.	Punjab Animal Contagious Diseases Rules, 1953.
6.	Prevention of Cruelty to Drought and Pack Animals Rules, 1965.
7.	The Prevention of Cruelty to Animals (Licensing of Farriers) Rules, 1965
8.	Haryana Prohibition of Cow Slaughter Rules 1972
9.	Performing Animals Rules 1973.
10.	The Transport of Animals Rules, 1978.
11.	The Prevention of Cruelty to Animals (Application of Fines) Rules, 1978
12.	The Prevention of Cruelty to Animals (Registration of Cattle Premises) Rules, 1978
13.	The Prevention of Cruelty (Capture of animals) Rules, 1972.
14.	The Performing Animals (Registration) Rules, 2001
15.	The Prevention of Cruelty to Animals (Transport of Animals on Foot) Rules, 2001.
16.	The Prevention of Cruelty to Animals (Slaughter House) Rules, 2001.
17.	The Prevention of Cruelty to Animals (Establishment and Regulation of Societies for prevention of cruelty to Animals) Rules, 2001.
18.	The Animal Birth Control (Dogs) Rules, 2001.
19.	Haryana Murrah Buffalo and other Milch Animal Breed Rules, 2002.
20.	Haryana Regulation of Compound Cattle Feed, Concentrates and Minerals Mixtures order, 1999

Appendix 4.2

(Reference: Paragraph 4.1.1; Page 131)

Statement showing list of schemes implemented by the Animal Husbandry and Dairying Department

Centrally Sponsored Schemes (100 per cent)	
1	National Programme for Rinderpest Eradication (NPRE)
2	18 th Livestock Census
3	Scheme for Fodder and Feed Development
4	Foot and Mouth Diseases Control Programme
5	Scheme for National Project for Cattle and Buffalo Breeding
6	Scheme for Integrated Sheep and Wool Development Programme
7	Integrated Murrah Development Project
8	Scheme for upgradation of existing HVTI, Hisar
9.	Livestock Insurance Scheme
10	Rashtriya Krishi Vikas Yojna (RKVY)
Central State Sharing Basis	
1	Assistance to State for Control of Animal Diseases (ASCAD) (75:25)
2	Scheme for Establishment of Veterinary Council(50:50)
3.	Scheme for the Strengthening of Government Poultry Farms (State Share of ₹ 8 Lakh in the shape of land and building)
4.	Scheme for Sample Survey Estimation of Production of Milk, Eggs, Wool and Meat Production (50:50)
State Schemes	
1	Strengthening of office of the Deputy Director/Sub Division Officer's and creation of new districts.
2	Opening of New Veterinary Dispensaries.
3	Conversion of Veterinary Dispensaries/Stockmen Centres into HCBC
4	Construction/Renovation/Repair of Veterinary Institutions
5	Veterinary Infrastructure Construction/Reconstruction in the State under NABARD RIDF VIII
6.	Scheme of Modernization of existing Veterinary Institutions and Laboratories.
7	Scheme for Setting up of Veterinary University Hisar.
8.	Scheme for Animal Health Care in the State.
9	Scheme for setting up of Pet Clinic
10	Scheme for the Special Employment to Educated Youth.
11	Scheme for Establishment of Hi - Tech Dairy Units.
12	Scheme for Establishment of Agricultural Human Resources Development Project.
13	Scheme for Integrated Murrah Development
14	Establishment of Dairy Unit of 2 Milch Animals in Mewat Area.
15	Scheme for Special Livestock Insurance (SCSP) for Scheduled Castes.
16	Scheme for Employment Opportunities to Scheduled Castes.
17	Scheme for the Special Employment to Educated Youth.

Appendix 4.3
(Reference: Paragraph 4.1.5; Page 132)

List of units selected for audit

Name of District	Name of office
Panchkula	Director Animal Husbandry and Dairying Department, Panchkula Deputy Director Rinder Pest and Disease Control, Panchkula Haryana Livestock Development Board, Panchkula
Ambala	Deputy Director (ICDP), Ambala. Sub Divisional Officer (AH), Ambala
Bhiwani	Deputy Director (ICDP), Bhiwani Sub Divisional Officer (AH), Bhiwani Sub Divisional Officer (AH), Charkhi Dadri
Fatehabad	Deputy Director (AH), Fatehabad Sub Divisional Officer (AH), Tohana
Hisar	Deputy Director (ICDP), Hisar Sub Divisional Officer (AH), Hisar Assistant Director Government Hatchery, Hisar Deputy Director State Cattle Breeding Project Mechanical Engineer Government Livestock Farm, Hisar Superintendent State Cattle Breeding Project, Hisar.
Jind	Sub Divisional Officer (AH), Narwana
Jhajjar	Deputy Director (ICDP), Jhajjar Sub Divisional Officer (AH), Bahadurgarh
Kaithal	Deputy Director (ICDP), Kaithal Sub Divisional Officer (AH), Gulha
Karnal	Deputy Director (ICDP), Karnal Sub Divisional Officer (AH), Karnal
Kurukshetra	Deputy Director (ICDP), Pehowa Sub Divisional Officer (AH), Pehowa
Rewari	Deputy Director (ICDP), Rewari Sub Divisional Officer (AH), Rewari Sub Divisional Officer (AH), Kosli

Appendix 4.4**(Reference: Paragraph 4.1.6.1; Page 132)****Statement showing the main activities to be taken up by the Animal Husbandry and Dairying Department as provided in the Eleventh Five-Year Plan**

Sr. No.	Activities
1.	Construction/renovation/repair of veterinary institutions
2.	Animal health care in the State
3.	Integrated Murrah development.
4.	Strengthening of existing piggery farm at Ambala and Hisar (SCSP)
5.	Modernization of existing veterinary institutions and laboratories
6.	Livestock insurance
7.	Special employment to educated/semi-educated young men/women or rural areas through dairy development by establishment of mini dairy units.

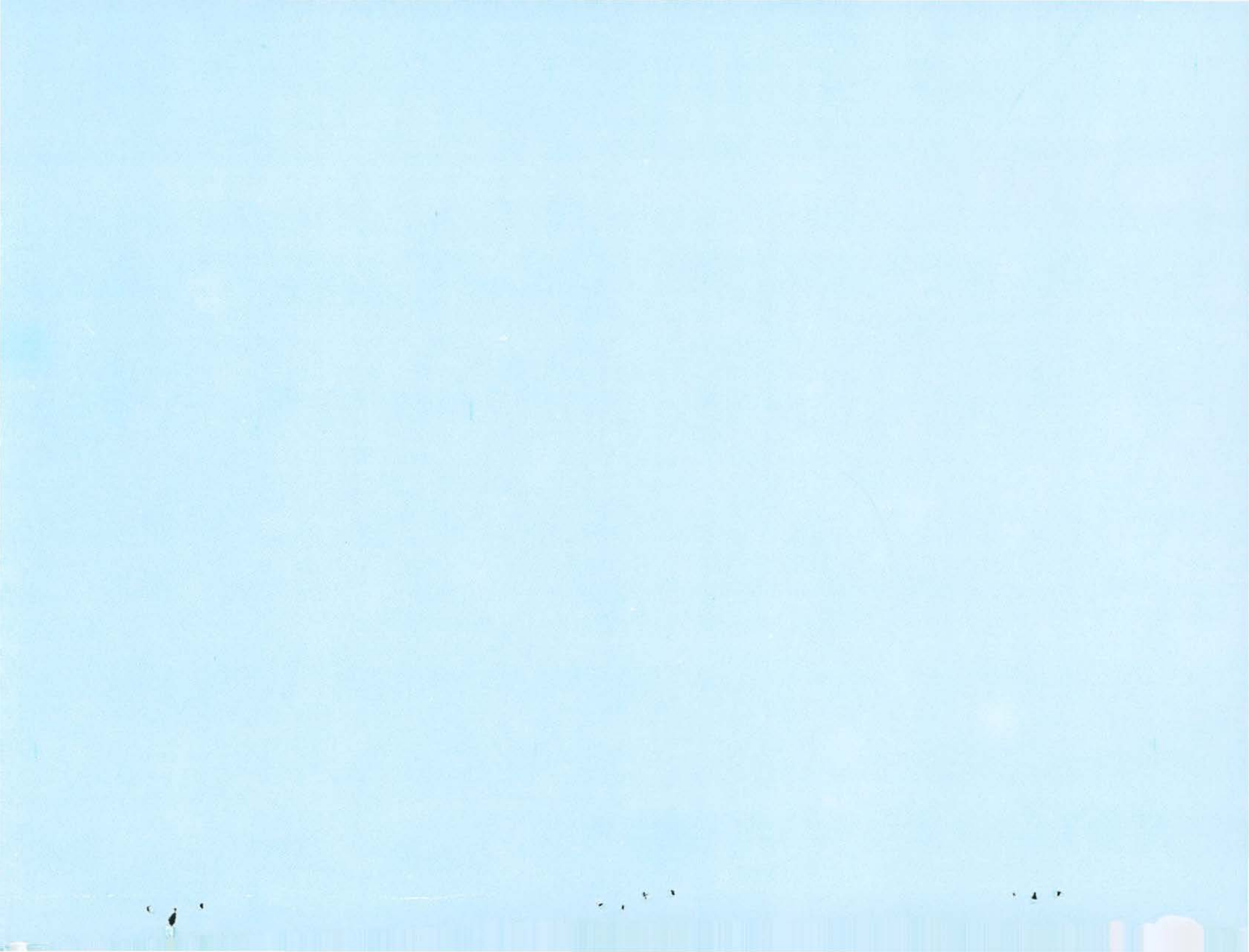
Appendix 4.7

(Reference: Paragraph 4.1.11.3; Page 155)

Details of condemned stores/vehicles lying with various offices, awaiting disposal

Name of office	Book value/ Reserve price (₹ in lakh)	Particular
Assistant Poultry Development Officer, Ambala	6.56	Miscellaneous store articles
Deputy Director (ICDP), Bhiwani	0.16	Miscellaneous Store Articles
Sub Divisional Officer (AH), Charkhi Dadri	3.00	Jeep
Deputy Director (AH), Hisar	3.60	Jeep
Assistant Director Government Hatchery, Hisar	1.24	Generator
Mechanical Engineer, Government Livestock Farm, Hisar	10.64	Four Vehicles and Agriculture implements
Total	25.20	

GLOSSARY



GLOSSARY OF ABBREVIATIONS

AAP	Annual Action Plan
AAV	Antodya Anna Yojna
ADCs	Additional Deputy Commissioners
AI	Artificial Insemination
AICTE	All India Council for Technical Education
APL	Above Poverty Line
ARs	Audit Reports
ARWSP	Accelerated Rural Water Supply Programme
ASC	Academic Staff College
ASHA	Accredited Social Health Activist
ATNs	Action Taken Notes
B & R	Buildings and Roads
BDPOs	Block Development and Panchayat Officers
BIS	Bureau of Indian Standards
BPL	Below Poverty Line
BUSG	Build up Spray Grout
BYK	Bharat Yatra Kendra
CAG	Comptroller and Auditor General of India
CAMPA	Compensatory Afforestation Management and Planning Authority
CCFs	Chief Conservators of Forest
CF	Conservator of Forest
CFP	Community Forestry Project
CHCs	Community Health Centres
CPD	Chief Project Directors
CPDO	Chief Planning and Development Officer
CRF	Central Road Fund
CSIR	Council for Scientific and Industrial Research
CVD	Civil Veterinary Dispensaries
DC	Deputy Commissioner
DDISH	Deputy Directors, Industrial Safety and Health
DDOs	Drawing and Disbursing Officers
DDs	Deputy Directors
DEO	District Education Officer
DFOs	Divisional Forest Officers

DFSC	District Food and Supplies Controller
DG	Director General
DHBVN	Dakshin Haryana Bijli Vitran Nigam
DHS	District Health Society
DleDC	District Level E-Disha Centre
DPC	District Planning Committee
DPC	District Project Coordinator
DPO	District Planning Officer
DPP	District Perspective Plan
DRCS	District Red Cross Societies
DRDA	District Rural Development Agency
DSIR	Department of Scientific and Industrial Research
DST	Department of Science and Technology
DUDA	District Urban Development Agency
DWLOs	Divisional Wild Life Officers
EE	Executive Engineer
EOs	Executive Officers
EPA	Entry Point Activities
FCI	Food Corporation of India
FCPS	Financial Commissioner and Principal Secretary to the Government of Haryana
FSD	Food and Supplies Department
FWS	Fatehabad Water Services
GHSs	Government High Schools
GOI	Government of India
GPs	Gram Panchayats
GPS	Global Positioning System
GSSSs	Government Senior Secondary Schools
HARIS	Haryana Registrations Information System
HARTRON	Haryana State Electronics Development Corporation Limited
HAU	Haryana Agriculture University
HBOCWWB	Haryana Building and Other Construction Workers Welfare Board
HBVN	Haryana Bijli Vitran Nigam
HFDC	Haryana Forest Development Corporation
HLDB	Haryana Livestock Development Board

HPHCL	Haryana Police Housing Corporation Limited
HSAMB	Haryana State Agricultural Marketing Board
HT	High Tension
HUDA	Haryana Urban Development Authority
IAY	Indira Aawas Yojna
ICHR	Indian Council of Historical Research
IFS	Indian Forest Services
IGA	Income Generation Activities
IGNOU	Indira Gandhi National Open University
IHSDP	Integrated Housing and Slum Dwellers Programme
IIE	Institute of Instrumentation Engineering
ILR	Ice Line Refrigerator
IPHS	Indian Public Health Standards
IRC	Indian Red Cross Society
IRs	Inspection Reports
ITI	Industrial Training Institute
IUD	Inter-Uterine Devices
JBIC	Japan Bank of International Cooperation
JDs	Joint Directors
JICA	Japan International Cooperation Agency
JNNURM	Jawahar Lal Nehru National Urban Renewal Mission
LBM	Low Bituminous Macadam
LPCD	Litre Per Capita Per Day
LT	Low Tension
LWS	Loharu Water Services
MCJ	Municipal Council Jind
MCU	Municipal Committee Uchana
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MID	Ministry of Industrial Development
MLL	Main Line Lower
MMPO	Milk and Milk Products Orders
MOEF	Ministry of Environment and Forests
MOU	Memoranda of Understanding
MPHW	Multi Purpose Health Workers
MSP	Minimum support price
MTP	Medical Termination of Pregnancy

MTs	Metric Tonnes
NAAC	National Assessment and Accreditation Council
NABARD	National Bank for Agriculture and Rural Development
NGOs	Non-Government Organisations
NI	Natural Insemination
NIC	National Informatics Centre
NPCB	National Programme for Control of Blindness
NPV	Net Present Value
NRHM	National Rural Health Mission
NWS	Nahrana Water Services
OBC	Oriental Bank of Commerce
PCCF	Principal Chief Conservator of Forests
PDS	Public Distribution System
PG	Postgraduate
PHCs	Primary Health Centres
PHED	Public Health Engineering Department
PLPA	Punjab Land Preservation Act
PMGSY	Pradhanmantri Gram Sadak Yojna
PNDT	Pre-Natal Detection Test
PRIs	Panchayati Raj Institutions
PWD	Public Works Department
RKVY	Rashtriya Krishi Vikas Yojna
RO	Regional Offices
RR	Rehabilitation and Resettlement
RS	Research Scholars
RSMA	Rashtriya Madhyamic Shiksha Abhiyan
SBI	State Bank of India
SC/ST	Scheduled Castes/Scheduled Tribes
SCs	Sub-Centres
SDOs	Sub-Divisional Officers
SE	Superintending Engineer
SGSY	Swarnjayanti Gram Swarajgar Yojna
SHGs	Self Help Groups
SLSC	State Level Sanctioning Committee
SP	Superintendent of Police
SSA	Sarva Shiksha Abhiyan

TEQIP	Technical Education Quality Improvement Programme
TFC	Twelfth Finance Commission
TPDS	Targeted Public Distribution System
TSC	Total Sanitation Campaign
UC	Utilisation Certificate
UG	Undergraduate
UGC	University Grant Commission
UIET	University Institute of Engineering and Technology
VFCs	Village Forest Committees
VRMCs	Village Resource Management Committees
WBM	Water Bound Macadam
WJC	Western Jamuna Canal
WSD	Water Services Division
ZP	Zila Parishad

